CITY COUNCIL AGENDA

City of Canyon Lake, California

Wednesday, November 12, 2025
Closed Session Meeting at 5:00 P.M.
Regular Meeting at 6:30 P.M.

City Hall Council Chambers
31516 Railroad Canyon Road
Canyon Lake, CA 92587

CITY COUNCIL MEMBERS:

Mayor Mark Terry
Mayor Pro Tem Kasey Castillo
Council Member Jeremy Smith
Council Member Joshua Steeber
Council Member Dale Welty

Public Comment: Any person wishing to address the City Council on any matter within the jurisdiction of the City, whether or not it appears on this agenda, is asked to complete a speaker card and provide it to the City Clerk prior to the start of public comment. The City Council has adopted a time limit of three (3) minutes per person. Comments on specific agenda items will be heard when the item is called. Please note that if you are addressing the City Council on items NOT on the agenda, the Brown Act does not allow discussion of such items. Therefore, the City Council may only do the following: refer the matter to staff, ask for additional information or request a report back, or give a very limited factual response. Electronic comments may be submitted to cityclerk@canyonlakeca.gov. Comments submitted electronically will be provided to the City Council and included in the official record but will not be read aloud during the meeting.
CEQA Notice: Unless stated otherwise on the agenda, every item on the agenda is exempt from CEQA Guidelines sections 15060(c), 15061(b)(3), 15273, 15378, 15301, 15323 and/or Public Resources Code section 21065.
Council Agendas: The designated office for inspection of records is the Office of the City Clerk, Canyon Lake City Hall, 31516 Railroad Canyon Road, Canyon Lake, CA 92587. Complete agenda packets are available for public review at City Hall during normal business hours and on the City's website at www.canyonkaleca.gov.
ADA Notice: In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting or if you need agenda documents provided in an alternate format, please contact the City Clerk's Office at (951) 244-2955 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made.

CLOSED SESSION

CALL TO ORDER

ROLL CALL
Castillo, Smith, Steeber, Welty, Terry

PUBLIC COMMENT (3 MINUTES)
Members of the public wishing to address the City Council on any matter listed on the Closed Session agenda are asked to complete a speaker card and provide it to the City Clerk prior to the start of public comment. Comments are limited to Closed Session items only. Each speaker is allowed (3) minutes to speak.

DISCUSSION ITEMS

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION, Significant Exposure - Pursuant to Government Code Section 54956.9(d)(2): Claimant: M. Borja

2. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION - Pursuant to Government Code Section 54956.9(d)(2): Significant Exposure to Litigation, One case

3. CONFERENCE WITH LEGAL COUNSEL -- INITIATION OF LITIGATION - Pursuant to Government Code Section 54956.9(d)(4): One case

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957: Title: City Manager

REGULAR SESSION

CALL TO ORDER

INVOCATION

FLAG SALUTE

ROLL CALL
Castillo, Smith, Steeber, Welty, Terry

CLOSED SESSION REPORT

CEREMONIAL MATTERS

Citizen of the Quarter

Student of the Month

Canyon Lake Quilters

PRESENTATIONS

Elsinore Valley Municipal Water District

Canyon Lake Property Owners Association

Canyon Lake Chamber of Commerce

Riverside County Sheriff's Office

Canyon Lake Fire Department

Non-Profit Spotlight

PUBLIC COMMENT (3 MINUTES)

Members of the public wishing to address the City Council on any matter within the City's jurisdiction are asked to complete a speaker card and provide it to the City Clerk prior to the start of public comment. Comments on specific agenda items will be heard when the item is called. Comments on Consent Calendar items will be heard prior to the City Council's consideration of that calendar. Each speaker is allowed (3) minutes to speak.

CONSENT CALENDAR

All items listed on the Consent Calendar are considered to be routine in nature and may be enacted in one motion. Individual items may be removed by a Council Member for separate discussion immediately after the adoption of the balance of the Consent Calendar. All ordinance titles are deemed to be read in their entirety and further reading waived on any ordinance listed on the Consent Calendar.

1. Approve Claims and Demands of the City

   Recommendation:
   Adopt Resolution No. 2025-42 approving Claims and Demands of the City for September 2025 and adopt Resolution No. 2025-43 approving Claims and Demands of the City for October 2025.

2. Approval of City Council Meeting Minutes

   Recommendation:
   Approve the minutes of the September 23 and October 2, 2025, City Council meetings.

3. Adopt a Resolution Setting the Regular City Council Meeting Schedule for Calendar Year 2026

   Recommendation:
   Adopt Resolution No. 2025-44 setting the regular City Council meeting schedule for calendar year 2026.

4. Adopt a Resolution Approving a Fire Department Position Reclassification

   Recommendation:
   That the City Council adopt Resolution No. 2025-45 approving the conversion of one (1) part-time Fire Engineer position to one (1) part-time Fire Captain/Paramedic position within the Fire Department; and approve the corresponding amendment to the City's Salary Schedule to include the new part-time Fire Captain/Paramedic classification and pay range.

5. Approve the Fifth Amended and Restated Joint Powers Agreement for the Southwest Communities Financing Authority

   Recommendation:
   Approve the Fifth Amended and Restated Joint Powers Agreement for the Southwest Communities Financing Authority.

6. Second Reading and Adoption of Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code

   Recommendation:
   Conduct second reading and adopt Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code.

7. Second Reading and Adoption of Ordinance No. 265 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department

   Recommendation:
   Conduct second reading and adopt Ordinance No. 265 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department.

8. Receive and File the Quarterly Investment Report for the Quarter Ended September 30, 2025

   Recommendation:
   Receive and file the Quarterly Investment Report for the quarter ended September 30, 2025, in compliance with the City's Investment Policy.

9. Adopt a Resolution Approving Budget Adjustments for the City's Rental Fund

   Recommendation:
   Adopt Resolution No. 2025-46 approving budget adjustments for the City's Rental Fund.

10. Consideration of a Change Order for the Canyon Lake Police Department Construction Project in the Amount of $79,356.00

    Recommendation:
    Approve a change order in the amount of $79,356.00 for the Canyon Lake Police Department Construction Project.

PULLED CONSENT CALENDAR ITEMS

Items removed from the Consent Calendar for separate discussion will be considered at this time.

PUBLIC HEARINGS

11. Adopt a Resolution Adopting a General Plan Amendment (GPA 25-01) Amending the City of Canyon Lake Housing Element for the 6th Cycle, Years 2021 to 2029

    Recommendation:
    (1) Open the public hearing and take public testimony; and (2) adopt Resolution No. 2025-47 amending the City of Canyon Lake General Plan Housing Element to meet the requirements of the 6th Cycle Housing Element requirements of State law and the California Department of Housing and Community Development, adopting the Addendum to the previous Negative Declaration for the Housing Element, adopted February 9, 2022, and a finding that no substantial changes have occurred in the proposed Project due to new significant information, new environmental effects or new information of substantial importance, consistent with the California Environmental Quality Act (CEQA).

12. Introduction and First Reading of Ordinance No. 266 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning and Zoning), Chapter 9.30 (Mixed Use Zones), Section 9.30.030 (Zones Established) of the Canyon Lake Municipal Code

    Recommendation:
    (1) Open the public hearing and take public testimony; (2) find the proposed Zoning Ordinance amendment is exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; and (3) waive full reading and introduce by title only Ordinance No. 266 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning and Zoning), Chapter 9.30 (Mixed Use Zones), Section 9.30.030 (Zones Established) of the Canyon Lake Municipal Code.

13. Adopt a Resolution Approving a Facility Use Policy and Associated Fee Schedule for the Use of City Council Chambers

    Recommendation:
    (1) Open the public hearing and take public testimony; and (2) adopt Resolution No. 2025-48 approving a Facility Use Policy and fee schedule governing the use of City Council Chambers.

BUSINESS ITEMS

14. Adopt Urgency Ordinance No. 267 Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations), Including the 2025 California Fire Code, with Local Amendments; Repealing Conflicting Ordinances; and Declaring the Urgency Thereof; and Introduction and First Reading of Ordinance No. 268 Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations) with Local Amendments and Repealing Conflicting Ordinances

    Recommendation:
    (1) Adopt Urgency Ordinance No. 267 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations), Including the 2025 California Fire Code, with Local Amendments; Repealing Conflicting Ordinances; and Declaring the Urgency Thereof." by at least a four-fifths vote of the City Council; and (2) introduce and read by title only Ordinance No. 268 - An Ordinance of the City Council of the City of Canyon Lake, California Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations) with Local Amendments and Repealing Conflicting Ordinances.

CITY COUNCIL AND COMMITTEE REPORTS / COMMENTS

CITY MANAGER COMMENTS

ANNOUNCEMENTS

The next regular City Council meeting will be held on December 10, 2025.

ADJOURNMENT

AFFIDAVIT OF POSTING: I, Sheryl L. Garcia, City Clerk of the City of Canyon Lake, California, do hereby declare that the foregoing agenda was posted as of the date noted below, at least seventy-two (72) hours prior to the meeting per Government Code 54954.2, and as required by Resolution 2019-42.

Sheryl L. Garcia, MMC, CPM
City Clerk
Dated: November 6, 2025

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Elizabeth Luna, Accounting Specialist

DATE: 11/12/2025

SUBJECT: Approve Claims and Demands of the City

Recommendation:
Adopt Resolution No. 2025-42 approving Claims and Demands of the City for September 2025 and adopt Resolution No. 2025-43 approving Claims and Demands of the City for October 2025.

Background/Analysis:
All claims and demands are reported and summarized for review and approval by the City Council on a routine basis at each City Council meeting. The attached claims from September 2025 and October 2025 represent the paid claims and demand since the City Council meeting of September 23, 2025.

Fiscal Impact Yes/No: No

Additional Fiscal Information:
All claims and demands are paid from appropriated funds or authorized resources of the City and have been recorded in accordance with the City's policies.

Attachments:
1 - Resolution Sept 2025
Ex A - Claims and Demands Sept 2025
2 - Resolution Oct 2025
Ex A - Claims and Demands October 2025

RESOLUTION NO. 2025-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AS SET FORTH IN EXHIBIT A

WHEREAS, the Finance & Planning Committee of the City of Canyon Lake reviewed Exhibit A at their regularly scheduled meeting on November 12, 2025; and

WHEREAS, Exhibit A was presented at the regular meeting of the City Council on November 12, 2025, at which all present were given an opportunity to comment.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. Demands are approved as shown on the Demand\Warrant Register of November 12th, in the amount of $964,833.37 as follows:

Payroll Earnings (Direct Deposit)	$159,699.58	(For Month of September)
Payroll Processing Fees	$394.36	(For Month of September)
Payroll Taxes - Employer & Employee	$49,119.74	(For Month of September)
Payroll CLFAD	$738.56	(For Month of September)
Payroll CS	$795.04	(For Month of September)
On-line Retirement	$17,126.31	(For Month of September)
On-line Health	$30,389.09	(For Month of September)
GASB 68 Reporting Fee	$350.00	(For Month of September)
Nationwide Deferred Comp.	$6,939.80	(For Month of September)
General	$699,280.89	(For Month of September)
Total	$964,833.37	

Section 3. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 4. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Beaubien Business Services	Security Deposit Refund for 31600 RRCR Suite 110-Rental	465.00
CFE	Fire Station Wildland Fire Equipment	703.62
Cole Huber	Attorney Services/Litigation June 2025	2,737.10
CPS	HR Consulting Services 6/1/25-6/28/25	232.50
CR&R	Lost Check Reissued-190 Tons of Mulch Svc-12/1/24-12/31/24	6,000.00
CTAI	Emergency Tree Service, 8/18/2025	175.00
Estela L. Go	Reimbursement for Duplicate Special Event Permit #20250032	21.00
ICG	CL-001-General Engineering Services 7/1/25-7/31/25	886.25
	CL-003 Railroad Canyon Road-HSIP Project 7/1/25-7/31/25	4,501.25
Johnson Controls	Prorated Invoice for Security Services 7/1/25-9/30/25	178.58
PARS	Monthly Administrative Fees Ending June 2025	400.00
Pitney Bowes	Pitney Bowes Meter Lease 6/13/25-9/12/25	175.02
Pitney Bowes - Purchase Power	Refill Meter, 8/11/25	806.75
Riv Co TLMA	SLF - April 2025 Costs	1,685.66
Shannon Flecky	Reimbursement for Cancelled Special Event Permit #20250030	66.00
Teleflex	Fire Station Medical Supplies	651.89
VC3, Inc	IT Remote & Onsite Support August 2025	4,360.00
Willdan	Water Quality Services thru 8/1/25	2,295.00
Report Total		26,340.62

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Lowe	Police Station Demolition & Framing Progress Payment 2	121,073.70
Report Total		121,073.70

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
2 Hot Uniforms	Fire Station Replacement Boots-Bratt	433.91
ABILA	Accounting Software 9/1/2025-9/30/2025	674.01
All State Propane	Fire Station Monthly Propane Usage	214.25
Allstar Fire	Fire Station SCBA Bottles	3,629.26
Amazon	Fire Station Equipment for Station Repairs	27.98
	Fire Station Parts Cleaner for Apparatuses	78.58
Anthony Wade	Reserve Stipend for August 2025	200.00
Bound Tree	Fire Station Medical Supplies	55.47
	Fire Station Medical Supplies	135.75
Catalis	Annual Website Hosting July 2025-June 2026	7,859.58
Cintas	Fire Station Weekly Mat Service, 8/19/2025	49.08
	Fire Station Weekly Mat Service, 8/26/2025	49.08
	Fire Station Weekly Mat Service, 9/03/2025	49.08
Clark Pest	Fire Station Monthly Pest Control August 2025	89.00
	Pest Control for Fire Station Storage Units	99.00
Colantuono, Highsmith & Whatley	Attorney Services for adv. Richard Beck thru Aug 31, 2025	92.00
CPS	HR Consulting Services 6/29/25 to 8/2/25	155.00
Curtis	Fire Station SCBA Mask Cleaner	61.50
Daily Dispatch	Fire Station Recruitment Ad for Fire Captain	575.00
Decker, Sean	Reserve Stipend for August 2025	200.00
Delgado	Janitorial Services August 2025	1,819.20
DOJ	Fire Station Live Scan for Rivello	32.00
GOLDING	City Hall & Admin Envelopes	1,581.77
Hearn	Reimbursement for REMSA Accreditation	100.00
	Reserve Stipend for August 2025	100.00
Hernandez, Oscar	Reserve Stipend for August 2025	200.00
John Hancock	EE & ER Contributions for Check Date 8/29/25	6,807.86
Jolly Jumps	50% Deposit for Pumpkin Bash 2025 Attractions	16,846.50
Lake Elsinore Unified	CLEAR Junior Lifeguard Program	6,505.80
LANCE, SOLL	2025 Government Audit	18,450.00
Life-Assist	Fire Station Medical Supplies	904.40
	Fire Station Medical Supplies Includes Credit Memo	90.98
Longobardo	Reserve Stipend for August 2025	200.00
Luke Jackson	Reserve Stipend for August 2025	200.00
Nate Volk	Council Meeting Video Broadcasting, August 13, 2025	500.00
Photomatica	State of the City 2025 Photo Booth Deposit	250.00
PORAC	PORAC Quarter FFA Dues (Assn ID: 3288)	142.50
PZL, Inc.	Planning Services for August 2025	4,480.00
riv Co Exec	Sheltering Costs for 2nd Quarter Oct-Dec 2025	12,630.00
Riv Co Sheriff Dept Lake Elsinore	Sheriff's Contract Law 7/1/25-7/23/25	129,809.64
SCAQMD	City Hall Generator Fees Facility ID 205437	565.63

Vendor ID	Invoice Description	Cash Required
	City Hall Generator Emissions Facility ID 205437	170.94
SDRMA	Dental and Vision Insurance October 2025	2,204.47
Sean Rivello	Reserve Stipend for August 2025	200.00
Report Total		219,519.22

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
CL PROPERTY OWNERS	Firehouse Note Payment 21	9,359.57
John Hancock	EE & ER Contributions for Check Date 9/12/2025	6,609.93
LESJWA	FY 2025-26 TMDL Task Force Stakeholder Contributions	41,528.00
Lowe	PD Electrical, HVAC, Insulation & Drywall Progress Payment 3	121,073.71
riv Co Exec	FY 25/26 Debt Service	13,854.00
Report Total		192,425.21

Vendor ID	Invoice Description	Cash Required
2 Hot Uniforms	Police Department Patches	451.31
	Police Department Hats with Logos	351.50
	Fire Station Tactical Pants for Captian Valdiva	504.49
	Police Dept Logo Polo	63.08
Amazon	Fire Station Supplies for 9/11 Event	16.99
	Fire Station Equipment Bags for New Engines	71.92
AMERICAN FORENSIC	Sheriff's Blood Draw, 8/19/25	216.00
ANIMAL FRIENDS	Animal Control Services Month of Sept 2025 Plus Addtl Fees	3,856.57
Brion Mark Case	9/11 Remembrance Performance by Oline Case	150.00
California PPE	Fire Station Turnout Cleaning and Repairs-Garcia	230.50
Champion Trophy	Plaque & Plate Mount for Rayls	25.86
Cintas	Fire Station Weekly Mat Service, 09/09/2025	49.08
	Fire Station Weekly Mat Service, 09/16/2025	49.08
Clark Pest	Pest Control for Rental-31542 RRCR	250.00
Control Pump	Repairs for Excessive Flushing of Filter Station, 9/4/2025	675.00
	Landscape Booster Monitor Station Report August 2025	421.31
Corelogic	Database for Code Enforcement August 2025	190.56
CTAI	Replaced Defective Irrigation Control Valve Decoder, 9/9/25	850.00
	Landscape for Fire Station September 2025	263.00
	Landscape Maintenance Fee for Medians & Parkways Sept 2025	5,014.00
Delgado	Janitorial Services for September 2025	1,819.20
DOJ	Sheriff's Blood Analysis November 2024	35.00
Embroidery	City Logo Shirts for City Council-Welty	111.69
GREENHALGH	Retiree Health Insurance October 2025	284.25
ICG	CL-001 General Engineering Services 8/1/25-8/31/25	1,005.00
	CL-003 Railroad Canyon Road-HSIP Project 8/1/25-8/31/25	5,371.25
Inland Fleet	Fire Station Biannual Service for Patrol 1	918.43
Lake Elsinore Ford	Rear Wiper Blade Repair for 2022 Ford Explorer	265.81
Life-Assist	Fire Station Medical Supplies	64.65
	Fire Station Medical Supplies	209.35
Lowe	Police Station Locker Room Framing & Painting Payment 4	60,536.86
Morningstar	Deposit for Audio, Video, Stage & Live Streaming-2025 SOTC	16,735.84
MR. WINDOW	Window Cleaning Inside & Out (Sept. 11, 2025)	305.00
Nikki's	Fire Station Flags for Engines	278.89
PARS	Monthly Administrative Fees Ending July 2025	400.00
Photomatica	State of the City 2025 Photo Booth Final Payment	1,249.00

Vendor ID	Invoice Description	Cash Required
PLAT	Rental-31542 RRCR Annual Backflow Testing, 9/5/25	75.00
	Admin-31520 RRCR Annual Backflow Testing, 9/5/25	75.00
	Rental-31600 RRCR Annual Backflow Testing, 9/5/25	75.00
	City Hall-31516 RRCR Annual Backflow Testing, 9/5/25	85.00
Red White & Blue	Repairs to Rental-31542 RRCR Leak Behind Wall	635.58
SAMS Auto & Glass	Chip Repair for City Vehicle-2022 Dodge Ram	65.00
Simpler Life	Fire Station Disaster Supplies for Staff	1,386.45
Underline	Refund for Duplicate Fees Permit #20250285 & Permit#20250316	259.50
	Refund for Permit #20250316 Fees Collected in Error	258.00
US Bank	See Credit Card Review, 9/6/2025	3,376.49
Willdan	Water Quality Services thru 8/29/25	2,995.00
Report Total		112,576.49

City of Canyon Lake
Check/Voucher Register - Checks Prior Month
From 9/1/2025 Through 9/30/2025

Check Number	Vendor Name	Effective Date	Check Amount
EFT 1456	Standard Insurance Company	9/2/2025	139.31
EFT 1457	Standard Insurance Company	9/2/2025	27.90
EFT 1458	Standard Insurance Company	9/2/2025	149.90
EFT 1459	Standard Insurance Company	9/2/2025	26.39
EFT 1460	Standard Insurance Company	9/2/2025	292.30
EFT 1461	Standard Insurance Company	9/2/2025	160.43
EFT 1462	Standard Insurance Company	9/2/2025	27.90
EFT 1463	Charter Communications	9/2/2025	290.57
EFT 1464	SOUTHERN CALIFORNIA EDISON	9/2/2025	2,591.35
EFT 1465	SOUTHERN CALIFORNIA EDISON	9/2/2025	274.48
EFT 1466	SOUTHERN CALIFORNIA EDISON	9/2/2025	1,012.63
EFT 1467	SOUTHERN CALIFORNIA EDISON	9/2/2025	13.96
EFT 1468	SOUTHERN CALIFORNIA EDISON	9/2/2025	14.11
EFT 1469	SOUTHERN CALIFORNIA EDISON	9/2/2025	23.51
EFT 1470	SOUTHERN CALIFORNIA EDISON	9/2/2025	116.15
EFT 1471	SOUTHERN CALIFORNIA EDISON	9/2/2025	14.11
EFT 1472	SOUTHERN CALIFORNIA EDISON	9/2/2025	14.11
EFT 1473	Aflac	9/2/2025	874.78
EFT 1474	SOUTHERN CALIFORNIA EDISON	9/8/2025	501.88
EFT 1475	SOUTHERN CALIFORNIA EDISON	9/8/2025	1,228.91
EFT 1476	Bankcard Center	9/15/2025	2,916.54
EFT 1477	Bankcard Center	9/15/2025	2,096.24
EFT 1478	Bankcard Center	9/15/2025	384.33
EFT 1479	Bankcard Center	9/15/2025	463.26
EFT 1480	Bankcard Center	9/15/2025	26.30
EFT 1481	Bankcard Center	9/15/2025	5,875.96
EFT 1482	Charter Communications	9/16/2025	5.30
EFT 1483	The Gas Company	9/16/2025	19.97
EFT 1484	ELSINORE VALLEY MUNI WATER DIS	9/16/2025	110.13
EFT 1485	ELSINORE VALLEY MUNI WATER DIS	9/16/2025	291.10
EFT 1486	ELSINORE VALLEY MUNI WATER DIS	9/16/2025	188.81
EFT 1487	ELSINORE VALLEY MUNI WATER DIS	9/16/2025	103.22
EFT 1488	ELSINORE VALLEY MUNI WATER DIS	9/16/2025	1,257.29
EFT 1489	ELSINORE VALLEY MUNI WATER DIS	9/16/2025	173.54
EFT 1490	Amazon Capital Services	9/16/2025	62.47
EFT 1491	Elan	9/17/2025	1,856.25
EFT 1492	Toshiba America Business Solutions	9/17/2025	428.31
EFT 1493	Toshiba America Business Solutions	9/17/2025	61.11
EFT 1494	STAPLES	9/17/2025	1,536.39
EFT 1495	SOUTHERN CALIFORNIA EDISON	9/22/2025	378.63
EFT 1496	Toshiba Financial Services	9/22/2025	742.04
EFT 1497	Toshiba Financial Services	9/22/2025	120.83
EFT 1498	CR&R	9/22/2025	62.91
EFT 1499	CR&R	9/22/2025	223.18
EFT 1500	Cintas	9/30/2025	48.34
EFT 1501	Cintas	9/30/2025	59.26
EFT 1502	Cintas	9/30/2025	59.26
Report Total			27,345.65

RESOLUTION NO. 2025-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AS SET FORTH IN EXHIBIT A

WHEREAS, the Finance & Planning Committee of the City of Canyon Lake reviewed Exhibit A at their regularly scheduled meeting on November 12, 2025; and

WHEREAS, Exhibit A was presented at the regular meeting of the City Council on November 12, 2025, at which all present were given an opportunity to comment.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. Demands are approved as shown on the Demand\Warrant Register of November 12th, in the amount of $1,151,377.99 as follows:

Payroll Earnings (Direct Deposit)	$164,535.10	(For Month of October)
Payroll Processing Fees	$372.28	(For Month of October)
Payroll Taxes - Employer & Employee	$47,096.93	(For Month of October)
Payroll CLFAD	$ 738.56	(For Month of October)
Payroll CS	$795.04	(For Month of October)
On-line Retirement	$14,129.36	(For Month of October)
On-line Health	$29,544.89	(For Month of October)
Nationwide Deferred Comp.	$7592.58	(For Month of October)
General	$886,625.30	(For Month of October)
Total	$1,151,430.04	

Section 3. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 4. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Amazon	Fire Station Foxtail Brooms	52.05
ANIMAL FRIENDS	Animal Control Services Month of October 2025	3,677.19
Anthony Wade	Reserve Stipend for September 2025	100.00
Arron Brown	Per Diem for ICMA Conference, 10/24/25-10/29/25	440.00
	Per Diem for MISAC Conference 10/19/25-10/22/25	301.00
	Per Diem for Cal Cities Conference 10/8/25-10/10/25	170.00
Cintas	Fire Station Weekly Mat Service, 09/23/2025	49.08
	Fire Station Weekly Mat Service, 09/30/2025	49.08
Clark Pest	Fire Station Monthly Pest Control September 2025	89.00
Colantuono, Highsmith & Whatley	Attorney Services for adv. Richard Beck thru May 31, 2025	115.00
CPS	HR Consulting Services 8/3/25 to 8/30/25	187.50
Curtis	Fire Station Cleaning Wipes for Engine	60.72
	Fire Station Helmet for Garcia	197.52
DATA TICKET	EMS Response Fee August 2025	100.00
	Miscellaneous Fees on Invoices August 2025	100.00
	Monthly Parking Fees August 2025	100.00
	Code Enforcement Processing August 2025	100.00
Decker, Sean	Reserve Stipend for September 2025	200.00
Design Path	1st Installment Payment to Update Pre-Approved ADU Plans	3,750.00
FRIDAY FLYER	Ordinance No. 261 Second Reading, 10/3/25	43.05
	Ordinance No. 258 Second Reading, 10/3/25	36.75
	Ordinance No. 260 Second Reading, 10/3/25	42.00
	Ordinance No. 256 Second Reading, 10/3/25	40.95
	Ordinance No. 257 Second Reading, 10/3/25	50.00
	Ordinance No. 263 First Reading, 10/3/25	47.50
HdL Coren	Contract Services Property Tax: August - September 2025	2,291.67
Hearn	Reserve Stipend for September 2025	200.00
Hernandez, Oscar	Reserve Stipend for September 2025	200.00
Inland Fleet	Fire Station Biannual Service & Repairs to E201	952.88
Kings III of America, LLC	Elevator Phone, 10/01/25-12/31/25	219.75
Lake Elsinore Chrysler	Fire Station Biannual Service & Repairs on C-1	1,772.65
Life-Assist	Fire Station Medical Supplies	184.74
	Fire Station Medical Supplies	137.80
Lowe	Police Station Plumbing, I/T Install, CE Office Pymt 5	75,708.69
	Maintenance for Rental-31542 RRCR Suite 5	10,989.00
Lozano	Reimbursement for 2025 SHRM Conference Parking	60.00
Luke Jackson	Reserve Stipend for September 2025	200.00
Morningstar	Final Pymt for Audio, Video, Stage & Live Streaming-25 SOTC	16,735.84
Nate Volk	Council Meeting Video Broadcasting, Sept. 23, 2025	350.00

Vendor ID	Invoice Description	Cash Required
PORAC RMT	PORAC Contributions for September 2025	575.00
PZL, Inc.	Planning Services for September 2025	5,670.00
RAMS	Accounting Services for August 2025	14,396.20
Rayls	Per Diem IACP Conference, 10/19/25-10/22/25	322.00
Riv Co Fire	Dispatch Services FY 24/25 Qtr 4	35,605.82
Riv Co Sheriff Dept Lake Elsinore	Sheriff's Contract Law 7/24/25-8/20/25	157,410.30
SDRMA	Dental and Vision Insurance November 2025	1,766.70
STAPLES	City Hall & Admin Office Supplies	100.58
SUN BADGE	Fire Station Badge for Captain V. Valdivia	158.35
TIP	Annual Trauma Intervention Program 2025-2026	1,500.00
VC3, Inc	Microsoft 365 & Office Extra File Storage September 2025	1,389.60
	IT Remote & Onsite Support for September 2025	5,800.00
Report Total		344,795.96

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
2 Hot Uniforms	Fire Station Uniforms-Sasse & Soto	134.85
ABILA	Accounting Software 10/1/2025-10/31/2025	674.01
Amazon	Fire Station Office Supplies	47.68
	Fire Station Foxtail Brooms for Engines	52.05
AT&T	Riverside County Sheriff's Case Ping Services, 11/21/2022	900.00
BIO-TOX	Blood Analysis, 8/18/2025	90.00
Brion Mark Case	Live Music for 2025 State of the City	1,000.00
Clark Pest	Pest Control for Rental-31542 RRCR	260.00
Cole Huber	Attorney Services/ General August 2025	9,102.00
	Attorney Services/Litigation August 2025	1,501.20
Corelogic	Database for Code Enforcement 9/1/25-9/30/25	234.18
Creative Industries Media	Video Production for 2025 State of the City	7,275.00
Daily Dispatch	Fire Station FF/PM Employment Advertisement	575.00
Discount Hauling	Homeless Camp Site Clean Up(Underneath Tunnels Railroad Cyn)	1,600.00
DMV	Vessel Registration Fee -City Boat (CF 6784VS)	20.00
DSA	Disability and Education Fee Quarter Ending 9/30/2025	46.80
FRIDAY FLYER	Ordinance No. 265 First Reading	55.00
GREENHALGH	Retiree Health Insurance November 2025	284.25
Harris & Associates	EMS & UUT Levy FY 25-26 (8/24/25-9/27/25)	3,811.00
HINDERLITER	Contract Services - Sales Tax (July-September 2025)	1,439.47
John Hancock	EE & ER Contributions for Check Date 9/26/2025	5,618.44
Madalyne Gonzales	Per Diem for MISAC Conference 10/19/25-10/22/25	301.00
Nicole Dailey	Payment Per Agreement, 9/19/2025	37,500.00
Red White & Blue	Plumbing Repairs (Clogged Toilet) - Rental 31542 RRCR	753.00
	Plumbing Repairs (Clogged Toilet) - Rental 31600 RRCR	1,253.00
Riverside University Health	Medical Exam for Case #CN25236002, 8/25/2025	2,400.00
Shuster	Quarter 3 Advisory Fee 7/1/25-9/30/25	800.00
The Code	Plan Check Services 9/1/25-9/30/25	4,462.44
	Plan Check Services 8/1/25-8/31/25	8,500.41
Underline	Partial Refund for Canceled Permit #20250268	587.00
	Refund for Processing Fee Collected in Error-Permit#20259021	90.00
VC3, Inc	Managed Services Onboarding & M365 MFA Tenant Configuration	5,864.00
Report Total		97,231.78

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Amazon	Fire Station Supplies	44.15
Anderson Chevrolet	Fire Station Repairs to F08.01 (Yukon)	2,538.63
Cintas	Fire Station Weekly Mat Service, 10/7/2025	49.08
	Fire Station Weekly Mat Service, 10/14/2025	49.08
CL PROPERTY OWNERS	Firehouse Note Payment 22	9,359.57
Control Pump	Emergency Service for Pump Station-Amiad Filter	2,175.00
CTAI	Landscape for Fire Station October 2025	263.00
Delgado	Janitorial Services for October 2025	1,819.20
Fire Smart	Fire Station Pub Ed Supplies	172.40
Inland Fleet	Fire Station Replacement 4" Cap For E-201	195.75
Life-Assist	Fire Staion Medical Supplies	43.48
	Fire Station Medical Supplies	190.49
Lowe	PD Locker Rooms, Fire Sprinkler, Flooring & Door Inst Pymt 6	166,513.97
MES	Fire House Adapter for SCBA on B-1 and C-1	1,020.30
Orange Coast	Fire Station Replacement for Fuel Nozzle	81.55
PARS	Monthly Administrative Fees Ending August 2025	400.00
RapidFire	Fire Station Annual Extinguisher Service	415.29
Red White & Blue	Plumbing Repairs (Shower & Toilet)-31542 RRCR #9 Rental	327.44
SUN BADGE	Fire Station Promotion Badge for Rivello	158.35
Tanyuksel	Donuts with Santa Face Painting, 12/20/2025	300.00
VC3, Inc	Microsoft 365 & Office Extra File Storage October 2025	1,389.60
	MFA Implementation Service Ticket #4446755	2,226.00
ZF	Fire Station Medical Direction July-September 2025	600.00
Report Total		190,332.33

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Morningstar	Stage, Lighting, and Audio for 2025 Pumpkin Bash	8,560.67
Report Total		8,560.67

City of Canyon Lake
Invoices Selected for Payment - COUNCIL CHECK REPORT

Vendor ID	Invoice Description	Cash Required
Barrel Heist Events	2025 Pumpkin Bash Beer Garden/Tap Truck	1,200.00
Bonte	2025 Pumpkin Bash Live Music	2,140.00
Brianna Hemsley	Reimbursement for Food & Drinks, POA Roundtable	106.47
CTAI	Landscape Maintenance Fee for Medians & Parkways Oct 2025	5,014.00
Good Fence Corp	Repaired Damaged Fence on RRCR due to Accident	600.00
ICG	CL-003 Railroad Canyon Road HSIP Project 9/1/25-9/30/25	7,811.25
John Hancock	EE & ER Contributions for Check Date 10/10/2025	5,618.44
	EE & ER Contributions for Check Date 10/24/2025	5,618.44
Jolly Jumps	Final Payment for 2025 Pumpkin Bash Attractions	16,846.50
Lowe	Electrical Man Lift Rental for Towne Center Marquee Sign	1,300.91
Oside	2025 Pumpkin Bash Kids Crafts (300 Participants)	2,000.00
Riv Co Sheriff Dept Lake Elsinore	Sheriff's Contract Law 8/21/25-9/17/25	160,081.84
US Bank	See Credit Card Review, 10/6/2025	195.03
VC3, Inc	IT Remote & Onsite Support October 2025	5,800.00
Zimmerer	2025 Golf Tournament Centerpieces (Creative Corner)	350.00
	2025 State of the City Centerpieces (Creative Corner)	1,488.00
	9/11 Memorial Wreath (Creative Corner)	213.00
Report Total		216,383.88

City of Canyon Lake
Check/Voucher Register - Checks Prior Month
From 10/1/2025 Through 10/31/2025

Check Number	Vendor Name	Effective Date	Check Amount
EFT 1503	Standard Insurance Company	10/1/2025	139.31
EFT 1504	Standard Insurance Company	10/1/2025	27.90
EFT 1505	Standard Insurance Company	10/1/2025	149.90
EFT 1506	Standard Insurance Company	10/1/2025	26.39
EFT 1507	Standard Insurance Company	10/1/2025	264.40
EFT 1508	Standard Insurance Company	10/1/2025	160.43
EFT 1509	Standard Insurance Company	10/1/2025	27.90
EFT 1510	Aflac	10/1/2025	807.50
EFT 1511	SOUTHERN CALIFORNIA EDISON	10/6/2025	2,929.09
EFT 1512	SOUTHERN CALIFORNIA EDISON	10/6/2025	303.28
EFT 1513	SOUTHERN CALIFORNIA EDISON	10/6/2025	1,109.02
EFT 1514	SOUTHERN CALIFORNIA EDISON	10/6/2025	13.96
EFT 1515	SOUTHERN CALIFORNIA EDISON	10/6/2025	14.59
EFT 1516	SOUTHERN CALIFORNIA EDISON	10/6/2025	23.65
EFT 1517	SOUTHERN CALIFORNIA EDISON	10/6/2025	495.28
EFT 1518	SOUTHERN CALIFORNIA EDISON	10/6/2025	1,147.47
EFT 1519	SOUTHERN CALIFORNIA EDISON	10/6/2025	14.59
EFT 1520	SOUTHERN CALIFORNIA EDISON	10/6/2025	131.43
EFT 1521	SOUTHERN CALIFORNIA EDISON	10/6/2025	14.59
EFT 1522	Charter Communications	10/6/2025	290.57
EFT 1523	Pitney Bowes Bank Inc. Purchase Power	10/9/2025	60.66
EFT 1524	Charter Communications	10/9/2025	290.57
EFT 1525	Amazon Capital Services	10/14/2025	301.65
EFT 1526	SOUTHERN CALIFORNIA EDISON	10/14/2025	557.27
EFT 1527	The Gas Company	10/14/2025	23.28
EFT 1528	Charter Communications	10/14/2025	5.30
EFT 1529	Cintas	10/14/2025	59.26
EFT 1530	Cintas	10/14/2025	59.26
EFT 1531	ELSINORE VALLEY MUNI WATER DIS	10/14/2025	122.16
EFT 1532	ELSINORE VALLEY MUNI WATER DIS	10/14/2025	105.96
EFT 1533	ELSINORE VALLEY MUNI WATER DIS	10/14/2025	172.04
EFT 1534	ELSINORE VALLEY MUNI WATER DIS	10/14/2025	1,679.89
EFT 1535	ELSINORE VALLEY MUNI WATER DIS	10/14/2025	378.22
EFT 1536	Toshiba America Business Solutions	10/15/2025	80.54
EFT 1537	Toshiba America Business Solutions	10/15/2025	270.02
EFT 1538	Bankcard Center	10/15/2025	541.89
EFT 1539	Bankcard Center	10/15/2025	658.38
EFT 1540	Bankcard Center	10/15/2025	124.95
EFT 1541	Bankcard Center	10/15/2025	11,904.64
EFT 1542	Elan	10/16/2025	2,391.98
EFT 1543	SOUTHERN CALIFORNIA EDISON	10/20/2025	292.55
EFT 1544	CR&R	10/20/2025	223.18
EFT 1545	CR&R	10/20/2025	62.91
EFT 1546	Toshiba Financial Services	10/20/2025	742.04
EFT 1547	Toshiba Financial Services	10/20/2025	120.83
Report Total			29,320.68

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Sheryl Garcia, Administrative Services Director/City Clerk

DATE: 11/12/2025

SUBJECT: Approval of City Council Meeting Minutes

Recommendation:
Approve the minutes of the September 23 and October 2, 2025, City Council meetings.

Background/Analysis:
Minutes of City Council meetings are prepared by the City Clerk to serve as the official record of City Council actions. City Council approval of the minutes ensures the accuracy of the record before they are entered into the City's permanent archives.

Fiscal Impact Yes/No: No

Attachments:
1 - 9-23-25 Minutes
2 - 10-2-25 Minutes

MINUTES
REGULAR MEETING OF THE
CANYON LAKE CITY COUNCIL
Canyon Lake City Hall
31516 Railroad Canyon Road
Canyon Lake, CA 92587
Tuesday, September 23, 2025

Closed Session – 5:00 p.m.

CALL TO ORDER

Mayor Terry called the meeting to order at 5:00 p.m.

ROLL CALL

Present: Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry.

Absent: None.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure - Pursuant to Government Code Section 54956.9(d)(2): Claimant: M. Borja

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957:
Title: City Manager

The City Council entered Closed Session at 5:00 p.m.

Open Session – 6:30 p.m.

CALL TO ORDER

Mayor Terry called the meeting to order at 6:30 p.m.

INVOCATION

The Invocation was led by Council Member Smith.

FLAG SALUTE

The Flag Salute was led by Ryan Moore.

ROLL CALL

Present: Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry.

Absent: None.

CLOSED SESSION REPORT

City Attorney Graham stated that no reportable action was taken.

CEREMONIAL MATTERS

Mayor Terry and the City Council presented a City Tile to retired Riverside County Sheriff's Captain Jim Rayls.

City Manager Brown announced Jim Rayls as the new police chief for the Canyon Lake Police Department.

PRESENTATIONS

Director Darcy Burke provided an update on behalf of the Elsinore Valley Municipal Water District.

Board Vice-President Jeff Bill provided an update on behalf of the Canyon Lake Property Owner's Association.

President Johnny Pineda provided an update on behalf of the Canyon Lake Chamber of Commerce.

Fire Chief LaTendresse provided an update on fire statistics.

Mayor Terry provided a non-profit spotlight on behalf of the Oak Grove Center.

PUBLIC COMMENT

Donna Richie thanked the City Council for spotlighting non-profit organizations. She congratulated Mr. Rayls on his retirement and thanked him for all he has done for the community.

CONSENT CALENDAR

Council Member Steeber pulled Item No. 6 for further consideration.

Motion and second by Council Member Smith/Council Member Welty to approve Consent Calendar Items 1-5 and 7-10.

Motion carried 5-0, with Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry voting aye.

(1) Waive Full Reading, Read all Ordinances by Title Only

(2) Approve Claims and Demands of the City

Action taken: The City Council adopted Resolution No. 2025-39 Approving Claims and Demands of the City.

(3) Approval of City Council Minutes

Action taken: The City Council approved the Minutes of the City Council Meeting of August 13, 2025.

(4) Second Reading and Adoption of Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code

Action taken: The City Council adopted Ordinance 256 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 3, Chapter 3.36 (Grading and Planning Fees) of the Canyon Lake Municipal Code.

(5) Second Reading and Adoption of Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving an Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted

Action taken: The City Council adopted Ordinance No. 257 - An Ordinance of the City Council of the City of Canyon Lake, California, Approving and Amendment to the Canyon Lake Municipal Code, Title 9: Planning and Zoning, Section 9.1 Uses Permitted.

(7) Second Reading and Adoption of Ordinance No. 260 - An Ordinance of the City Council of the City of Canyon Lake, California, Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions

Action taken: The City Council adopted Ordinance No. 260 - An Ordinance of the City Council of the City of Canyon Lake, California, to Formally Establishing the Canyon Lake Police Department, Declaring the City's Intent to Participate in the California Peace Officer Standards and Training (POST) Program, Accepting Penal Code Requirements, and Authorizing Necessary Implementation Actions.

(8) Second Reading and Adoption of Ordinance 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code

Action taken: The City Council adopted Ordinance No. 261 - An Ordinance of the City Council of the City of Canyon Lake, California, Adding Title 5, Business Regulations, Chapter 5.30 (Commercial Filming) to the Canyon Lake Municipal Code.

(9) Adopt a Resolution Approving a Budget Adjustment in the Amount of $11,750 for the Battle of the Cities Golf Tournament

Action taken: The City Council adopted Resolution No. 2025-41 approving a budget adjustment of $11,750 for the Battle of the Cities Golf Tournament.

(10) Adopt a Resolution Approving the List of Projects for Fiscal Year 2025-2026 Funded by SB 1: the Road Repair and Accountability Act of 2017

Action taken: The City Council adopted Resolution No. 2025-40 approving the Fiscal Year 2025-2026 project list for Senate Bill 1 (Road Repair and Accountability Act of 2017) Road Maintenance and Rehabilitation Account (RMRA) funding

PULLED CONSENT CALENDAR ITEMS

Council Member Steeber pulled this item for further consideration.

(6) Second Reading and Adoption of Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code

Council Member Steeber stated he was comfortable with the $50,000 signing threshold for the City Manager.

Motion and second by Council Member Smith/Council Member Welty to adopt Ordinance No. 258 - An Ordinance of the City Council of the City of Canyon Lake, California, to Repeal and Replace Title 3 (Revenue and Finance), Chapter 3.08 (Purchases) of the Canyon Lake Municipal Code.

Motion carried 4-1, with Mayor Pro Tem Castillo, Council Member Smith, Council Member Welty and Mayor Terry voting aye and Council Member Steeber voting no.

PUBLIC HEARINGS

None.

BUSINESS ITEMS

(11) Designation of a Voting Delegate and Alternate(s) for the League of California Cities 2025 Annual Conference and Expo Annual Business Meeting

City Clerk Garcia provided a presentation.

There were no public comments.

Motion and second by Council Member Smith/Mayor Pro Tem Castillo to designate Council Member Welty as the voting delegate and Council Member Steeber as the alternate for the League of California Cities 2025 Annual Conference and Expo Annual Business Meeting.

Motion carried 5-0, with Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry voting aye.

(12) Introduction and First Reading of Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code

City Attorney Graham provided a presentation.

There were no public comments.

Motion and second by Mayor Pro Tem Castillo/Council Member Smith to waive full reading and introduce by title only Ordinance No. 263 – An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code.

Motion carried 5-0, with Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry voting aye.

COMMITTEE AND COUNCIL REPORTS/COMMENTS

Council Member Smith reported that Riverside Transit Agency (RTA) ridership has increased and that the agency is investing in new EV charging stations. He noted that the RCTC carpool lane sticker program will be discontinued as of January 1. He also shared that the master agreement with the 91 and 241 toll roads has been approved, with plans to expand lanes and extend the FasTrak system down Interstate 15 beginning next year. Council Member Smith commended the success of the September 11 ceremony and recognized Council Member Steeber, the Mayor, and the Fire Department for their efforts.

Council Member Welty noted that T-NOW held a meeting in Canyon Lake and it was a great opportunity to discuss the Railroad Canyon Road HSIP project. He announced that the Western Riverside County Regional Conservation Authority (RCA) is reviewing and updating its plan to address current development challenges and encouraged collaboration with the RCA to make land more developable.

Mayor Pro Tem Castillo announced that the Pumpkin Bash will take place on October 23 and expressed gratitude for the opportunity to live in Canyon Lake and be part of the City's ongoing progress.

Council Member Steeber stated that it was an honor to participate in the September 11 ceremony. He shared that the Student of the Month program has resumed and that City Manager Brown will join him next month. He also attended the 75th Anniversary celebration for EVMWD and reported that Harborfest was a great success.

Mayor Terry announced that "Coffee at the Country Club" will be held soon and encouraged residents to join and stay informed. He noted that the State of the City event will take place on October 2 and the Battle of the Cities golf tournament will follow on October 3, featuring 19 teams this year compared to six last year. He attended the Wild Blush Luxe ribbon cutting and highlighted Sunday Funday golf which drew over 100 golfers. Finally, he spoke at the Charlie Kirk Vigil at Holiday Harbor, attended by over 500 people, which was a beautiful and fitting community gathering.

CITY MANAGER COMMENTS

City Manager Brown stated that the Merchants Association recently met to discuss ways to enhance the Towne Center, including improving vegetation maintenance, addressing conditions at Veterans Park, and reviewing traffic flow issues related to new tenants. He thanked his fellow directors for their efforts and strategic vision.

He also announced that the Pumpkin Bash is approaching and noted that last year's event was a great success. This year's event will include additional safety measures, such as a shuttle service, and even more attractions than before. He stated that preparations for the State of the City event are underway.

ANNOUNCEMENTS

Mayor Terry announced that the next regular City Council meeting will be held on November 12, 2025.

ADJOURNMENT

At 8:01 p.m., Mayor Terry adjourned the meeting.

Respectfully submitted,

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

MINUTES
SPECIAL MEETING OF THE
CANYON LAKE CITY COUNCIL
Canyon Lake City Hall
31516 Railroad Canyon Road
Canyon Lake, CA 92587
Thursday, October 2, 2025

Closed Session – 4:00 p.m.

CALL TO ORDER

Mayor Terry called the meeting to order at 4:00 p.m.

ROLL CALL

Present: Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry.

Absent: None.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION, Pursuant to Government Code Section 54956.9(d)(2)
Significant Exposure to Litigation, One case

(2) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957
Title: City Manager

The City Council entered Closed Session at 4:00 p.m.

Open Session – 4:30 p.m.

CALL TO ORDER

Mayor Terry called the meeting to order at 4:30 p.m.

FLAG SALUTE

The Flag Salute was led by Council Member Steeber.

ROLL CALL

Present: Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry.

Absent: None.

CLOSED SESSION REPORT

City Attorney Graham stated that no reportable action was taken.

PUBLIC COMMENT

There was no public comment.

BUSINESS ITEMS

(1) Adopt Urgency Ordinance No. 264 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department; and (2) Introduction and First Reading of Ordinance No. 265 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department

City Manager Brown provided a presentation.

There were no public comments.

Motion and second by Council Member Smith/Council Member Steeber to: (1) adopt Urgency Ordinance No. 264 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department; and (2) introduce Ordinance No. 265 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department.

Motion carried 5-0, with Mayor Pro Tem Castillo, Council Member Smith, Council Member Steeber, Council Member Welty and Mayor Terry voting aye.

(2) Recess and Travel to the 2025 State of the City Address

At 4:35 p.m., Mayor Terry recessed the Special City Council meeting and the City Council traveled to the 2025 State of the City Address located at 5:00 p.m., Canyon Lake Lodge, 22200 Canyon Club Drive, Canyon Lake, CA 92587.

(3) Presentation of the 2025 State of the City Address

The City Council presented the 2025 State of the City Address.

ADJOURNMENT

At 7:13 p.m., Mayor Terry adjourned the meeting.

Respectfully submitted,

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Brianna Hemsley, Executive Assistant to the City Manager

DATE: 11/12/2025

SUBJECT: Adopt a Resolution Setting the Regular City Council Meeting Schedule for Calendar Year 2026

Recommendation:
Adopt Resolution No. 2025-44 setting the regular City Council meeting schedule for calendar year 2026.

Background/Analysis:
Under Chapter 2.01 of the Canyon Lake Municipal Code, the City Council establishes its regular meetings by resolution. Resolution No. 2022-56, adopted September 14, 2022, sets the regular meeting time as the second Wednesday of each month at 6:30 p.m.

The proposed resolution formally adopts the City Council's annual meeting schedule for the upcoming calendar year. City Council meetings are regularly held on the second Wednesday of each month. However, in November 2026, the second Wednesday falls on Veterans Day, a federal holiday. Therefore, the November 2026 meeting will be rescheduled to the following Wednesday. Establishing the meeting calendar in advance provides transparency and predictability for the public, allows for coordinated planning of City business and community events, and ensures compliance with noticing requirements under the Brown Act.

Fiscal Impact Yes/No: No

Attachments:
1 - Resolution

RESOLUTION NO. 2025-44

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, SETTING THE REGULAR CITY COUNCIL MEETING SCHEDULE FOR CALENDAR YEAR 2026

WHEREAS, pursuant to Chapter 2.01 of the Canyon Lake Municipal Code regular meetings of the City Council shall be held on days, times and locations as may be established by resolution; and

WHEREAS, Resolution No. 2022-56, adopted September 14, 2022, sets the regular meeting time as the second Wednesday of each month at 6:30 p.m.; and

WHEREAS, setting an annual schedule of regular City Council meetings assists City Council and staff with advance planning and scheduling of City business.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The City Council hereby establishes the following regular City Council meeting dates for calendar year 2026, beginning at 6:30 p.m. at City Hall:

January 14
February 11
March 11
April 8
May 13
June 10
July – dark
August 12
September 9
October 14
November 18
December 9

Section 3. Closed session and special City Council meetings may be scheduled as necessary.

Section 4. The City Manager is hereby authorized to make changes to this schedule as necessary.

Section 5. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 7. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Jeff LaTendresse, Fire Chief

DATE: 11/12/2025

SUBJECT: Adopt a Resolution Approving a Fire Department Position Reclassification

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Recommendation:
That the City Council adopt Resolution No. 2025-45 approving the conversion of one (1) part-time Fire Engineer position to one (1) part-time Fire Captain/Paramedic position within the Fire Department; and approve the corresponding amendment to the City's Salary Schedule to include the new part-time Fire Captain/Paramedic classification and pay range.

Background/Analysis:
The Fire Department currently employs a combination of full-time and part-time personnel to provide fire suppression, emergency medical response, and community risk reduction services. The Department's operations needs have evolved in recent years, including increased training demands, administrative oversight, and coordination of part-time and reserve personnel.

At present, the Department has utilized one part-time position to support basic firefighting and engineering skills. As the part-time Fire Engineer was hired into a full-time position, the need for supplemental personnel in a supervisory rank has become more apparent. To address this, staff has evaluated the Department's organizational structure and determined that converting an existing part-time Fire Engineer position to a part-time Fire Captain/Paramedic position will improve supervision, training, operational efficiency, add greater flexibility, and operational efficiency without increasing the total number of budgeted positions.

The proposed part-time Fire Captain/Paramedic position will provide supervision of a fire engine company, assist with staffing for vacancies of all ranks, and provide supplemental staffing for strike team responses. In addition, this position can assist with ensuring adherence to department policies, safety procedures, and training standards. The position will also support incident command functions and assist with administrative duties such as scheduling, training, and fire prevention and community risk reduction services. The timing for this conversion is advantageous as the existing part-time Fire Engineer was recently hired as a full-time Fire Captain. The proposed salary range aligns proportionally with the existing full-time Fire Captain/Paramedic pay scale and maintains internal pay equity within the Fire Department.

Fiscal Impact Yes/No: No

Additional Fiscal Information:
While the actual hourly rate will increase with the reclassification, the budgeted allotment will not increase.

Attachments:
1 - Resolution
Ex A - Salary Schedule

RESOLUTION NO. 2025-45

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, APPROVING THE UPDATED SALARY AND WAGE SCHEDULE FOR SAFETY EMPLOYEES

WHEREAS, the City Council has authorized the establishment of a municipal fire department to enhance public safety services and ensure local control over fire department operations; and

WHEREAS, to ensure adequate staffing of the appropriate rank is always available, it is necessary to reclassify some part-time positions, specifically the current Fire Engineer to Fire Captain/Paramedic; and

WHEREAS, the Fire Chief requires support from qualified personnel to assist in planning, coordinating, and implementing the foundational operations and activities of the department; and

WHEREAS, staff has also developed a proposed Salary and Wage Schedule for safety personnel within the fire department to ensure appropriate and competitive compensation for the recruitment and retention of qualified individuals; and

WHEREAS, the adoption of the proposed Salary and Wage Schedule is necessary to move forward with recruitment and ensure the successful staffing of the City's municipal fire department.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The City Council hereby authorizes salary ranges for the Part-Time Fire Captain/Paramedic as set forth on Exhibit "A" hereto.

Section 3. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 4. That the City Clerk shall certify the adoption of this Resolution and that the same shall be in full force and effect.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

SAFETY SALARY SCHEDULE

Proposed – Effective November 14, 2025

FIRE DEPARTMENT

Fire Chief and Department Heads		
Job Title	Allocated	
Fire Chief	1	Per Contract Department Head Range: $131,760.68 – $166,829.09
Battalion Chief	1.5	Per Contract

Hourly/Non-Exempt Full Time Employees						
Job Title	Allocated	Step A	Step B	Step C	Step D	Step E
Captain	0	$27.09/hr.	$28.44/hr.	$29.86/hr.	$31.36/hr.	$32.92/hr.
Captain/Paramedic	3.5	$28.43/hr.	$29.85/hr.	$31.35/hr.	$32.91/hr.	$34.56/hr.
Engineer	0	$24.62/hr.	$25.85/hr.	$27.15/hr.	$28.50/hr.	$29.93/hr.
Engineer/Paramedic	3	$25.85/hr.	$27.15/hr.	$28.50/hr.	$29.93/hr.	$31.43/hr.
Firefighter/Paramedic	3	$22.40/hr.	$23.52/hr.	$24.69/hr.	$25.93/hr.	$27.22/hr.

Volunteer Positions		
Job Title	Allocated	Stipend
Reserve Firefighter		$100.00 per 24-hour shift

Safety Allocated Positions
Full Time: 11
Part Time: 2

POLICE DEPARTMENT

Police Chief and Department Heads		
Job Title	Allocated	
Police Chief	1	Per Contract Department Head Range: $131,760.68 – $166,829.09

Exempt Full Time Employees						
Job Title	Allocated	Step A	Step B	Step C	Step D	Step E
Supervising Community Services Officer	1	$66,993.45	$70,343.12	$73,860.28	$77,553.29	$81,430.96

Safety Allocated Positions
Full Time: 2
Part Time:

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Brianna Hemsley, Executive Assistant to the City Manager

DATE: 11/12/2025

SUBJECT: Approve the Fifth Amended and Restated Joint Powers Agreement for the Southwest Communities Financing Authority

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Recommendation:
Approve the Fifth Amended and Restated Joint Powers Agreement for the Southwest Communities Financing Authority.

Background/Analysis:
In November 2004, the Southwest Communities Financing Authority (SCFA) was established as a Joint Powers Authority (JPA), between the cities of Canyon Lake, Lake Elsinore, Murrieta, and Temecula as well as the County of Riverside. In October, 2010, the City of Wildomar was added as a member of the JPA. The SCFA JPA was created to finance, construct, and operate a regional animal shelter serving Southwest Riverside County. The shelter was completed and opened on October 4, 2010.

Under the agreement, member agencies collaborate on the construction, funding, and operation of the shelter, while maintaining independent authority over their respective field services and animal control operations. The SCFA is overseen by a Board of Directors, with one representative from each member agency.

Amendments to the agreement include the addition of a new recital under Section 7 (Fiscal Obligations of the Parties), establishing a new subsection (h) that requires Member Cities and the County to remit invoices in advance of each quarter to the County Executive Office for subsequent payment to Animal Friends of the Valleys (AFV). Section 8 (Officers and Employees) has also been revised to clarify that the Vice Chairperson will serve as Chairperson for the remainder of the term, rather than only until the vacancy is filled as outlined in the prior agreement. Additional updates include a revision to the City of Temecula's address and an update to the signatory line for the City of Murrieta.

The agreement further establishes clear procedures for administration, financial management, legal compliance, and staff support, demonstrating the member agencies shared commitment to sustainable and cooperative animal care services.

Fiscal Impact Yes/No: No

Attachments:
1 - Fifth Amended and Restated JPA with SCFA

FIFTH AMENDED AND RESTATED JOINT POWERS AGREEMENT BETWEEN THE COUNTY OF RIVERSIDE; THE CITY OF CANYON LAKE; THE CITY OF LAKE ELSINORE; THE CITY OF MURRIETA; THE CITY OF TEMECULA; THE CITY OF WILDOMAR; AND THE CITY OF MENIFEE; FOR THE SOUTHWEST COMMUNITIES FINANCING AUTHORITY (Animal Shelter)

This Fifth Amended and Restated Joint Powers Agreement ("Agreement"), is made and entered into this 1st day of June, 2025 ("Effective Date") by and between the County of Riverside (hereafter referred to as "COUNTY");the City of Canyon Lake ("Canyon Lake"); City of Lake Elsinore ("Lake Elsinore"); City of Murrieta ("Murrieta"); City of Temecula ("Temecula"); and City of Wildomar ("Wildomar"); and City of Menifee ("Menifee"), individually as "City" or "Party", and collectively, the "Cities" or "Parties", each body being a body corporate and politic of the State of California, or public entities or political subdivision of the State of California.

RECITALS:

WHEREAS, COUNTY, Canyon Lake, Lake Elsinore, Murrieta, Temecula, Wildomar and, Menifee have mutual interests in the continued operation of an animal shelter located within the geographic area common to all Parties within the geographic boundaries, attached hereto and incorporated here by this reference as Attachment A, in compliance with State laws and regulations; and

WHEREAS, the Board of Directors ("Board") of the Southwest Communities Financing Authority ("SCFA") approved that certain Joint Powers Agreement, dated November 30, 2004, between COUNTY, Lake Elsinore, Canyon Lake, Murrieta, and Temecula for the purpose of constructing an animal shelter in the southwest portion of the County of Riverside; and

WHEREAS, the Board of SCFA approved that certain Second Amended and Restated Joint Powers Agreement, dated January 29, 2008, between COUNTY, Lake Elsinore, Canyon Lake, Murrieta, and Temecula;

WHEREAS, the Board of SCFA approved that certain Third Amended and Restated Joint Powers Agreement, dated November 2, 2010, between COUNTY, Lake Elsinore, Canyon Lake, Murrieta, Temecula, and Wildomar, accepting Wildomar as a JPA member;

WHEREAS, the Board of SCFA approved that certain Fourth Amended and Restated Joint Powers Agreement, dated November 1, 2020, between County, Lake Elsinore, Canyong Lake, Murrieta, Temecula, Wildomar, and Menifee, accepting Menifee as a JPA member;

WHEREAS, the Board of SCFA desires to amend and restate the agreement to state that Member Cities and County shall pay invoices in advance of each quarter;

WHEREAS, it is the interest and desire of the Parties to amend and restate that certain Fourth Amended and Restated Joint Powers Agreement to continue SCFA as a Joint Powers Agency, separate and apart from the Parties hereto, as hereinafter described and set forth, which entity shall set about the task of accomplishing the purpose of this Agreement in a manner most capable of promoting the greatest public good and welfare; and

WHEREAS, the Parties hereto are each empowered by law to provide for the animal shelter needs to eligible residents of each City either directly, or by contract or similar arrangement;

NOW, THEREFORE, in consideration of the above recitals, of the mutual promises and agreements herein contained and for other valuable consideration, the parties hereto agree as follows:

SECTION 1. PURPOSE

This Fifth Amended and Restated Joint Powers Agreement (hereinafter referred to as "Agreement") is made pursuant to the provisions of Article 1, Chapter 5, Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, (hereinafter referred to as the "Act") for the express purpose of constructing and housing animals, also known as operating an animal shelter, to serve residents of the Parties hereof. Additionally, this Agreement shall permit the financing of public capital improvements and those purposes permitted under the Marks-Roos Local Bond Pooling Act of 1985, being Article 4, Chapter 5, Division 7 of Title 1 (commencing with Section 6584) of the California Government Code (the "Bond Law"). It is the intent of this Agreement that none of the decisions regarding field service boundaries or levels of service for animal control for each of the Cities shall be affected by the creation of this JPA, or by membership in this JPA.

The purpose of this Agreement shall be accomplished and the common powers of the parties hereto exercised in the manner hereinafter set forth.

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SECTION 2. CREATION OF AUTHORITY

Pursuant to the Act and the Bond Law, there is hereby created a public entity to be known as the Southwest Communities Financing Authority ("SCFA"). SCFA shall be a public entity, separate and apart from the parties hereto, and as provided by law and not otherwise prohibited by this Agreement, shall be empowered to take such actions as may be necessary or desirable to implement and carry out the purpose of this Agreement.

SECTION 3. TERM

This Agreement shall become as of the Effective Date (defined above) and shall continue in full force and effect until terminated as provided in **Section 4** below.

SECTION 4. TERMINATION AND AMENDMENTS

a. The Parties hereto may amend this Agreement by mutual written consent.

b. The Parties hereto may terminate their participation in the Joint Powers Authority and this Agreement as provided herein.

c. If SCFA has incurred no obligations, each Party may terminate this Agreement by giving not less than sixty (60) days written notice thereof to the all other parties.

d. If SCFA has acquired any indebtedness, fiscal obligation, and/or any property, each Party hereto may terminate this Agreement by giving twelve (12) months written notice thereof to all other Parties subject to the provisions of **Sections 4(e) and 4(f)** herein.

e. This Agreement cannot be terminated until all forms of indebtedness, and/or fiscal obligation incurred by SCFA have been paid, or adequate provision for such payment shall have been made.

f. In the event the Agreement is terminated, any property acquired by SCFA from the Effective Date of this Agreement, including but not limited to money, shall be divided and distributed between the Parties in proportion to the contributions made, including contributions made as provided in **Section 10** below, unless otherwise required by law.

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SECTION 5. POWERS AND DUTIES OF SCFA

SCFA shall have the powers common to the Parties to this Agreement to:

Exercise those powers enumerated in the Act and Bond Law as the same as now exists or as may hereinafter be amended;

Do all acts necessary or convenient to the exercise of the foregoing and to accomplish the purposes of this Agreement, including but not necessarily limited to the following:

to make and execute all contracts, agreements, and documents including, without limitation, agreements with any of the Parties to this Agreement, other local governments, agencies or departments, the State of California, the United States of America, or agencies thereof, or any entity, person or corporation of any kind or nature whatever;

to employ agents, servants and employees;

to acquire, hold and dispose of property, both real and personal;

to acquire, construct, maintain, manage, operate and lease buildings, works and improvements;

to accept gifts;

to sue and be sued in its own name;

to apply for and receive any available federal, State and/or local grants;

to employ legal counsel;

to employ consultants;

to adopt a budget;

to incur debts, liabilities and obligations;

to establish a treasury for the deposit and disbursement of funds and monies, according to the policies and procedures set forth in this Agreement;

to invest any money held in the treasury that is not required for immediate necessities of SCFA, as SCFA determines is advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 52601 of the California Government Code; and

to issue bonds and other evidences of indebtedness for the construction of an animal shelter, and the consent of the Governing Board of each member to participate in this Joint Powers Authority shall be deemed consent for the issuance of bonds by SCFA, as required under California Government Code Sections 6500 et seq. and the Bond Law.

The listing of the above acts is not intended to indicate any priority of one act over another. Nor is such listing intended to be inclusive, and other acts may be done in the accomplishment of

the purposes of this Agreement as are authorized. One or several acts may take place concurrently or in sequence.

SECTION 6. CREATION OF THE BOARD OF DIRECTORS

a. Governance of SCFA by the Board of Directors. In order to effectuate the purposes of this Agreement as set forth herein, SCFA shall be governed by a Board of Directors (hereinafter called the "Board"), and all of the powers of SCFA shall be exercised by the Board.

b. Membership. The Board shall be composed of the following members from the Parties:

One (1) member of the Board of Supervisors of Riverside County;

One (1) member of the City Council of the City of Canyon Lake;

One (1) member of the City Council of the City of Lake Elsinore;

One (1) member of the City Council of the City of Murrieta;

One (1) member of the City Council of the City of Temecula;

One (1) member of the City Council of the City of Wildomar;

One (1) member of the City Council of the City of Menifee.

c. Designation of Members. Members shall serve on the Board during the term for which they are a member of the Board of Supervisors, or a member of the City Council from which they are appointed. A member's position on the Board shall automatically terminate if the term of the elected public office of such member is terminated.

d. Reimbursement. The Board may provide for reimbursement of reasonable expenses incurred in connection with a member's service on the Board.

e. Quorum and Transaction of Business. Four (4) members of the Board shall constitute a quorum.

A vote of four (4) of the members present shall be required to take action, except for adjournment of a meeting which shall require only a majority of those present. No proxy or absentee voting shall be permitted.

f. Meetings. The Board shall establish the time and place for its regular and special meetings. The dates, hour and location of regular meetings shall be fixed by formal action of the Board. The Board shall hold at least one (1) regular meeting every calendar year. Special meetings and adjourned meetings may be held as required or permitted by applicable law.

g. Ralph M. Brown Act. All meetings of the Board, including, without limitation, regular, special and adjourned meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

h. Rules. The Board may adopt, from time to time, such rules and regulations for the conduct of its meetings and activities as it may deem necessary. In the absence of specific rules for SCFA meetings, the rules of the Board of Supervisors shall be applicable for the conduct of meetings of SCFA.

SECTION 7. FISCAL OBLIGATIONS OF THE PARTIES

It is the intent of the Parties as members of SCFA that the following fiscal obligations shall be agreed upon for all Parties to this Agreement:

a. Debt repayment of any bonds issued by SCFA shall be paid by each Party based on the percentage of animals housed at the facility, on an annual basis.

b. Administration costs of the SCFA shall be borne equally between each Party and may include, but not be limited to, stipends, legal fees, audit, costs, administrative fee, mileage reimbursement.

c. Operation of animal shelter shall be paid by each Party based on the percentage of animals housed at the facility, on an annual basis.

d. Determination of the percentages for sub-sections (a) and (c) shall be made on an annual basis in January based on the usage information received for the preceding calendar year. The

percentages shall be designated for calculation starting July 1st of that same calendar year. No Party shall divert any animals within its custody, care or control, including those held on behalf of a Party under contracted services with an animal control or humane society provider, that are located within the SCFA's geographic boundaries (as reflected in attached Attachment A) from being housed at SCFA's animal shelter facility contemplated under this Agreement unless said facility lacks the capacity to accept the animal(s) in question or where the SCFA has granted express written consent for the animal(s) in question to be diverted to another animal shelter facility.

e. Annexations of any area by any Party shall result in that Party assuming fiscal responsibility for the area annexed. The additional annexation shall result in a re-calculation of percentages of (a) and (c).

f. Incorporation of any geographic area served by SCFA, and in the event of the new city not joining as a member in SCFA, COUNTY shall reserve the ability to contract directly with the new city for animal services.

g. Any Party withdrawing from SCFA agrees to payment of the current percentage of the following:

After the issuance of bonds, the Party agrees to payment of the party's current percentage of the amount of the outstanding bonds.

Any unpaid portion of the administrative costs of SCFA, calculated up to the effective date of termination of participation in SCFA of the Party.

Any unpaid portion of the operation costs of the animal shelter, calculated up to the effective date of termination of participation in SCFA of the Party.

h. Member Cities and County shall pay invoices in advance of each quarter to the County Executive Office for subsequent payment to AFV.

SECTION 8. OFFICERS AND EMPLOYEES

Chairperson and Vice Chairperson. The Board may select a chairperson and a vice chairperson from among its members at its first meeting, and annually thereafter. The term of the Chairperson and Vice Chairperson, when selected in this manner, shall be for two (2) years.

In the event that the Chairperson or Vice Chairperson so elected resigned from such office or ceases to be a member of the Board, the resulting vacancy shall be filled at the next regular meeting of the Board. In the absence or inability of the Chairperson to act, the Vice Chairperson shall act as Chairperson through the end of term. The Chairperson, or in the Chairperson's absence, the Vice Chairperson, shall preside at and conduct all meetings of the Board.

Treasurer. The Treasurer of the County of Riverside shall be and shall act as the Treasurer of SCFA. The Treasurer shall have the custody of SCFA's money and disburse SCFA funds pursuant to the accounting procedures of the County of Riverside. The Treasurer shall assume the duties described in Section 6505.5 of the California Government Code, namely: receive and receipt for all money of SCFA (with the exception of any bond proceeds which shall be deposited with the Trustee bank) and place it in the Treasury of the Treasurer to the credit of SCFA; be responsible upon an official bond as prescribed by the Board for the safekeeping and disbursement of all Agency money so held; pay, when due, out of money of SCFA so held, all sums payable, only upon warrants of the officer performing the functions of the Controller who has been designated by SCFA or the Board; verify and report in writing in conjunction with the annual audit of SCFA and to the Parties to this Agreement the amount of money held for SCFA, the amount of receipts since the last report, and the amount paid out since the last report; and perform such other duties as are set forth in this Agreement or specified by the Board.

Any and all funds of the SCFA shall not be commingled with any other funds held by the Treasurer.

Controller. The Auditor/Controller of the County of Riverside shall be the Controller of SCFA. The Controller shall draw warrants to pay demands against SCFA when such demands have been approved by the Board or by any other person authorized to so approve such by this Agreement or by resolution of the Board. The Controller shall perform such duties as are set forth in this Agreement and such other duties as are specified by the Board.

There shall be strict accountability of all funds and reporting of all receipts and disbursements. The Controller shall establish and maintain such procedures, funds and accounts as may be required by sound accounting practices. The books and records of SCFA in the hands of the Controller shall be open to inspection at all reasonable times by representatives of the parties to this Agreement.

Program Administrator. The Executive Officer for the County of Riverside, or designee, shall be the Program Administrator for SCFA. The Program Administrator, or designee, shall direct the day-to-day operation of SCFA. The Program Administrator shall serve subject to the Board's

policies, rules, regulations and instructions, and shall have the powers described in this Agreement and those delegated and assigned by the Board, including, without limitation:

to appoint, remove and transfer employees of SCFA, including management level officers, subject to the conditions of employment of these individuals as employees of SCFA, except for the Treasurer, Controller and Attorney of SCFA and such others as the Board may designate;

to enforce all orders, rules and regulations adopted by the Board relating to the regulation, operation, or control of funds, facilities, properties and apparatus of SCFA;

to authorize expenditures whenever the Board shall have approved and authorized any work, improvement or task and shall have budgeted or appropriated the necessary money therefore; and

to have custody of and accountability for all property of SCFA except money. The Program Administrator, with the approval of the Board, shall contract with an independent certified public accountant or firm or certified public accountants to make an annual audit of the accounts and records of SCFA, and a complete written report of such audit shall be filed as public records annually, within six (6) months of the end of the fiscal year under examination, with each of the Parties to this Agreement. Such annual audit and written report shall comply with the requirements of Section 6505 of the California Government Code. The cost of the annual audit, including contracts with, or employment of such independent certified public accountants in making an audit pursuant to this Agreement shall be a charge against funds of SCFA available for such purpose. The Board, by unanimous vote, may replace the annual audit with a special audit covering a two-year period.

Assistant Program Administrator. The Board may appoint an Assistant Program Administrator, who shall be a person employed by any member agency of SCFA other than the County of Riverside, who is assigned to such duties for SCFA. The Assistant Program Administrator shall, with the consent of the Program Administrator, assist the Program Administrator in carrying out the direction of the day-to-day operation of SCFA. The Assistant Program Administrator shall serve subject to the Board's policies, rules, regulations and instructions, and shall have the powers described in this Agreement pertaining to the position of Program Administrator and those delegated and assigned by the Board.

Consultants. Subject to the availability of funds, the Board may employ such consultants, advisors and independent contractors as are deemed necessary and desirable in implementing and carrying out the purposes of this Agreement.

Attorney for SCFA. The offices of the Riverside County Counsel, or counsel as retained directly

by SCFA shall be the attorneys for SCFA. The Board may employ by contract or otherwise, specialty counsel.

SECTION 9. EXECUTIVE MANAGEMENT COMMITTEE

There shall be an Executive Management Committee established consisting of the County Executive Officer, or designee of COUNTY, and City Managers, or designees of CANYON LAKE, LAKE ELSINORE, MURRIETA, TEMECULA, WILDOMAR, MENIFEE, and any other member city who may join SCFA. The Executive Management Committee shall meet as necessary to review the operations and business of SCFA.

SECTION 10. REIMBURSEMENT

Officers and employees of the Parties (excepting members of the Board) designated in this Agreement to provide services for SCFA shall be reimbursed by SCFA for their actual costs of providing such services. In addition, additional services provided by officers and employees of the parties pursuant to contracts with SCFA shall be reimbursed as provided by the contracts. All reimbursements by SCFA shall be made after receiving an itemized billing for services rendered.

SECTION 11. FISCAL YEAR

The fiscal year of SCFA shall be the period commencing July 1 of each year and ending on and including the following June 30.

SECTION 12. CONTRIBUTIONS BY THE PARTIES

The Parties to this Agreement may provide contributions in the form of public funds and/or in-kind services, equipment, furnishings, office space and other kinds of property which may be reasonably necessary for SCFA to accomplish the purposes of this Agreement.

SECTION 13. EMPLOYEES OF SCFA

Riverside County Employees. There shall be no individuals directly employed by SCFA. "Employees" for the purposes of indemnification and defense provisions herein shall mean all persons employed by Riverside County, or any Party, and assigned to duties for SCFA.

Indemnification and Defense of Employees. With respect to any civil claim or action against any Director, Officer, Employee, Board Member, Committee Member, or a person who formerly

occupied such position, for an injury arising out of an act or omission occurring within the scope of such person's duties, SCFA shall indemnify, hold harmless and defend such person to the full extent permitted or required under applicable sections of the California Government Code.

Nothing herein shall be construed to require SCFA to indemnify and hold harmless any Director, Officer, Employee, Board Member, Committee Member, or a person who formerly occupied such position, if SCFA has elected to conduct the defense of such person(s) pursuant to an agreement reserving SCFA's rights not to pay a judgment, compromise or settlement until it is established that the injury arose out of an act or omission occurring within the scope of his or her duties with SCFA.

Nothing herein shall be construed to require the SCFA indemnify, or to provide a defense for any Director, Officer, Employee, Board Member, Committee Member, or a person who formerly occupied such position where the individual has acted in an illegal, willful or intentionally negligent manner giving rise to the claim, or litigation.

The following definitions shall apply to SCFA:

"Directors" shall include the following: Members of the Governing Board of Directors of SCFA, Program Administrator, and the Assistant Program Administrator.

"Officers" shall include all individuals who are defined in "Directors" herein, the Treasurer, Controller, and Attorney(s) for SCFA as defined herein.

"Employees" shall mean all persons employed by Riverside County, or any other member agency, and assigned to duties for SCFA.

"Committee Members" shall mean all persons appointed by the Governing Board to any advisory committee or committees of SCFA, all persons appointed by the Program Administrator to any advisory committee or committees of SCFA.

SECTION 14. LIABILITIES

SCFA shall account separately for all funds collected or disbursed for each Party to this Agreement. It is the intent of the Parties, to the extent permitted by law, that the liabilities of each Party for the animal shelter services provided to that Party's members shall not become a liability of any other Party to this Agreement.

The debts, liabilities and obligations of SCFA shall be the debts, liabilities and obligations of SCFA alone, and not of the Parties to this Agreement.

SCFA shall indemnify, defend and hold harmless each Party to this Agreement from and against any and all liabilities, debts, claims, demands or costs (including but not limited to

attorney's fees) arising, or alleged to arise as a result of SCFA's operation or failure to operate.

SECTION 15. NOTICES

Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or upon deposit into the U.S. Mail, first class, postage prepaid to:

RIVERSIDE COUNTY

Executive Office

County Administrative Center, 4080 Lemon Street, 4th Floor Riverside, CA 92501

Attn: Deputy County Executive Officer - Finance

CITY OF CANYON LAKE

31516 Railroad Canyon Road, Canyon Lake, CA 92587

Attn: City Manager

CITY OF LAKE ELSINORE

130 South Main Street, Lake Elsinore, CA 92530

Attn: City Manager

CITY OF MURRIETA

24601 Jefferson Avenue, Murrieta, CA 92562

Attn: City Manager

CITY OF TEMECULA

41000 Main Street, Temecula, CA 92590

Attn: City Manager

CITY OF WILDOMAR

23873 Clinton Keith Road, Suite 201

Wildomar, CA 92595

Attn: City Manager

CITY OF MENIFEE

29844 Haun Road

Menifee, CA 92586

Attn: City Manager

//

//

SECTION 16. OTHER AGREEMENTS NOT PROHIBITED

Other agreements by and between the Parties to this Agreement or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.

SECTION 17. SEVERABILITY

If any section, clause or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable and the remainder of this Agreement or the application of such provision to the other Party or other persons or circumstances shall not be affected thereby.

SECTION 18. NONASSIGNABILITY

The rights, titles and interests of any Party to this Agreement shall not be assignable or transferable without the written consent of the Board of Supervisors for Riverside County and the City Councils of any of the other Parties to this Agreement.

SECTION 19. MISCELLANEOUS

Section Headings. The section headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.

Laws of California. This Agreement is made in the State of California, under the Constitution and laws of such State, and shall be construed and enforced in accordance with the laws of the State of California.

Construction of Language. It is the intention of the Parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

Cooperation. The Parties to this Agreement recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement including cooperation in manners relating to the public, accounting, litigation, public relations and the like.

Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties hereto.

Publication Rights. Each Party to this Agreement shall have the right to duplicate, at its own expense, any and all documents and reports created or acquired, in the joint exercise of powers hereunder by the Board or by any other Party hereto pursuant to this Agreement.

Government Code Section 6509 Designation. The laws of the State of California applicable to the COUNTY, as a general law county, shall govern the SCFA in the manner of exercising its powers, subject, however, to such restrictions as are applicable to said county in the manner of exercising such powers, as required by California Government Code Section 6509.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested to by their proper officers thereunto duly authorized as of the date first above written.

COUNTY OF RIVERSIDE,
a political subdivision of the
State of California

By:_____
V. Manuel Perez, Chair
Board of Supervisors

ATTEST:
Kimberly Rector
Clerk of the Board

By:_____
Deputy

APPROVED AS TO FORM:
Minh C. Tran
County Counsel

By:_____
Amrit P. Dhillon
Deputy County Counsel

CITY OF CANYON LAKE

By:_____ Date:_____

Mayor

ATTEST:

By:_____ Date:_____

City Clerk

Approved as to form:

By:_____

City Attorney

CITY OF LAKE ELSINORE

By:_____ Date:_____

Mayor

ATTEST:

By:_____ Date:_____
Deputy

[Seal]

Approved as to form:

By:_____

City Attorney

CITY OF TEMECULA

By:_____ Date:_____

Mayor

ATTEST:

By:_____ Date:_____

City Clerk

Approved as to form:

By:_____

City Attorney

CITY OF MURRIETA

By:_____ Date:_____

Mayor

ATTEST:

By:_____ Date:_____
City Clerk

[Seal] Approved as to form:

By:_____

City Attorney

CITY OF WILDOMAR

By:_____ Date:_____

Mayor

ATTEST:

By:_____ Date:_____
Deputy

[Seal] Approved as to form:

By:_____

City Attorney

CITY OF MENIFEE

By:_____ Date:_____
Mayor

ATTEST:

By:_____ Date:_____

Deputy

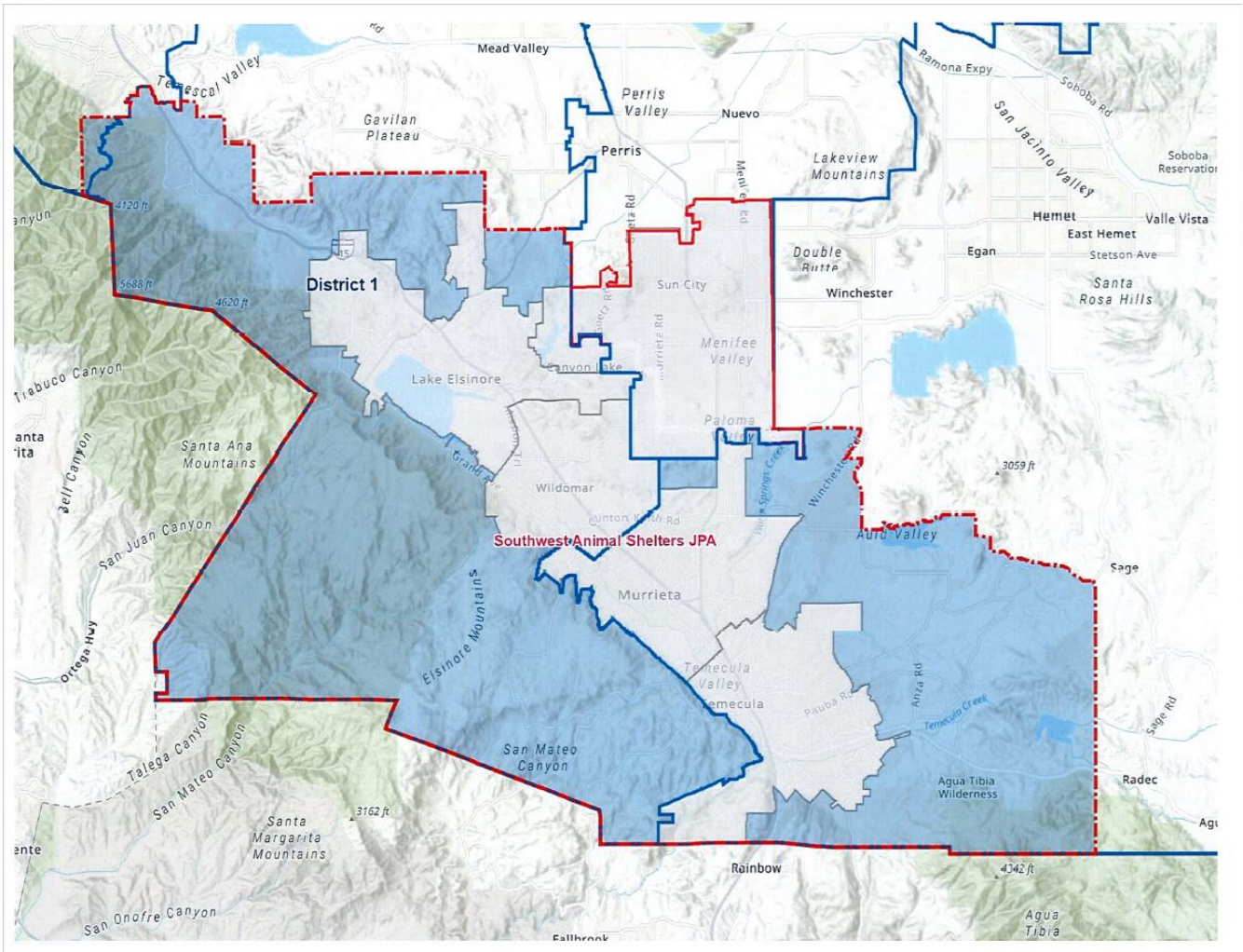
[Seal]

Approved as to form:

By:_____

City Attorney

ATTACHMENT A
MAP OF SCFA SERVICE AREA
(BEHIND THIS PAGE)


Mead Valley
Temescal Valley
Gavilan Plateau
Perris Valley
Nuevo
Perris
Lakeview Mountains
Ramona Expy
Soboba Rd
San Jacinto Valley
Soboba Reservation
Hemet
Valle Vista
East Hemet
Stetson Ave
Egan
Double Butte
Winchester
Santa Rosa Hills
District 1
Sun City
Menifee Valley
Lake Elsinore
Canyon Lake
Paloma Valley
Wildomar
Trabuco Canyon
Santa Ana Mountains
Bell Canyon
San Juan Canyon
Southwest Animal Shelters JPA
Murrieta
Auld Valley
Sage
Ortega Hwy
Elsinore Mountains
Temecula Valley
Temecula
Pauba Rd
Anza Rd
Temecula Creek
Talega Canyon
San Mateo Canyon
San Mateo Canyon
Agua Tibia Wilderness
Radec
Santa Margarita Mountains
3162 ft
Rainbow
4342 ft
San Onofre Canyon
Agua Tibia
Fallbrook
4120 ft
5688 ft
4620 ft
3059 ft

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Sheryl Garcia, Administrative Services Director/City Clerk

DATE: 11/12/2025

SUBJECT: Second Reading and Adoption of Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code

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Recommendation:
Conduct second reading and adopt Ordinance No. 263 - An Ordinance of the City Council of the City of Canyon Lake, California, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code.

Background/Analysis:
At the September 23, 2025, City Council meeting, the City Council approved the first reading of Ordinance No. 263, Repealing Sections 3.26.090 (Water Users' Tax) and 3.26.100 (Sewer Users' Tax) of the Canyon Lake Municipal Code.

In Beck v. City of Canyon Lake (2025) (D083322), the California Court of Appeal, Fourth District, held that the water and sewer UUT was unconstitutional under Article XIII D of the California Constitution (Proposition 218). The Court found the tax was imposed "as an incident of property ownership," and because revenues were used for general governmental services beyond the cost of water and sewer, the UUT violated several provisions of Article XIII D, section 6. The Court further emphasized that voter approval under Article XIII C does not override Article XIII D's independent restrictions.

Although voters twice approved the tax, the Court held it unconstitutional. The provisions remain codified in the Municipal Code. Adoption of the proposed ordinance is necessary to repeal Sections 3.26.090 and 3.26.100, thereby removing provisions the Court has declared unconstitutional and ensuring the Municipal Code is consistent with the law.

Fiscal Impact Yes/No: No

Additional Fiscal Information:
Adoption of the ordinance will ratify the repeal of the water and sewer users' taxes, and the revenue loss has already been accounted for in the City's budget.

Attachments:
1 - Ordinance

ORDINANCE NO. 263

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, REPEALING SECTIONS 3.26.090 (WATER USERS' TAX) AND 3.26.100 (SEWER USERS' TAX) OF THE CANYON LAKE MUNICIPAL CODE

WHEREAS, Canyon Lake voters approved a utility users' tax ("UUT") on water and sewer services in 2014 (Measure DD) and extended the UUT in 2018 (Measure S), codified in Canyon Lake Municipal Code Sections 3.26.090 (water users' tax) and 3.26.100 (sewer users' tax); and

WHEREAS, in *Beck v. City of Canyon Lake* (D083322), the California Court of Appeal, Fourth District, held that the City's water and sewer UUT was unconstitutional under Article XIII D of the California Constitution (Proposition 218), finding that the tax was imposed "as an incident of property ownership" and used for general governmental purposes beyond the cost of providing water and sewer services; and

WHEREAS, the California Superior Court for Riverside County in the underlying case on remand issued a peremptory writ of mandate directing the City to rescind the provisions of the Municipal Code imposing those taxes; and

WHEREAS, the City Council desires to repeal Canyon Lake Municipal Code Sections 3.26.090 (water users' tax) and 3.26.100 (sewer users' tax) to comply with the Court's ruling and writ of mandate.

THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

Section 1. Incorporation. The above recitals are all true and correct and are incorporated herein by this reference.

Section 2. CEQA. The adoption of this Ordinance is not subject to the California Environmental Quality Act because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.

Section 3. Municipal Code Amendment. Sections 3.26.090 (water users' tax) and 3.26.100 (sewer users' tax) of the Canyon Lake Municipal Code are hereby repealed in their entirety.

~~**3.26.090 Water users' tax.**~~

~~(a) There is imposed a tax upon every person using water in the city which is transported and delivered through a pipeline distribution system. The tax imposed by this section shall be at the rate of 3.95% of the charges made for such water.~~

~~(b) As used in this section, the term "charges" shall apply to all services, components and items that are: (1) necessary for or common to the receipt, use or enjoyment of water service; or (2) currently are, or historically have been, included in a single or bundled rate for water service by a~~

~~local distribution company to a class of retail customers. The term "charges" shall include, but is not limited to, the following charges:~~

~~(1) Water commodity charges (potable and non-potable);~~

~~(2) Distribution or transmission charges;~~

~~(3) Metering charges;~~

~~(4) Customer charges, late charges, service establishment or reestablishment charges, bond financing payments, franchise fees, franchise surcharges, annual and monthly charges, and other charges, fees and surcharges which are necessary for or common to the receipt, use or enjoyment of water service; and~~

~~(5) Charges, fees, or surcharges for water services or programs, which are mandated by a water district or a State or Federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.~~

~~(6) Recycled water charges.~~

~~(c) As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the water services.~~

~~(d) The Tax Administrator, from time to time, may survey the water service suppliers in the City to identify the various unbundled billing components of water retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by a water district or a State or Federal agency as a condition of providing such water service. The Tax Administrator, thereafter, may issue and disseminate to such water service suppliers an administrative ruling identifying those components and items which are: (1) necessary for or common to the receipt, use or enjoyment of water service; or (2) currently are, or historically have been, included in a single or bundled rate for water service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection (a) of this section.~~

~~(e) There shall be excluded from the base on which the tax imposed in this section is computed charges made for wholesale water which is to be resold and delivered through a pipeline distribution system; and charges made by a public water district for water which it uses for the conduct of its business.~~

~~(f) The tax on water service imposed by this section shall be collected from the service user by the water service supplier or its billing agent. The amount of tax collected in one month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth day of the following month; or, at the option of the person required to collect and/or remit the tax, such person shall remit an estimated amount of tax, measured by the tax billed in the~~

~~previous month or upon the payment pattern of the service user, which must be received by the Tax Administrator on or before the twentieth day of the following month.~~

~~(Ord. 177, passed 11-6-2018)~~

~~**3.26.100 Sewer users' tax.**~~

~~(a) There is hereby imposed a tax upon every person in the City using sewer services within the City. The tax imposed by this section shall be at the rate of 3.95% of the charges made for such sewer service. The tax shall be paid by the person using such sewer service.~~

~~(b) As used in this section, the term "charges" shall apply to all services, components and items that are: (1) necessary for or common to the receipt, use or enjoyment of sewer service; or (2) currently are, or historically have been, included in a single or bundled rate for sewer service to retail customers. The term "charges" shall include, but is not limited to, the following charges:~~

~~(1) Customer charges, late charges, service establishment or reestablishment charges, annual and monthly charges, bond financing payments and other charges, fees and surcharges which are necessary for or common to the receipt, use or enjoyment of sewer service; and~~

~~(2) Charges, fees, or surcharges for sewer services or programs, which are mandated by the City, a State or Federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.~~

~~(c) The tax on sewer service imposed by this section shall be collected from the service user by the sewer service supplier or its billing agent. The amount of tax collected in one month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator, on or before the twentieth day of the following month; or, at the option of the person required to collect and/or remit the tax, such person shall remit an estimated amount of tax, measured by the tax billed in the previous month or upon the payment pattern of the service user, which must be received by the Tax Administrator on or before the twentieth day of the following month.~~

Section 4. **Clerical Errors.** The City Council directs the City Clerk to correct any clerical errors found in this Ordinance including, but not limited to, typographical errors, irregular numbering and incorrect section references.

Section 5. **Severability.** Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 6. **Effective Date.** In accordance with California Government Code section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

Section 7. **Publication.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

PASSED APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

_____
Steven Graham, City Attorney

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Sheryl Garcia, Administrative Services Director/City Clerk

DATE: 11/12/2025

SUBJECT: Second Reading and Adoption of Ordinance No. 265 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department

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Recommendation:
Conduct second reading and adopt Ordinance No. 265 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Ordinance No. 260 to Appoint the Chief of Police as the Administrative Head of the Police Department.

Background/Analysis:
At the October 2, 2025, City Council meeting, the City Council approved the first reading of Ordinance No. 265, amending Ordinance No. 260 to appoint the Chief Police as the administrative head of the Canyon Lake Police Department and adopted Urgency Ordinance No. 264, which is identical to proposed Ordinance No. 265.

On April 9, 2025, the City Council adopted Resolution No. 2025-15, expressing the City's intent to establish a municipal police department and authorizing implementation steps. On September 23, 2025, the City Council adopted Ordinance No. 260, which formally established the Canyon Lake Police Department and declared the City's intent to participate in the California Commission on Peace Officer Standards and Training (POST) Program.

As the City had not yet appointed a Chief of Police, Ordinance No. 260 provided that the Department would operate under the administrative direction of the City Manager. Under Penal Code Sections 832.3 and 832.4 and Government Code Section 38630, now that the City has appointed a Chief of Police who meets POST training and certification requirements, it is appropriate to amend Ordinance No. 260 to place the Canyon Lake Police Department under the control of a Chief of Police. This approach is consistent with state statutory requirements and general guidance from POST, ensuring the proper organizational structure is in place as the City prepares for the Department's operational start on or about August 31, 2026.

Fiscal Impact Yes/No: No

Attachments:
1 - Ordinance

ORDINANCE NO. 265

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING ORDINANCE NO. 260 TO APPOINT THE CHIEF OF POLICE AS THE ADMINISTRATIVE HEAD OF THE POLICE DEPARTMENT

WHEREAS, on September 23, 2025, the City Council adopted Ordinance No. 260 formally establishing the Canyon Lake Police Department and declaring the City's intent to participate in the California Commission on Peace Officer Standards and Training (POST) Program; and

WHEREAS, as no Chief of Police had yet been appointed, Ordinance No. 260 placed the Police Department under the administrative direction of the City Manager; and

WHEREAS, now that a Chief of Police has been appointed, and consistent with the requirements of Penal Code Sections 832.3 and 832.4 and Government Code Section 38630, the City Council desires to amend Ordinance No. 260 to appoint the Chief of Police as the administrative head of the Canyon Lake Police Department.

THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

Section 1. Incorporation. The above recitals are all true and correct and are incorporated herein by this reference.

Section 2. CEQA. The adoption of this Ordinance is not subject to the California Environmental Quality Act because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.

Section 3. Amendment. Section 3 of Ordinance No. 260 is hereby amended to read in full as follows:

Section 3. Establishment of the Canyon Lake Police Department.

The City Council hereby formally establishes the Canyon Lake Police Department as a department of the municipal government of the City of Canyon Lake. The department shall be responsible for providing municipal police services within the jurisdictional boundaries of the City, under the control of the Chief of Police. The Canyon Lake Police Department is expected to begin operations on or about August 31, 2026, in accordance with the implementation timeline previously authorized by the City Council in Resolution No. 2025-15.

Section 4. Continuity. Except as expressly amended herein, all other provisions of Ordinance No. 260 shall remain in full force and effect.

Section 5. Clerical Errors. The City Council directs the City Clerk to correct any clerical errors found in this Ordinance including, but not limited to, typographical errors, irregular numbering and incorrect section references.

Section 6. Severability. Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 7. Effective Date. In accordance with California Government Code section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

Section 8. Publication. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

PASSED APPROVED AND ADOPTED this 12th day of November, 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

_____
Steven Graham, City Attorney

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Arron Brown, City Manager

DATE: 11/12/2025

SUBJECT: Receive and File the Quarterly Investment Report for the Quarter Ended September 30, 2025

Recommendation:
Receive and file the Quarterly Investment Report for the quarter ended September 30, 2025, in compliance with the City's Investment Policy.

Background/Analysis:
The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended September 30, 2025. This report is in compliance with the California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. It is recommended that the City Council receive and file the attached Quarterly Investment Report.

The City maintains a portfolio of investments in order to earn interest in cash balances that are not currently required to fund operations. California Government Code Sections 53601 and 53646 establish the types of investments allowed, the governing restrictions on these investments, the third-party custodian arrangement for certain investments, and the reporting practices related to the portfolios of local agencies. In keeping with best practices, the City has implemented an Investment Policy, which was last reviewed by the City Council on September 13, 2023. The policy is in full compliance with the requirements of both of the above-mentioned Code Sections.

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended September 30, 2024. The report complies with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. As stated in the attached report, there is more than adequate liquidity within the portfolio for the City to meet its budgeted expenditures over the next six months.

The City's investment policy has set the primary goals of the portfolio management as Safety and Liquidity followed by Yield. The City's cash flow requirements are evaluated on an ongoing basis, with short-term needs accommodated through the City's pooled investment funds with Local Agency Investment Fund (LAIF) and Citizens Trust Allspring Funds Trust Government Money Market Funds. LAIF is a pool of public funds managed by the State Treasurer of California, providing 24-hour liquidity while yielding a rate of return approximately equivalent to a one-year treasury bill. With the combined

use of a conservative approach to evaluating cash flow needs and LAIF and the Allspring Funds Trust Government Money Market liquidity, the City will not have to liquidate securities at current market rates that are intended to be held for longer-term investment.

The table below shows the portfolio average yield to maturity for the quarter ending September 30, 2025, compared to the quarter ending September 30, 2024.

	Portfolio Balance At Cost	Average Yield to Maturity September 30,	
		2025	2024
Investments	$ 6,975,664	3.88%	3.60%

Fiscal Impact Yes/No: No

Attachments:
1 - Schedule of Investments
2 - Investment Policy
3 - Citizens Bank Statement
4 - Multi Bank Securities Statement

City of Canyon Lake
Schedule of Investments
as of September 30, 2025

Institution	Par Value	Book Value Price @ Cost	(Fair Value) Market Value	Yield	Purchase Date	Maturity Date
ACTIVE DEPOSITS						
Money Market Accounts:						
Citizens Business Bank - Money Market	$ 313,717.82	$ 313,717.82	$ 313,717.82	0.100%	N/A	N/A
Total Money Market	$ 313,717.82	$ 313,717.82	$ 313,717.82			
Pooled Investment Accounts:						
Local Agency Investment Fund	$ 11,532.16	$ 11,532.16	$ 11,532.16	4.340%	N/A	N/A
Total Pooled Investment	$ 11,532.16	$ 11,532.16	$ 11,532.16			
Multi-Bank Securities						
Cash Balance	$ 6,637.72	$ 6,637.72	$ 6,637.72	0.000%	N/A	N/A
United States Treasruy Bill	2,150,000.00	2,109,872.40	2,146,366.50	4.750%	04/17/25	10/16/25
Total MBS	$ 2,156,637.72	$ 2,116,510.12	$ 2,153,004.22			
Citizens Trust:						
Allspring Funds TR Government MMKT	$ 2,433,596.67	$ 2,433,596.67	$ 2,433,596.67	4.500%	N/A	N/A
Fannie Mae	200,000.00	200,000.00	199,624.00	0.580%	10/20/20	10/20/25
Fannie Mae	100,000.00	100,000.00	99,465.00	0.600%	11/25/22	11/25/25
Federal Home Loan Bank	150,000.00	150,000.00	148,066.50	0.650%	02/24/21	02/24/26
Federal Home Loan Bank	150,000.00	150,000.00	146,503.50	1.050%	08/26/21	08/26/26
Federal Farm Credit Bank	100,000.00	99,925.00	97,457.00	0.900%	08/26/21	08/26/26
Federal Home Loan Bank	500,000.00	499,000.00	499,620.00	4.280%	12/11/24	12/11/26
Federal Home Loan Bank	150,000.00	150,000.00	148,141.50	0.780%	02/26/21	02/26/26
Federal Home Loan Bank	100,000.00	100,000.00	98,281.00	1.000%	08/12/21	05/12/26
Apple Inc.	125,000.00	121,254.58	124,291.25	3.350%	02/23/23	02/09/27
Western Alliance Bank CD	245,000.00	245,000.00	245,565.95	5.200%	06/21/24	12/19/25
Valley National Bank CD	245,000.00	245,000.00	245,560.27	5.150%	06/20/24	12/22/25
Total Citizens Trust	$ 4,498,596.67	$ 4,493,776.25	$ 4,486,172.64			
ACTIVE DEPOSITS TOTAL	$ 6,980,484.37	$ 6,935,536.35	$ 6,964,426.84	Effective Interest Rate		**3.87%**
Unrealized Gains (Losses)			$ 28,890.49			
INACTIVE DEPOSITS						
Checking Account:						
Citizens Business Bank - Checking		$ 363,799.00	$ 363,799.00	0.000%	N/A	N/A
California Bank & Trust - Checking		7,982.82	7,982.82	0.000%	N/A	N/A
Investment in Real Estate		2,222,501.37	2,222,501.37	0.000%	N/A	N/A
Total		$ 2,594,283.19	$ 2,594,283.19	0.000%		
INACTIVE DEPOSITS TOTAL		$ 2,594,283.19	$ 2,594,283.19			
GRAND TOTAL CASH		**$ 9,529,819.54**	**$ 9,558,710.03**			

Per Government Code requirements, the Investment Report is in compliance with the City of Canyon Lake's Investment Policy, and there are adequate funds available to meet budgeted and actual expenditures for the next six months.

Terry Shea
9/30/2025

INVESTMENT POLICY

The City of Canyon Lake has adopted the following policy for the investment of City funds.

I. The Legal Authority

The Authority governing investments for the City of Canyon Lake is set forth in the California Government Code, sections 53601 et. Seq. The City Treasurer is granted authority to make investments on behalf of the City.

Government Code Section 53607 states ".....the authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated by the legislative body to the treasurer of the local agency, who shall thereafter assume full responsibility for such transactions until such time as the delegation of authority is revoked, and shall make a monthly report of such transaction to the legislative body."

Government Code Section 53649 states "...the treasurer is responsible for the safekeeping of money in his custody and shall enter into any contract with a depository relating to any inactive deposits which in his judgment is to the public advantage." The City Treasurer will enter into purchases subject to this policy and at the direction of City Council.

In addition, Government Code Section 53607 provides the authority for the legislative body of the local agency to invest the funds of the local agency or to delegate the full responsibility to the treasurer of the local agency.

II. Investment Objectives

A. The purpose of this policy is to provide guidelines for the investment of the City's funds based upon State law and prudent money management. This policy is designed according to the specific needs of the City of Canyon Lake. The ultimate goal is to enhance the economic status of the City while ensuring the safety of funds.

B. The City holds to the "prudent investor rule" in that investments shall be made with a degree of judgment and care, not for speculation, but considering the safety of the monies and acting as a custodian of the public trust. Related activities, which comprise good cash management, include cash projections, the expeditious collection of revenue, disbursement control and a cost effective banking relationship.

C. The investment of the funds of the City of Canyon Lake shall be guided by the goals of safety, liquidity, diversification and return on investments in that order of priority.

Safety: Safety of principal is the foremost objective of the City of Canyon Lake. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk; credit risk and market risk.

> Credit Risk - Credit Risk; defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing only with issuers whose financial strength and reputation can be verified to be the highest as rated by nationally known rating agencies and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the City's cash flow.
>
> Market Risk - Market risk, the risk of the market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by (a) structuring the portfolio so that securities mature earlier than or concurrent with the timing of major cash outflows, thus eliminating the need to sell securities prior to their maturity; (b) prohibiting the use of leverage or margin accounts; (c) prohibiting the taking of short positions, that is, selling securities which the City does not own; (d) prohibiting the use of reverse repurchase agreements and repurchase agreements; and (e) prohibiting the use of "inverse floaters". It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured loses are inevitable, and must be considered within the context of the overall investment return.

Liquidity: The City's financial portfolio must be structured in a manner which will provide that securities mature at approximately the same time as cash is needed to meet anticipated demands.

Return on Investments: The investment portfolio shall be designed with the overall objective of obtaining a total rate of return throughout economic cycles, commensurate with investment risk constraints and cash flow needs.

III. Deposits/Authorized Investments

A. Deposits

Money must be deposited in State or national banks, State or Federal savings associations, or State or Federal Credit unions within the State. It may be in inactive

deposits, active deposits or interest-bearing active deposits. The FDIC must insure the first $250,000 of a deposit.

The bank or savings and loan must secure the active and inactive deposits with eligible securities having a market value of 110% of the total amount of the deposits. State law also allows as an eligible security, first trust deeds having a value of 150% of the total amount of the deposits. A third class of collateral is letter of credit drawn on the Federal Home Loan Bank (FHLB).

B. Authorized Investments

General Guidelines that the City should follow in managing its investments are as follows:

- No investment will be purchased which matures more than five years from the date of purchase without the prior approval of the City Council.
- Maturities of individual investments shall be diversified, attempting to match, where possible, cyclical cash flow requirements.
- The use of callable securities is permitted.

To reduce overall portfolio risk while attempting to attain market value rates of return consistent with the primary objectives of safety and availability of funds, investments shall be diversified cross types of investments, maturities of those investments, and institutions in which those investments are made. Generally, the portfolio is to be invested in Federal Agency securities, with a modest addition of high-grade Medium Term Corporate Notes, Certificates of Deposit (CD's), U.S. Treasuries and Commercial Paper.

The City specifically prohibits investments in Bonds issued by other local agencies, Reverse Repurchase Agreements and Derivatives (Interest rate floaters, range notes, interest-only strips)

Permitted Investments Per City Policy:

Investments shall be made only in those instruments specifically authorized by California State laws (section 53600-53609), and to no greater an extent than those authorized by those laws.

The City's specific permitted investment guidelines are listed below. It should be noted that the City's permitted investments are moderately more restrictive than the State guidelines. Attachment A provides a summary of the State of California Statues Applicable to Municipal Investments and a Glossary.

PERMITTED INSTRUMENTS	CITY GUIDELINES
State or County Investment Pool (LAIF)	LAIF $75,000,000 / 50% of portfolio maximum

Federally Insured Banks/Time Deposits	5 Years / No limit
U.S. Treasuries	5 Years / No limit
Government Sponsored Enterprises *(US Agencies)	5 Years / No limit
Bankers Acceptances	180 Days / 10% max / 5% per issuer
Commercial Paper	270 Days / 10% max / 10% per issuer combined
Medium-Term Notes	5 Years / 15% max / 5% per issuer combined / 10% max by sector classification
Negotiable Certificates of Deposit	5 Years / 30% max / lesser of 5% or $1 million per issuer
Repurchase Agreements	1 Year / 10% max Only with Master Repurchase Agreement / Daily mark to market valuation
Money Market Mutual Funds	10% max / $500 million assets / 5% per issuer
Reverse Repurchase Agreements	Not Allowed
California State Obligations	Not Allowed
California Local Obligations	Not Allowed
Mutual Funds	Not Allowed
Mortgage Pass Through	Not Allowed

IV. Investment Program Controls

A. Separation of Reconciliation. A separation of responsibilities of reconciling bank statements and conducting investment transactions provides an internal control of checks and balances. Only individuals authorized by the City Manager and City Clerk may conduct investment transactions. Consequently, individuals responsible for reconciling bank statements may not conduct investment transactions.

B. Third Party Safekeeping Agreements. Contractual agreement between the City and third-party custodian public investment agencies (LAIF) is used to secure City invested funds.

C. Quarterly Treasurer's Report. The City Treasurer shall submit a quarterly investment report to the City Council. This report shall include types of investment, investment ratings, institutions involved, dates of purchases, dates of maturity, amount of deposits or cost of the security, current market value of securities, interest rates, investment fund balances and a statement that there are sufficient funds to meet the City's cash obligations.

D. Annual Policy Review. The City Manager shall review the City's investment policies annually and as needed to make recommendations for improvements to the City Council.

ATTACHMENT A:

Summary of State of California Statutes Applicable to Municipal Investment

The following investments are authorized by California State Code, Title 5, Division 2, Sections53600 et seq. and 16429.1.

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2023)[A] APPLICABLE TO ALL LOCAL AGENCIES[B]

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM MATURITY[C]	MAXIMUM SPECIFIED % OF PORTFOLIO[D]	MINIMUM QUALITY REQUIREMENTS	GOV'T CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations–CA And Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40%[E]	None	53601(g)
Commercial Paper–Non-Pooled Funds[F] (under $100,000,000 of investments)	270 days or less	25% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53601(h)(2)(c)
Commercial Paper–Non-Pooled Funds (min. $100,000,000 of investments)	270 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53601(h)(2)(c)
Commercial Paper–Pooled Funds[I]	270 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30%[J]	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50%[K]	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50%[K]	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days[L]	20% of the base value of the portfolio	None[M]	53601(j)
Medium-Term Notes[N]	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple[P,Q]	53601(l) and 53601.6(b)
Collateralized Bank Deposits[R]	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-Through and Asset-Backed Securities	5 years or less	20%	"AA" rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple[S]	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund[T]	N/A	None	None	16340
Supranational Obligations[U]	5 years or less	30%	"AA" rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

LOCAL AGENCY INVESTMENT GUIDELINES

TABLE OF NOTES FOR FIGURE 1

[A] *Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.*

[B] *Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.*

[C] *Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years from the settlement date. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.*

[D] *Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.*

[E] *No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.*

[F] *Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.*

[G] *Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.*

[H] *Issuing corporation must be organized and operating within the U.S., have assets in excess of $500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating agency.*

[I] *Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).*

[J] *No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).*

[K] *Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2026, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.*

[L] *Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.*

[M] *Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.*

[N] *"Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."*

[O] *No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.*

[P] *A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.*

[Q] *A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of $500 million.*

[R] *Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.*

[S] *A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of $500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).*

[T] *Local entities can deposit between $200 million and $10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.*

[U] *Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.*

GLOSSARY

ACTIVE DEPOSITS: Demand or checking accounts, which receive revenues and pay disbursements.

AGENCIES: Federal agency securities.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): short-term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at its maturity. An acceptance is a highgrade negotiable instrument. Acceptances are purchased in various denominations for 30, 60, or 90 days, but no longer than 180 days. The interest is calculated on a 360-day discount basis similar to treasury bills. Local agencies may not invest more than 40% of their surplus money in banker's acceptance.

BASIS POINT: A basis point equals one one-hundredth of 1% (.01%).

BID: The price offered for securities.

BOOK-ENTRY SECURITIES: All U.S. Treasury and Federal Agencies are maintained on computerized records at the Federal Reserve now known as "wireable" securities.

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides. In the money market, brokers are active in markets in which
banks buy and sell money and in inter-dealer markets.

CERTIFICATES OF DEPOSIT (CD): Time deposits of a bank or savings and loan. They are purchased in various denominations with maturities ranging from 30 to 360 days. The interest is calculated on a 360-day, actual day month basis and is payable monthly.

NEGOTIABLE CERTIFICATES OF DEPOSIT: Unsecured obligations of the financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are high-grade negotiable instruments, paying a higher interest rate than regular certificates of deposit. The primary market issuance is in multiples of $1,000,000, the secondary market usually trades in denominations of $500,000, although smaller lots are occasionally available. As a matter of practice, only the ten largest U.S. banks, where there is a secondary market established for continued liquidity are considered for investment.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the City of Canyon Lake. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related, legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COMMERCIAL PAPER: Short-term unsecured promissory note issued by a corporation to raise working capital. These negotiable instruments are purchased at a discount to par value or at par value with interest bearing. Local agencies are permitted by State law to invest in commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical ratings as provided by Moody's Investor's Service, Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 270 days maturity nor exceed 30% of the local agency's surplus funds.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DELIVERY VERSUS PAYMENT (DVP): There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipts is delivery of securities with an exchange of a signed receipt for the securities.

DEBENTURE: A bond secured only by the general credit of the issuer.

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g., U.S. Treasury bills).

DIVERSIFICATION: Dividing investment funds among a variety of securities and issuers offering independent returns.

DERIVATIVE: An asset that derives its value from another asset. For example, a call option on the stock of Coca-Cola is a derivative security that obtains value from the shares of Coca-Cola that can be purchased with the call option. Call options, put options, convertible bonds, futures contracts, and convertible preferred stock are examples of derivatives. A derivative can be either a risky or low-risk investment, depending upon the type of derivative and how it is used.

FEDERAL CREDIT AGENCIES: Guaranteed directly or indirectly by the United States Government. All agency obligations qualify as legal investments and are acceptable as security for public deposits. They usually provide higher yields than regular Treasury issues with all of the same advantages. Examples include Federal Home Loan Bank, Federal Farm Credit Bank, FNMA (Fannie Mae) and Federal Home Loan Mortgage Corp. (Freddie Mac).

FEDERAL FUNDS: Non-interest-bearing deposits held by member banks at the Federal Reserve. Also used to denote "immediately available" funds in the clearing sense. "Fed Funds" also used to refer to these funds.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 Regional Banks and about 5,700 commercial banks that are members of the system.

INTEREST-BEARING ACTIVE DEPOSITS: Money-market accounts at a financial institution, (e.g., bank, savings and loan, credit union). These accounts are demand accounts (i.e., checking accounts) with restricted transaction activity.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LAIF (Local Agency Investment Fund): A special fund in the State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period, and the minimum transaction is $5,000, in multiples of $1,000 above that, with a maximum balance of $75,000,000 for any agency. The City is restricted to a maximum of fifteen transactions per month. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share basis determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly. The State retains an amount for reasonable costs of making the investments, not to exceed one-quarter of one percent of the earnings. The interest rates are fairly high because of pooling the State's surplus cash with the surplus cash deposited. This creates a multi-billion-dollar money pool and allows diversified investments.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase--reverse agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM-TERM CORPORATE NOTES: Unsecured promissory notes issued by a corporation organized and operating in the United States. These are negotiable instruments and are traded in the secondary market. Medium-term corporate notes can be defined as extended-maturity commercial paper. Local agencies are restricted by the Government Code to investments in corporations rated in the top three note categories by a nationally recognized rating service. Further restrictions are a maximum term of five years to maturity and total investments in medium-term corporate notes may not exceed 30% of the local agency's surplus funds.

MONEY MARKET FUNDS: Open-ended mutual fund that invests in highly liquid and safe securities (bills, commercial paper, bankers' acceptances, CD's, etc.) and pays money market rates of interest. The fund's net asset value remains a constant $1 a share.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank, as directed by the FOMC, in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PASSBOOK SAVINGS ACCOUNTS: Similar to an inactive deposit except that the period of time is not fixed. The interest rate is much lower than for a certificate of deposit, but the savings account is more flexible. Funds can be deposited and withdrawn according to daily needs.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks, and a few unregulated firms.

PRIME RATE: The rate at which banks lend to their best or "prime" customers. Also known as the "reference rate."

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state (the so-called legal list). In other states, the trustee may invest in a security if it is one which would be brought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

REPURCHASE AGREEMENTS (RP OR REPO): A repo or reverse-repo is a short-term investment transaction. Banks buy temporarily idle funds from a customer by selling U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date. Repurchase agreements are typically for one to ten days in maturity. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal funds and the maturity of the repo. Some banks will execute repurchase agreements for a minimum of $100,000 to $500,000, but most banks have a minimum of $1,000,000. A reverse-repo is exactly what the name implies.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SETTLEMENT DATE: The date on which a trade is cleared by delivery of securities against funds. This date may be the same as the trade date or later.

TRADE DATE: The date on which a transaction is initiated or entered into by the buyer and seller.

TREASURY BILLS: Issued weekly with maturity dates up to one year. They are issued and traded on a discount basis with interest figured on 1 360-day basis, actual number of days. They are issued in amounts of $10,000 and up, in multiples of $5,000. They are a highly liquid security.

TREASURY NOTES: Initially issued with two- to ten-year maturities. They are actively traded in a large secondary market and are very liquid. The Treasury may issue note issues with a minimum of $1,000; however, the average minimum is $5,000.

TREASURY BOND: Long-term U.S. Treasury securities having initial maturities of more than ten years.

UNIFORM NET CAPITAL RULE (SEC RULE 15C3-1): Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

WHEN-ISSUED TRADES: Typically, there is a lag between the time a new bond is announced and sold, and the time when it is actually issued. During this interval, the security trades "when, as, and if issued."

YIELD: The rate of annual income returns on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

YIELD TO MATURITY: The rate of return yielded by a debt security held to maturity when both interest payments and the investor's capital gain or loss on the security are taken into account.

CITIZENSTRUST™

Account Summary Statement

Account Number: [redacted]

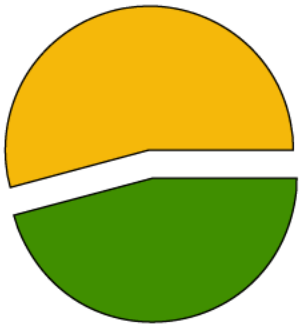
September 01, 2025 To September 30, 2025

TERRY SHEA
735 E. CARNEGIE DRIVE, STE 100
SAN BERNARDINO, CA 92408

Account Name:	CITY OF CANYON LAKE (PLEDGED) CITIZENS BUSINESS BANK
Account Number:	[redacted]
Your Relationship Manager Is:	ADAM T. COPPERSMITH
Phone:	626-564-6288

Portfolio Manager

Market Value As Of	09/01/2025	09/30/2025	% Of Account
CASH AND CASH EQUIVALENTS	2,824,429.38	2,433,596.67	54.2%
FIXED INCOME	2,148,720.98	2,052,575.97	45.8%
Total	4,973,150.36	4,486,172.64	100.0%



Investment Portfolio Summary

	This Period	Year To Date
Beginning Market Value	4,973,150.36	0.00
Assets Distributed	500,000.00-	1,952,364.00-
Other Receipts	0.00	1,295,000.00
Bank Fees	762.07-	6,564.59-
Cash Management	390,832.71	700,790.67-
Interest	300.00	65,545.03
Dividends	9,629.36	54,452.01
Change In Market Value	386,977.72-	5,730,894.86
Ending Market Value	4,486,172.64	4,486,172.64

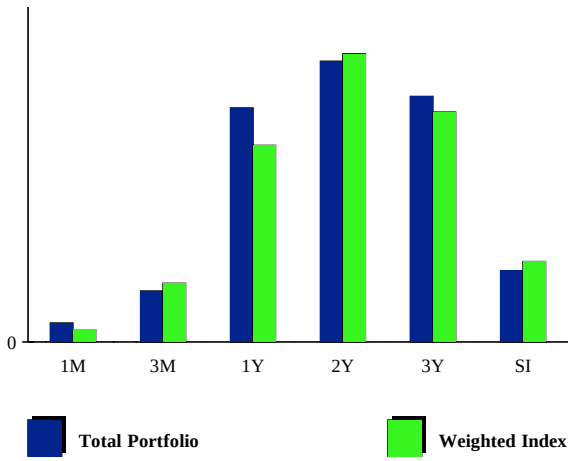
Realized Capital Gains / Losses

	This Period	Year To Date
Long Term	0.00	1,712.03
Total Gains / Losses	0.00	1,712.03

Performance Summary - Total Returns

	Market Value	1 Month	3 Months	1 Year	2 Years	3 Years	Since Inception 03/01/2010
Total Portfolio	4,520,964	0.37	0.99	4.54	5.45	4.77	1.38
Return On Indexes							
Gov Bench 2		0.24	1.14	3.82	5.59	4.46	1.56

Return Comparison



PAST RESULTS ARE NOT INDICATIVE OF FUTURE INVESTMENT RESULTS. FUND DATA IS ON TRADE DATE BASIS. PERFORMANCE RESULTS ARE GROSS OF MANAGEMENT FEES. RETURNS FOR PERIODS LONGER THAN ONE YEAR ARE ANNUALIZED. MARKET VALUE DOES NOT INCLUDE ACCRUED INCOME.

Portfolio Statement

Quantity	Description	Market Value	Cost Basis
Fixed Income			
125,000.000	037833CJ7 APPLE INC DTD 02/09/2017 3.35% 02/09/2027-2026	124,291.25	121,254.58
150,000.000	3130AL5X8 FEDERAL HOME LOAN BANKS CONS DTD 02/24/2021 .65% 02/24/2026	148,066.50	150,000.00
150,000.000	3130ALEK6 FEDERAL HOME LOAN BANKS CONS DTD 02/26/2021 .78% 02/26/2026	148,141.50	150,000.00
100,000.000	3130ANCF5 FEDERAL HOME LOAN BANKS CONS DTD 08/12/2021 1% 05/12/2026	98,281.00	100,000.00
100,000.000	3130ANJT8 FEDERAL HOME LOAN BANKS CONS DTD 08/26/2021 .9% 08/26/2026	97,457.00	99,925.00
150,000.000	3130ANND8 FEDERAL HOME LOAN BANKS CONS DTD 08/26/2021 1.05% 08/26/2026-2022	146,503.50	150,000.00
500,000.000	3130B43J8 FEDERAL HOME LOAN BANKS CONS BD DTD 12/11/2024 4.28% 12/11/2026-2025	499,620.00	499,000.00
200,000.000	3135G06A6 FEDERAL NATIONAL MORTGAGE ASSN DTD 10/20/2020 .58% 10/20/2025	199,624.00	200,000.00
100,000.000	3135GA3W9 FEDERAL NATL MTG ASSN DTD 11/25/2020 .6% 11/25/2025	99,465.00	100,000.00
245,000.000	919853MH1 VALLEY NATL BK PASSAIC N J DTD 06/20/2024 5.15% 12/22/2025	245,560.27	245,000.00
245,000.000	95763PTR2 WESTERN ALLIANCE BK PHOENIX DTD 06/21/2024 5.2% 12/19/2025	245,565.95	245,000.00
Total	**Fixed Income**	2,052,575.97	2,060,179.58
Cash And Cash Equivalents			
2,433,596.670	94975P405 ALLSPRING FUNDS TR GOVT MMKT I	2,433,596.67	2,433,596.67
Total	**Cash And Cash Equivalents**	2,433,596.67	2,433,596.67
Miscellaneous			
1.000	CBB000AB6 INVESTMENT MANAGEMENT AGREEMENT CITY OF CANYON LAKE A/C# 1035003119	0.00	0.00
Total	**Miscellaneous**	0.00	0.00
Grand Total Assets		**4,486,172.64**	**4,493,776.25**

Account Activity Summary

	Total Cash	Cost Basis Excluding Cash	Market Value Including Cash
Balances Beginning Of Period	0.00	4,984,608.96	5,004,650.55
Prior Accruals			31,500.19-
Unrealized Depreciation This Period			486,977.72-
Current Accruals			34,791.59
Assets Distributed	500,000.00-	0.00	500,000.00-
Bank Fees	762.07-	0.00	762.07-
Cash Management	390,832.71	390,832.71-	390,832.71
Dividends	9,629.36	0.00	9,629.36
Interest	300.00	0.00	300.00
Sales/maturities	100,000.00	100,000.00-	100,000.00
Realized Gain/loss			0.00
Non Cash Asset Changes			
Balances End Of Period	0.00	4,493,776.25	4,520,964.23

Transaction Statement

Date	Quantity	Description	Transaction Type	Cash	Cost Basis
09/01/25		**Beginning Balance**		**0.00**	**4,984,608.96**
Sales/maturities					
09/30/25	100,000.000-	3134GWVN3 MATURED 100,000 UNITS FEDERAL HOME LN MTG CORP CALL DTD 09/30/2020 .6% 09/30/2025	MATURITY	100,000.00	100,000.00-
Total Sales/maturities				**100,000.00**	**100,000.00-**
Assets Distributed					
09/09/25		TRANSFER TO DDA/SAV ACCT CITY OF CANYON LAKE CASH TRANSFER TO CBB ACCT ENDING 5402 PER WRITTEN RQST DTD 9/6/25 & VERBAL CONFIRMATION DTD 9/8/25 WITH CMD APPROVAL DTD 9/8/25	DISBURSEMENT	500,000.00-	
Total Assets Distributed				**500,000.00-**	**0.00**
Bank Fees					
09/29/25		MANAGEMENT FEES CITIZENS BUSINESS BANK FOR THE PERIOD ENDING 09/20/2025	DISBURSEMENT	762.07-	
Total Bank Fees				**762.07-**	**0.00**
Cash Management					
09/30/25	390,832.710-	94975P405 NET CASH MANAGEMENT	NET CASH MGMT	390,832.71	390,832.71-
Total Cash Management				**390,832.71**	**390,832.71-**

Transaction Statement (Continued)

Date	Quantity	Description	Transaction Type	Cash	Cost Basis
Interest					
09/30/25		3134GWVN3 INTEREST ON 100,000 UNITS FEDERAL HOME LN MTG CORP CALL DTD 09/30/2020 .6% 09/30/2025 PAYABLE 09/30/2025	INTEREST RCVD	300.00	
Total Interest				**300.00**	**0.00**
Dividends					
09/02/25		94975P405 DIVIDEND ON ALLSPRING FUNDS TR GOVT MMKT I PAYABLE 09/02/2025 EFFECTIVE 08/31/2025 TAX EFFECTIVE 08/31/2025	DIVIDEND	9,629.36	
Total Dividends				**9,629.36**	**0.00**
09/30/25		**Ending Balance**		**0.00**	**4,493,776.25**

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Brokerage
Account Statement

Scan for
Online Access

September 1, 2025 - September 30, 2025 [redacted]

CITY OF CANYON LAKE
31516 RAILROAD CANYON RD
CANYON LAKE CA 92587-9400

Your Account Executive:
PETER YANEZ

Portfolio at a Glance

	This Period
BEGINNING ACCOUNT VALUE	$2,145,715.72
Net Change in Portfolio[1]	7,288.50
ENDING ACCOUNT VALUE	$2,153,004.22

[1] *Net Change in Portfolio is the difference between the ending account value and beginning account value after activity.*

Asset Summary

Percent	Asset Type	Last Period	This Period
1%	Cash, Money Funds, and Bank Deposits	6,637.72	6,637.72
99%	Fixed Income	2,139,078.00	2,146,366.50
100%	**Account Total**	**$2,145,715.72**	**$2,153,004.22**

Please review your allocation periodically with your Account Executive.

Client Service Information

Your Account Executive: FBG
PETER YANEZ

Contact Information
E-Mail: customerservice@mbssecurities.com

Client Service Information
Service Hours: Weekdays 09:00 a.m. - 05:00 p.m. (EST)
Client Service Telephone Number: (800) 967-9045
Web Site: WWW.MBSSECURITIES.COM

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Your Account Information

INVESTMENT OBJECTIVE

Investment Objective: NONE SPECIFIED
Please discuss your investment objective with your Account Executive.

TAX LOT DEFAULT DISPOSITION METHOD

Default Method for Mutual Funds:	First In First Out
Default Method for Stocks in a Dividend Reinvestment Plan:	First In First Out
Default Method for all Other Securities:	First In First Out

BOND AMORTIZATION ELECTIONS

Amortize premium on taxable bonds based on Constant Yield Method:	Yes
Accrual market discount method for all other bond types:	Constant Yield Method
Include market discount in income annually:	No

ELECTRONIC DELIVERY

You have **not** enrolled any documents for electronic delivery. The following documents are available for electronic delivery:

Statements and Reports	Notifications	Tax Documents
Trade Confirmations	Prospectus	Proxy/Shareholder Communications

Please log in to your account or contact your Account Executive to make any changes to your electronic delivery preferences.

Income and Expense Summary

	Current Period		Year-to-Date	
	Taxable	Non Taxable	Taxable	Non Taxable
Interest Income				
Bond Interest	0.00	0.00	42,426.90	0.00
Total Income	**$0.00**	**$0.00**	**$42,426.90**	**$0.00**

Portfolio Holdings

Description	Quantity	Opening Balance	Closing Balance	Accrued Income	30-Day Yield
CASH, MONEY FUNDS AND BANK DEPOSITS 1.00% of Portfolio					
Cash Balance		6,637.72	6,637.72		
TOTAL CASH, MONEY FUNDS AND BANK DEPOSITS		$6,637.72	$6,637.72	$0.00	

Description	Quantity	Market Price	Market Value	Accrued Interest
FIXED INCOME 99.00% of Portfolio *(In Maturity Date Sequence)*				
U.S. Treasury Securities				
[1]UNITED STATES TREAS BILLS 0.000% 10/16/25 B/E DTD 04/17/25 Security Identifier: 912797QF7	2,150,000.0000	99.8310	2,146,366.50	0.00
Total U.S. Treasury Securities	2,150,000.0000		$2,146,366.50	$0.00

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Portfolio Holdings *(continued)*

Description	Quantity	Market Price	Market Value	Accrued Interest
FIXED INCOME *(continued)*				
TOTAL FIXED INCOME	2,150,000.0000		$2,146,366.50	$0.00

	Market Value	Accrued Interest
Total Portfolio Holdings	$2,153,004.22	$0.00

[1] *This bond is maturing.*

Portfolio Holdings Disclosures

Pricing

This section includes the net market value of the securities in your account on a settlement date basis, including short positions, at the close of the statement period. The market prices, unless otherwise noted, have been obtained from independent vendor services, which we believe to be reliable. In some cases the pricing vendor may provide prices quoted by a single broker or market maker. Market prices do not constitute a bid or an offer, and may differ from the actual sale price. Securities for which a price is not available are marked "N/A" and are omitted from the Total.
THE AS OF PRICE DATE ONLY APPEARS WHEN THE PRICE DATE DOES NOT EQUAL THE STATEMENT DATE.

Estimated Annual Figures

The estimated annual income (EAI) and estimated annual yield (EAY) figures are estimates and for informational purposes only. These figures are not considered to be a forecast or guarantee of future results. These figures are computed using information from providers believed to be reliable; however, no assurance can be made as to the accuracy. Since interest and dividend rates are subject to change at any time, and may be affected by current and future economic, political, and business conditions, they should not be relied on for making investment, trading, or tax decisions. These figures assume that the position quantities, interest and dividend rates, and prices remain constant. A capital gain or return of principal may be included in the figures for certain securities, thereby overstating them. Refer to www.bny.com/pershing/us/en/disclosures.html for specific details as to formulas used to calculate the figures. Accrued interest represents interest earned but not yet received.

Reinvestment

The dollar amount of Mutual Fund distributions, Money Market Fund dividend income, Bank Deposit interest income, or dividends for other securities shown on your statement may have been reinvested. You will not receive confirmation of these reinvestments. Upon written request to your financial institution, information pertaining to these transactions, including the time of execution and the name of the person from whom your security was purchased, may be obtained. In dividend reinvestment transactions, Pershing acts as your agent and receives payment for order flow.

Option Disclosure

Information with respect to commissions and other charges incurred in connection with the execution of option transactions has been included in confirmations previously furnished to you. A summary of this information is available to you promptly upon your written request directed to your introducing firm. In order to assist your introducing firm in maintaining current background and financial information concerning your option accounts, please promptly advise them in writing of any material change in your investment objectives or

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Option Disclosure *(continued)*

financial situation. Expiring options which are valuable are exercised automatically pursuant to the exercise by exception procedure of the Options Clearing Corporation. Additional information regarding this procedure is available upon written request to your introducing firm.

Foreign Currency Transactions

Pershing will execute foreign currency transactions as principal for your account. Pershing may automatically convert foreign currency to or from U.S. dollars for dividends and similar corporate action transactions unless you instruct your financial organization otherwise. Pershing's currency conversion rate will not exceed the highest interbank conversion rate identified from customary banking sources on the conversion date or the prior business day, increased by up to 1%, unless a particular rate is required by applicable law. Your financial organization may also increase the currency conversion rate. This conversion rate may differ from rates in effect on the date you executed a transaction, incurred a charge, or received a credit. Transactions converted by agents (such as depositories) will be billed at the rates such agents use.

Proxy Vote

Securities not fully paid for in your margin account may be lent by Pershing to itself or others in accordance with the terms outlined in the Margin Agreement. The right to vote your shares held on margin may be reduced by the amount of shares on loan. The Proxy Voting Instruction Form sent to you may reflect a smaller number of shares entitled to vote than the number of shares in your margin account.

Variable Rate Securities

Interest rate data for certain complex and/or variable rate securities is provided to Pershing by third-party data service providers pursuant to contractual arrangements. Although we seek to use reliable sources of information, the accuracy, reliability, timeliness, and completeness of interest rate data may vary sometimes, particularly for complex and/or variable rate securities and those with limited or no secondary market. As a result, we can offer no assurance as to the accuracy, reliability, timeliness, or completeness of interest rate data for such securities. Pershing may also occasionally make interest rate updates and adjustments based on its reasonable efforts to obtain accurate, reliable, timely, and/or complete interest rate data from other data sources, but we can similarly provide no assurance that those rates or adjustments will be accurate, reliable, timely, or complete.

When updated interest rate data is received from a third-party data service provider or adjusted by Pershing, the updated data will be reflected in various sources where interest rate data is used or viewed, including both paper and electronic communications and data sources. Prior use or communication of interest rate-related data will not be revised. Since variable interest rates may be subject to change at any time and are only as accurate as the data received from third-party data service providers or otherwise obtained by Pershing, interest rate data should not be relied on for making investment, trading, or tax decisions. All interest rate data and other information derived from and/or calculated using interest rates are not warranted as to accuracy, reliability, timeliness, or completeness and are subject to change without notice. Pershing disclaims any responsibility or liability to the fullest extent permitted by applicable law for any loss or damage arising from any reliance on or use of the interest rate data or other information derived from and/or calculated using interest rates in any way. You should request a current valuation for your securities from your financial adviser or broker prior to making a financial decision or placing an order or requesting a transaction in these securities.

Structured Products

Structured products in this section are complex products and may be subject to special risks, which may include, but are not limited to: loss of initial investment; issuer credit risk; limited or no appreciation; risks associated with the underlying reference asset(s); no periodic payments; call prior to maturity (a redemption could affect the yield represented); early redemption fees or other applicable fees; price volatility resulting from issuer's and/or guarantor's credit quality; lower interest rates and/or yield compared to conventional debt with a comparable maturity; unique tax implications; concentration risk of owning the related security; limited or no secondary market; restrictions on transferability; conflicts of interest; and limits on participation in appreciation of underlying asset(s). To review a complete list of risks, please refer to the offering documents for the structured product. For more information about the risks specific to your structured products, you should contact your financial institution or advisor. Certain structured products are designed to make periodic distributions to you and any such structured product distributions you receive will be listed in the Transactions section of your statement. Structured product distributions may be listed there as "Bond Interest Received"; however, this description is not intended to reflect a determination as to either the asset classification of the product or the U.S. tax treatment of such distributions.

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Activity Summary *(All amounts shown are in base currency)*

	Credits This Period	Debits This Period	Net This Period	Credits Year-to-Date	Debits Year-to-Date	Net Year-to-Date
Securities						
Securities Bought	0.00	0.00	0.00	0.00	-2,109,872.40	-2,109,872.40
Total Securities	$0.00	$0.00	$0.00	$0.00	-$2,109,872.40	-$2,109,872.40
Dividends and Interest	$0.00	$0.00	$0.00	$42,426.90	$0.00	$42,426.90
Distributions	$0.00	$0.00	$0.00	$2,072,573.10	$0.00	$2,072,573.10
Totals	$0.00	$0.00	$0.00	$2,115,000.00	-$2,109,872.40	$5,127.60

Messages

Although a money market mutual fund (money fund) seeks to preserve the value of your investment at $1 per share, it is possible to lose money by investing in a money fund. Shares of a money fund or the balance of a bank deposit product held in your brokerage account may be liquidated upon request with the proceeds credited to your brokerage account. Please see the money fund's prospectus or the bank deposit product's disclosure document or contact your advisor for additional information. Pursuant to SEC Rule 10b-10(b)(1) confirmations are not sent for purchases into money funds processed on the sweep platform. Pursuant to applicable regulation, account statements will be produced monthly or quarterly. Federal Deposit Insurance Corporation (FDIC) eligible bank deposit sweep products automatically deposit any available cash into FDIC member banks where those balances are eligible for pass through FDIC insurance coverage on swept balances. Balances in FDIC member banks in bank deposit sweep products are not protected by Securities Investor Protection Corporation (SIPC).

Pursuant to the Securities Exchange Act of 1934, Pershing LLC (Pershing), a BNY Mellon company, provides individual investors with certain financial information on a semi-annual basis. Pershing's June Statement of Financial Condition is now available. On June 30, 2025, Pershing's net capital of $2.7 billion was 14.42% of aggregate debit balances and exceeded the minimum requirements by $2.3 billion.

A copy of the June 30, 2025, Statement of Financial Condition is available at www.pershing.com/us/en/statement-of-financial-condition.html. You may also request a free, printed copy by calling (888)860-8510 or (201) 413-3333, option 1.

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Important Information and Disclosures

The Role of Pershing

- **Pershing LLC, member FINRA, NYSE, carries your account as clearing broker pursuant to a clearing agreement with your financial institution.** Pershing is not responsible or liable for any acts or omissions of your financial institution or its employees and it does not supervise them. Pershing provides no investment advice nor does it assess the suitability of any transaction or order. Pershing acts as the agent of your financial institution and you agree that you will not hold Pershing or any person controlling or under common control with it liable for any investment losses incurred by you.
- Pershing performs several key functions at the direction of your financial institution. It acts as custodian for funds and securities you may deposit with it directly or through your financial institution or that it receives as the result of securities transactions it processes.
- Your financial institution is responsible for adherence to the securities laws, regulations and rules which apply to it regarding its own operations and the supervision of your account, its sales representatives and other personnel. Your financial institution is also responsible for approving the opening of accounts and obtaining account documents; the acceptance and, in certain instances, execution of securities orders; the assessment of the suitability of those transactions, where applicable; the rendering of investment advice, if any, to you and in general, for the ongoing relationship that it has with you.
- Inquiries concerning the positions and balances in your account may be directed to the **Pershing Customer Service Department at (201) 413-3333.** All other inquiries regarding your account or activity should be directed to your financial institution. Your financial organization's contact information can be found on the first page of this statement.
- For a description of other functions performed by Pershing please consult the Disclosure Statement provided to you upon the opening of your account. This notice is not meant as a definitive enumeration of every possible circumstance, but as a general disclosure. If you have any questions regarding this notice or if you would like additional copies of the Disclosure Statement, please contact your financial institution.
- Pershing is a member of the Securities Investor Protection Corporation (SIPC®). Please note that SIPC does not protect against loss due to market fluctuation. An explanatory brochure is available upon request at www.sipc.org. In addition to SIPC protection, Pershing provides coverage in excess of SIPC limits. For more detailed information please visit: www.bny.com/pershing/us/en/about/strength-and-stability.html
- This statement will be deemed conclusive. You are advised to report any inaccuracy or discrepancy (including unauthorized trading) promptly, but no later than ten days after receipt of this statement, to your financial organization and Pershing. Please be advised that any oral communication should be re-confirmed in writing to further protect your rights, including your rights under the Securities Investor Protection Act.
- Your financial organization's contact information can be found on the first page of this statement. Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330.** Errors and Omissions excepted.

Important Arbitration Disclosures

- All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

Important Arbitration Agreement

Any controversy between you and Pershing LLC shall be submitted to arbitration before the Financial Industry Regulatory Authority. No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action, who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until; (I) the class certification is denied; (II) the class is decertified; or (III) the client is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein. The laws of the State of New York govern.

Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330.**

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TERMS AND CONDITIONS

GENERAL INFORMATION

- WHENEVER YOU ARE INDEBTED TO PERSHING LLC ("BNY PERSHING") FOR ANY AMOUNT, ALL SECURITIES HELD BY IT FOR YOU IN ANY ACCOUNT IN WHICH YOU HAVE ANY INTEREST SHALL SECURE ALL YOUR LIABILITIES TO BNY PERSHING, AND BNY PERSHING MAY IN ITS DISCRETION AT ANY TIME, WITHOUT TENDER, DEMAND OR NOTICE TO YOU, CLOSE OR REDUCE ANY OR ALL OF YOUR ACCOUNTS BY PUBLIC OR PRIVATE SALE OR PURCHASE OR BOTH OF ALL OR ANY SECURITIES CARRIED IN SUCH ACCOUNTS; ANY BALANCE REMAINING DUE BNY PERSHING TO BE PROMPTLY PAID BY YOU.
- WHENEVER YOU ARE INDEBTED TO BNY PERSHING FOR ANY AMOUNT, ALL SECURITIES CARRIED FOR YOUR ACCOUNT ARE OR MAY BE, WITHOUT FURTHER NOTICE TO YOU, LOANED OR PLEDGED BY BNY PERSHING, EITHER SEPARATELY OR UNDER CIRCUMSTANCES WHICH WILL PERMIT THE COMMINGLING THEREOF, WITH OTHER SECURITIES FOR ANY AMOUNT LESS THAN, EQUAL TO OR GREATER THAN YOUR LIABILITIES TO BNY PERSHING, BUT NOT UNDER CIRCUMSTANCES FOR AN AMOUNT PROHIBITED BY LAW.
- BNY PERSHING MAY TRADE FOR ITS OWN ACCOUNT AS A MARKET MAKER, SPECIALIST, ODD LOT DEALER, BLOCK POSITIONER, ARBITRAGEUR, OR INVESTOR. CONSEQUENTLY, AT THE TIME OF ANY TRANSACTION YOU MAY MAKE, BNY PERSHING MAY HAVE A POSITION IN SUCH SECURITIES, WHICH POSITION MAY BE PARTIALLY OR COMPLETELY HEDGED.
- IF AVERAGE PRICE TRANSACTION IS INDICATED ON THE FRONT OF THIS STATEMENT YOUR FINANCIAL INSTITUTION OR BNY PERSHING MAY HAVE ACTED AS PRINCIPAL, AGENT, OR BOTH. DETAILS AVAILABLE UPON REQUEST.
- A FINANCIAL STATEMENT OF BNY PERSHING IS AVAILABLE FOR YOUR PERSONAL INSPECTION AT BNY PERSHING'S OFFICES. A COPY OF IT WILL BE MAILED UPON YOUR WRITTEN REQUEST OR YOU CAN VIEW IT ONLINE AT www.bny.com/pershing.
- FOR BUSINESS CONTINUITY AND ADDITIONAL DISCLOSURES: www.bny.com/pershing/us/en/disclosures.html
- THIS STATEMENT SHOULD BE RETAINED FOR YOUR RECORDS.

TRANSACTIONS

- ALL ORDERS AND TRANSACTIONS SHALL BE SOLELY FOR YOUR ACCOUNT AND RISK SHALL BE SUBJECT TO THE CONSTITUTION, RULES, REGULATIONS, CUSTOMS, USAGES, RULINGS AND INTERPRETATIONS OF THE EXCHANGE OR MARKET AND THE CLEARING FACILITY, IF ANY, WHERE THE TRANSACTIONS ARE EXECUTED AND/OR SETTLED, OR IF APPLICABLE, OF THE FINANCIAL INDUSTRY REGULATORY AUTHORITY AND TO ALL APPLICABLE LAWS AND REGULATIONS.
- TITLE TO SECURITIES SOLD TO YOU, WHERE BNY PERSHING HAS ACTED AS PRINCIPAL, SHALL REMAIN WITH BNY PERSHING UNTIL THE ENTIRE PURCHASE PRICE IS RECEIVED OR UNTIL THE SETTLEMENT DATE, WHICHEVER IS LATER.
- YOU MAY HAVE RECEIVED CONFIRMATIONS FOR TRANSACTIONS WHICH DO NOT APPEAR ON YOUR STATEMENT. IF SO, THE TRANSACTIONS WILL APPEAR ON YOUR NEXT PERIODIC STATEMENT. SUCH TRANSACTIONS MUST BE CONSIDERED BY YOU WHEN COMPUTING THE VALUE OF YOUR ACCOUNT. THIS IS ESPECIALLY TRUE IF YOU HAVE WRITTEN OPTIONS WHICH HAVE BEEN EXERCISED.

FREE CREDIT BALANCES: ANY FREE CREDIT BALANCE CARRIED FOR YOUR ACCOUNT REPRESENTS FUNDS PAYABLE UPON DEMAND WHICH, ALTHOUGH PROPERLY ACCOUNTED FOR ON BNY PERSHING'S BOOKS OF RECORD, ARE NOT SEGREGATED AND MAY BE USED IN THE CONDUCT OF ITS BUSINESS.

DEBIT BALANCES: INTEREST CHARGED ON DEBIT BALANCES IN YOUR ACCOUNT APPEARS ON THE STATEMENT. THE RATE OF INTEREST AND PERIOD COVERED ARE INDICATED. THE RATE MAY CHANGE FROM TIME TO TIME DUE TO FLUCTUATIONS IN MONEY RATES OR OTHER REASONS. INTEREST IS COMPUTED AS DESCRIBED IN MATERIAL PREVIOUSLY FURNISHED TO YOU. PLEASE CONTACT YOUR FINANCIAL INSTITUTION IF YOU DESIRE ADDITIONAL COPIES.

MARGIN INFORMATION: IF YOU MAINTAIN A MARGIN ACCOUNT, THIS IS A COMBINED STATEMENT OF YOUR GENERAL ACCOUNT AND A SPECIAL MEMORANDUM ACCOUNT MAINTAINED FOR YOU UNDER REGULATION T OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM. THE PERMANENT RECORD OF THE SEPARATE ACCOUNT AS REQUIRED BY REGULATION T IS AVAILABLE FOR YOUR INSPECTION UPON REQUEST.

TAX INFORMATION

- AFTER YEAR END, BNY PERSHING IS REQUIRED TO PROVIDE TAX INFORMATION TO THE INTERNAL REVENUE SERVICE AND OTHER GOVERNMENTAL AUTHORITIES. AT THAT TIME BNY PERSHING WILL PROVIDE THAT INFORMATION ON THE ANNUAL TAX INFORMATION STATEMENT TO YOU; USE THAT STATEMENT TO PREPARE YOUR TAX FILINGS. THE TAX STATEMENT ALSO INCLUDES OTHER USEFUL INFORMATION TO ASSIST IN ACCUMULATING THE DATA TO PREPARE YOUR TAX RETURNS.
- DIVIDENDS, INTEREST AND OTHER DISTRIBUTIONS SHOWN ON THIS STATEMENT WERE CLASSIFIED AS TAXABLE OR NONTAXABLE BASED ON CERTAIN INFORMATION KNOWN AS OF THE DISTRIBUTION DATE. THIS CLASSIFICATION IS SUBJECT TO CHANGE AND IS SOLELY INTENDED FOR USE AS GENERAL INFORMATION.
- BNY PERSHING DOES NOT PROVIDE TAX, INVESTMENT OR LEGAL ADVISORY SERVICES AND NO ONE ASSOCIATED WITH BNY PERSHING IS AUTHORIZED TO RENDER SUCH ADVICE. DO NOT RELY UPON ANY SUCH ADVICE, IF GIVEN. INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS TO DETERMINE THE APPROPRIATE TAX TREATMENT OF THEIR BUSINESS.

PAYMENT FOR ORDER FLOW AND ORDER ROUTING POLICY DISCLOSURES (REGULATION NMS – RULE 607 (A) (1) – (2))

BNY PERSHING SENDS EQUITY AND OPTION ORDERS TO EXCHANGES, OR BROKER–DEALERS AS MARKET MAKERS OR AUTOMATED TRADING SYSTEMS (ATSS). CERTAIN OF THESE VENUES PROVIDE PAYMENTS TO BNY PERSHING OR CHARGE ACCESS FEES TO BNY PERSHING DEPENDING UPON THE CHARACTERISTICS OF THE ORDER AND ANY SUBSEQUENT EXECUTION. THE DETAILS OF THESE PAYMENTS AND FEES ARE AVAILABLE UPON WRITTEN REQUEST. COMPENSATION IS GENERALLY IN THE FORM OF A PER SHARE OR PER OPTION CONTRACT CASH PAYMENT. IN ADDITION, BNY PERSHING EXECUTES CERTAIN TRANSACTIONS IN EQUITY PREFERRED SECURITIES AND FRACTIONAL SHARES AS PRINCIPAL. BNY PERSHING ALSO ROUTES CERTAIN EQUITY ORDERS TO ITS AFFILIATE, BNY MELLON CAPITAL MARKETS, LLC, FOR EXECUTION AS PRINCIPAL.

BEST EXECUTION: NOTWITHSTANDING THE PREVIOUS PARAGRAPH REGARDING PAYMENT FOR ORDER FLOW, BNY PERSHING SELECTS CERTAIN MARKET CENTERS TO PROVIDE EXECUTION OF OVER-THE-COUNTER AND EXCHANGE-LISTED SECURITIES TRANSACTIONS WHICH AGREE TO ACCEPT ORDERS, TRANSMITTED ELECTRONICALLY UP TO A SPECIFIED SIZE, AND TO EXECUTE THEM AT OR BETTER THAN THE NATIONAL BEST BID OR OFFER (NBBO). IN CERTAIN SECURITIES THAT ARE NOT ELECTRONICALLY QUOTED, BNY PERSHING DIRECTLY CONTACTS MARKET CENTERS TO OBTAIN AN EXECUTION. THE DESIGNATED MARKET CENTERS TO WHICH ORDERS ARE AUTOMATICALLY ROUTED ARE SELECTED BASED ON THE CONSISTENT HIGH QUALITY OF THEIR EXECUTIONS AND THEIR ABILITY TO PROVIDE OPPORTUNITIES FOR EXECUTIONS AT PRICES SUPERIOIR TO THE NBBO. BNY PERSHING ALSO REGULARLY REVIEWS REPORTS FOR QUALITY OF EXECUTION PURPOSES.

IF ANY OF THE ABOVE TERMS AND CONDITIONS ARE UNACCEPTABLE TO YOU, PLEASE NOTIFY BNY PERSHING IMMEDIATELY IN WRITING BY CERTIFIED MAIL TO ONE PERSHING PLAZA, JERSEY CITY, NJ 07399, ATTN: LEGAL DEPT

[redacted]

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CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Arron Brown, City Manager

DATE: 11/12/2025

SUBJECT: Adopt a Resolution Approving Budget Adjustments for the City's Rental Fund

---

Recommendation:
Adopt Resolution No. 2025-46 approving budget adjustments for the City's Rental Fund.

Background/Analysis:
The City purchased a commercial property located at 31542 Railroad Canyon Road on March 30, 2020. The activity is recorded in the Rental Fund which is an enterprise fund. The City leases out portions of the building to various tenants and is responsible for the costs to maintain the building including repairs and maintenance. The activities of this property were included in the City's Adopted 2025-26 Budget on May 14, 2025.

The City purchased a commercial property located at 31600 Railroad Canyon Road on April 30, 2025. The activity is recorded in the Rental Fund which is an enterprise fund. The building had several tenants from the date of purchase through July 2025. As of August 1, 2025, the building is leased to one tenant. The activities of this property were not included in the City's Adopted 2025-26 Budget, as the date of the purchase did not allow enough time to be included in the FY 2025-26 Budget adopted on May 14, 2025.

For the building located at 31542 Railroad Canyon Road the budget needs to be amended to include additional repair and maintenance costs for $15,000 due to unforeseen necessary repairs. In addition, the initial budget included payments for principal and interest on the Interfund Loan which included costs for the building located at 31520 Railroad Canyon Road, which was converted to City use during FY 2024-25. The loan was amended by the City Council at the June 11, 2025, City Council meeting.

For the building located at 31600 Railroad Canyon Road the adjustments include rental income and all expenses associated with the building as detailed in the proposed resolution attached hereto.

Fiscal Impact Yes/No: Yes

Additional Fiscal Information:
For 31542 Railroad Canyon Road there is a reduction in total expenses of $7,137 as detailed in the budget summary for Department 560. For 31600 Railroad Canyon Road the proposed rental income is $102,000 and proposed expenses are $101,674 for revenues over expenses of $326, as detailed in the budget summary for Department 580.

Attachments:
1 - Resolution

Ex A
Ex B

RESOLUTION NO. 2025-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, APPROVING BUDGET ADJUSTMENTS FOR THE CITY'S RENTAL FUND

WHEREAS, the City has purchased two commercial properties located at 31542 and 31600 Railroad Canyon Road. The buildings are recorded in the City's Rental Fund which is an enterprise fund; and

WHEREAS, the City leases out the buildings to various tenants and is responsible for the costs to maintain the buildings; and

WHEREAS, the City Council on May 14, 2025, adopted the FY 2025-26 Budget which included the activity of Building 31542 Railroad Canyon Road but not the activity of Building 31600 Railroad Canyon Road; and

WHEREAS, the FY 2025-26 Budget for 31542 Railroad Canyon Road needs to be amended to include additional repair and maintenance costs of $15,000 and a reduction of $1,227 and $20,910 in interest and principal costs respectively, per the Amended Interfund Loan Agreement approved by the City Council at the June 11, 2025, City Council meeting; and

WHEREAS, the FY 2025-26 Budget for 31600 Railroad Canyon Road needs to be amended to include the rental activity. The amendment includes $102,000 in rental income and $101,674 in rental expenses.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. That the City Council does hereby approve the Budget Adjustments as proposed for 31542 Railroad Canyon Road (Exhibit "A" hereto).

Section 3. That the City Council does hereby approve the Budget Adjustments as proposed for 31600 Railroad Canyon Road (Exhibit "B" hereto).

Section 4. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 5. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

City of Canyon Lake
Budget Summary - Building 31542 Railroad Canyon Road
Fiscal Year 2025-26

Enterprise Fund - Rental					**Rental - Fund 60**
Function - Department					**Dept - Code 560**
Object Acct #		**Budget 2024-25**	**Adopted 2025-26**	**Budget Adjustments**	**Amended 2025-26**
	REVENUES				
4698	Rental Income	$ 74,600	$ 108,315	$ -	**$ 108,315**
	Revenue Total	**$ 74,600**	**$ 108,315**	**$ -**	**$ 108,315**
	OPERATING EXPENSES				
6210	Office Expense & Supplies	$ 250	$ 250	$ -	**$ 250**
6320	Utilities	14,000	14,000	-	**14,000**
6325	Repairs & Maintenance	2,000	5,000	15,000	**20,000**
6326	Assessments	11,000	11,400	-	**11,400**
6328	Property Taxes	2,800	3,100	-	**3,100**
6610	Professional & Specialized Services	-	2,000	-	**2,000**
6900	Interest Expense	16,720	15,988	(1,227)	**14,761**
6910	Principal Expense	33,240	33,969	(20,910)	**13,059**
	Expense Total:	**$ 80,010**	**$ 85,707**	**$ (7,137)**	**$ 78,570**
	CAPITAL COSTS				
8014	Building Improvements	-	**-**	-	**-**
		$ -	**$ -**	**$ -**	**$ -**
	DIVISION SUMMARY				
	Total Revenue	**$ 74,600**	**$ 108,315**	**$ -**	**$ 108,315**
	Personnel	$ -	**$ -**	$ -	**$ -**
	Operations & Maintenance	80,010	**85,707**	(7,137)	**78,570**
	Capital	-	**-**	-	**-**
	Total Expenses	**$ 80,010**	**$ 85,707**	**$ (7,137)**	**$ 78,570**
	Surplus/Shortfall	**$ (5,410)**	**$ 22,608**	**$ 7,137**	**$ 29,745**

City of Canyon Lake
Budget Summary - Building 31600 Railroad Canyon Road
Fiscal Year 2025-26

Enterprise Fund - Rental				**Rental - Fund 60**	
Function - Department				**Dept - Code 580**	
Object Acct #		**Budget 2024-25**	**Adopted 2025-26**	**Budget Adjustments**	**Amended 2025-26**
	REVENUES				
4698	Rental Income	$ -	$ -	$ 102,000	**$ 102,000**
	Revenue Total	**$ -**	**$ -**	**$ 102,000**	**$ 102,000**
	OPERATING EXPENSES				
6210	Office Expense & Supplies	$ -	$ -	$ 500	**$ 500**
6320	Utilities	-	-	6,000	**6,000**
6325	Repairs & Maintenance	-	-	7,000	**7,000**
6328	Property Taxes	-	-		**-**
6326	Assessments	-	-	5,700	**5,700**
6900	Interest Expense	-	-	56,487	**56,487**
6910	Principal Expense	-	-	25,987	**25,987**
	Expense Total:	**$ -**	**$ -**	**$ 101,674**	**$ 101,674**
	CAPITAL COSTS				
	Building Improvements	**$ -**	**$ -**	**$ -**	**$ -**
	DIVISION SUMMARY				
	Total Revenue	**$ -**	**$ -**	**$ 102,000**	**$ 102,000**
	Personnel	$ -	$ -	$ -	**$ -**
	Operations & Maintenance	-	-	101,674	**101,674**
	Capital	-	-	-	**-**
	Total Expenses	**$ -**	**$ -**	**$ 101,674**	**$ 101,674**
	Surplus/Shortfall	**$ -**	**$ -**	**$ 326**	**$ 326**

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Arron Brown, City Manager

DATE: 11/12/2025

SUBJECT: Consideration of a Change Order for the Canyon Lake Police Department Construction Project in the Amount of $79,356.00

Recommendation:
Approve a change order in the amount of $79,356.00 for the Canyon Lake Police Department Construction Project.

Background/Analysis:
On August 13, 2025, the City Council awarded a construction contract to Lowe Construction, Inc. in the amount of $637,230 for the Canyon Lake Police Department Construction Project. As part of the project the City Council approved a 10% contingency to cover the cost of any contract change order work.

Construction on the project began on August 18, 2025, and is nearing completion. During the course of the project it was determined by the engineer of record that certain additional work needed to be performed, which is outlined in the attached change order. Since this additional work exceeds the original project contingency, staff is requesting that the City Council approve a contract change order with Lowe Construction, Inc. in the amount of $79,356.00.

Fiscal Impact Yes/No: Yes

Additional Fiscal Information:
Funds sufficient to cover the proposed additional work is included in the $1,200,000 police department start-up funds approved by the City Council on August 13, 2025.

Attachments:
1 - Change Order

30049 Gulf Stream Drive - Canyon Lake, CA 92587 (951) 498-8101
License #1073832

CHANGE ORDER #012025

CONTRACTOR
Lowe General Construction, Inc.
30049 Gulf Stream Drive
Canyon Lake, CA 92587

CLIENT
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake, CA 92587

PROJECT LOCATION
Canyon Lake Police Department
31516 Railroad Canyon Road
Canyon Lake, CA 92587

PROJECT DESCRIPTION:
Lowe General Construction Inc., herein referred to as "Contractor", shall provide the material and labor in order to complete the following additional work to the Public Works Agreement, dated August 14, 2025, between the City of Canyon Lake and Lowe General Construction, Inc.. These changes come at the request of the City of Canyon Lake and/or at the direction of the Engineer of record with DMA, in order to meet compliance requirements.

DUAL PANE WINDOWS $9,581.00
Contractor will remove and dispose of the existing single pane windows, found in the newly added Sergeant and Lieutenant offices. Contractor will install new, bronze, dual pain, center glazed, storefront windows with tempered LOW-E70 glass over laminated bronze glass.

SEWER CLEAN OUT $375.00
Contractor will scope and clean out the existing 4" sewer line, located at the east end of the building and install a cap on the clean out end (currently absent).

EVIDENCE ROOM CEILING $2,700.00
At the direction of the Engineer of record with DMA, Contractor will create a "hard lid" ceiling, in the Evidence Room, by installing ceiling joists and two layers of 5/8" sheetrock. Contractor will texture coat and paint the new ceiling to match the walls.

EVIDENCE ROOM FILTRATION $9,795.00

At the direction of the Engineer of record with DMA, contractor will provide and install a HERO HS300 Commercial/Medical grade exhaust system with a charcoal and HEPA filter. Contractor will install a Magnahelic pressure guage on the unit, to monitor filter performance. Contractor will install rigid ducting to the outer, east side of the building and install an eyebrow in the stucco. Contractor will patch and paint the stucco, around the newly installed eyebrow. Contractor will install a second eyebrow, in the exterior stucco and run a rigid metal intake pipe, in order to bring fresh air into the Evidence Room.

INTERVIEW ROOM CEILING $2,700.00

Contractor will create a "hard lid" ceiling, in the Interview Room, by installing ceiling joists and two layers of 5/8" sheetrock, in an attempt to minimize sound transition, outside of the room, through the ceiling. Contractor will texture coat and paint the new ceiling to match the walls.

PROCESSING ROOM CEILING $2,180.00

At the direction of the Engineer of record with DMA, Contractor will create a "hard lid" ceiling, in the Processing Room, by framing ceiling joists and installing two layers of 5/8" sheetrock. Contractor will texture coat and paint the new ceiling to match the walls.

PROCESSING ROOM FLOOR $550.00

Contractor will install an epoxy finish, over the cement floor of the Processing Room. This will be done to eliminate the old vinyl tile delineation marks that were found on floor, post diamond grinding. Contractor will install a polyaspartic urethane over the epoxy in order to add scratch resistance and resilience to the floor.

EVIDENCE LOCKER $1,500.00

Contractor will frame in an opening to accommodate City purchased evidence lockers, according to the spec sheets provided by the locker manufacturer. Contractor will install the evidence lockers according to the manufacturers specifications.

HVAC $7,652.00

At the direction of the Engineer of record with DMA, Contractor will install a separate 12,000 BTU mini split HVAC system in the Evidence Room. Contractor will tie the condensation line into the existing copper condensation line, found above T-bar.

SECURITY $6,235.00

At the direction of the Engineer of record with DMA, Contractor will install 1/4" thick aluminum sheet panels, across the Northern wall, separating the Police Department and the POA offices. Sheet metal will installed on the furred out wall of the Armory, Evidence Room, and Server Room.

ADA COMPLIANT ENTRY DOOR $8,875.00

At the direction of the Engineer of record with DMA, Contractor will install a motorized door opener, for the elevator vestibule entry door, into the Police Station. Additionally, contractor will install an electrical supply to the motor and an ADA compliant push button, on the inside of the Police Station.

CODE ENFORCEMENT OFFICE $5,375.00

Contractor will completely demo and dispose of the existing public countertop and wall. Contractor will re-frame a new wall, complete with an ADA height compliant countertop and standard public height countertop. Contractor will install (2) 3/8" laminated glass partitions with 6" pass though slots on the bottom and speak through holes. Contractor will run the framing, drywall, texture coat, and paint above the glass, to above T-bar. Contractor will replace carpeting, where bottom plates were removed form old framing.

CODE ENFORCEMENT ELECTRICAL $250.00

Contractor will add one additional convenience outlet to the employee side of the newly constructed countertop. This will eliminate the extension cord being run through the hole in the wall of the countertop, as it is currently.

INFORMATION TECHNOLOGY $400.00

Precision Technologies will run new CAT6 cabling from the Police Department Server Room to two pre determined location upstairs, in the Council Chamber. Cabling will be routed above Police Department T-bar and through existing conduit whips.

REFRIGERATOR $2,358.00

Contractor will provide and install an LG-Counter Depth refrigerator with zero hinge clearance. Contractor will provide and install a dual outlet angle stop and stainless steel water line for the ice maker.

AIR HANDLER FRESH AIR INTAKE $2,624.00

At the direction of the Engineer of record with DMA, Contractor will install a split fresh air intake for the two air handler systems. Contractor will install rigid ducting through the east exterior wall, into a galvanized eyebrow. Contractor will patch the stucco around the new eyebrow. Contractor will make connections at each air handler, above T-Bar.

EXHAUST FAN DUCTING $2,117.00

Contractor will add ducting to the two existing exhaust fans, in the men's and women's first floor restrooms that are currently exhausting into the attic. Contractor will run ducting through the roof of the building and will mastic around the opening to ensure a water tight seal.

WEEP SCREED $4,150.00

Contractor will cut out and dispose of the existing stucco, along the bottom of the east facing exterior wall of the building, and remove the weep screed that is rotting away. Contractor will install new flashing and weep screed and will patch repair new stucco to the new weep screed.

EXTERIOR PAINTING $4,750.00

Contractor will pressure wash the east facing, exterior wall of the building. Contractor will mask off windows and paint the existing stucco wall, two electrical room doors, four metal eye brows, and two exterior light fixtures.

EXTERIOR PLANTER $1,463.00
Contractor will install weed block fabric in the existing planter, along the east wall of the building. Contractor will cover the weed block fabric with decorative rock in order to minimize splashing of rain water onto the building and A/C condensers.

DOOR SEAL OFF $100.00
Contractor will prepare office door for application of black sealant and install sealant to the exterior door opening of storefront office unit in order to prevent weather and insect penetration into office. Doing so will eliminate the use of the storefront office door.

PLANTER DOWNSPOUTS $1,188.00
Contractor will install two downspout connectors to the existing downspouts located on two west facing columns (parking lot area). Contractor will relocate plants and dig a trench, though the planter, and install drain pipes that carry the water away from the building. Contractor will terminate the drain lines, at the asphalt parking lot, with miter drain caps.

RAIN GUTTER $3,780.00
Contractor will cut off the existing rafter tails that protrude past the facia board. Contractor will install a seamless rain gutter system, along the east wall of the building. Contractor will install downspouts at the north and south end of the rain gutter, that carry water away from the building.

CSO OFFICE GLASS PARTITION $1,558.00
At the direction of Chief Rayles, Contractor will install two additional pieces of 3/8" laminated, clear tempered glass strips. Strips will be installed in matching chrome hardware and will located on the employee side of the newly installed glass partitions. Glass strips will be flush mounted with the new countertop with 17" strips, in the middle of each piece, that rise approximately 3/4" in order to pass papers through. The top of the glass strips will rise above the bottom of newly installed glass partitions by approximately 2".

CUBICLE WALL CAPS $0.00
Contractor will install Poplar wall caps in lieu of drywall caps to the cubicle walls. Contractor will stain the Poplar wall caps with black stain and apply two coats of urethane clear coat.

ELEVATOR CARPET $0.00
Contractor will remove the existing elevator carpeting and install glue down carpet tiles to match the new carpet in the elevator vestibule, stairs, and Police Station.

CREDITS -$2,900.00
- No block wall installed in Processing Room -$1,700.00
- No door installed in Processing Room -$1,200.00

CHANGE ORDER TOTAL

Lowe General Construction, Inc., shall provide all of the material (except otherwise noted) and labor in order to complete the changes described within this Change Order and furthermore, according to the Plans and Scope of Work provided by the City of Canyon Lake and at the direction of the Engineer of record with DMA, in a professional and workmanlike manner for the fixed sum of $79,356.00 (seventy nine thousand three hundred fifty six dollars).

WORK SCHEDULE: The work described in this Change Order shall begin on or about the 18th day of August, 2025 and shall be substantially completed by November 21, 2025, weather and circumstances permitting. Should the City of Canyon Lake elect to make changes or additions to the scope of the work described, a re-projected end date shall be determined at such time. See the attached formal schedule for reference.

CHANGES: Any changes to the plans, specifications and/or installation of the job, as described in this Proposal, shall be in writing and approved in writing by the City of Canyon Lake and the Contractor and shall be billed at an agreed upon price.

Respectfully submitted this 17th day of October, 2025.

Kevin S Lowe

_____

Kevin S. Lowe 10/17/2025
President

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Jim Morrissey, City Planner

DATE: 11/12/2025

SUBJECT: Adopt a Resolution Adopting a General Plan Amendment (GPA 25-01) Amending the City of Canyon Lake Housing Element for the 6th Cycle, Years 2021 to 2029

Recommendation:

(1) Open the public hearing and take public testimony; and (2) adopt Resolution No. 2025-47 amending the City of Canyon Lake General Plan Housing Element to meet the requirements of the 6th Cycle Housing Element requirements of State law and the California Department of Housing and Community Development, adopting the Addendum to the previous Negative Declaration for the Housing Element, adopted February 9, 2022, and a finding that no substantial changes have occurred in the proposed Project due to new significant information, new environmental effects or new information of substantial importance, consistent with the California Environmental Quality Act (CEQA).

Background/Analysis:

Overview

Housing Elements are required to be updated during specific periods to meet identified housing needs established by the State, including the provision of ensuring adequate housing for all income groups. The City's existing Housing Element was completed for the 5th Cycle and adopted in October 2019, with a Mid-Term Update in May 2020. Both documents consisted of goals, policies, and programs for the period 2013 to 2021. This proposed updated Housing Element contains some of the same goals, policies, and programs contained in the existing Housing Element.

The City of Canyon Lake has prepared a number of draft updates to its current General Plan Housing Element to comply with State Department of Housing and Community Development (HCD) comments. The most recent update and the subject of this hearing, was undertaken by Rincon Associates. It represents a comprehensive revision in the manner in which existing demographic and economic characteristics are presented. Also included are some new programs intended to meet the requirements of the State Housing and Community Development.

Analysis

The City of Canyon Lake initiated this most recent change to the Housing Element starting in June 2023, with the execution of an agreement with Rincon Consultants, Inc. Since that time, Rincon has undertaken a methodical update to the Housing Element that incorporates an expansion of demographic and economic data and updated implementation programs. Through Rincon, the City has coordinated with HCD to obtain their comments. An updated version of the Housing Element was filed with HCD on December 17, 2024. On February 7, 2025, HCD provided a comment letter requesting minor changes to the Element and a modification to the City's Mixed Use Zone that incorporates some of the State housing requirements. Changes have been made to both documents and are presented to the City Council for their consideration. The Mixed Use Zone, which covers the businesses in the

Towne Center, includes the Towne Center Specific Plan where the number of housing units required by the State Regional Housing Needs Allocation (RHNA) distribution model are to be located.

To comply with the State's request to amend the Mixed Use Zone, Staff has placed that Zone Amendment on the same agenda as the Housing Element Amendment, so that both documents can be submitted to the State for final acceptance and certification. The purpose of the comments provided by HCD are to determine compliance with State Law and do not represent approval of the document. The State's review and acceptance process is intended to certify compliance with State Law.

Proposed Housing Programs

Most of the proposed Programs represent a continuation of past Programs and are either unchanged or modified. The most notable additions or modifications provided by the new Programs reflect programs related to the development of housing in the Towne Center. Among the programs included in the Housing Element are those to incentivize the construction of Accessory Dwelling Units and housing for lower-income and special needs; a vacant land survey; displacement prevention of existing businesses in the Towne Center; methods to streamline project approvals; review opportunities to remove barriers to housing production and affordability; housing code enforcement; preparation of a marketing plan for the Towne Center to provide diverse housing opportunities for demographically diverse and lower income households; networking with groups to help ensure householders are not displaced through new construction, and; cooperate with RTA to identify actions to connect residents to job centers. The proposed housing programs are listed below:

New and Modified Programs as Accepted by State HCD

Program Category	List of Programs
Category 1: Actions to Make Sites Available to Accommodate the RHNA	1.1: Annual Housing and Vacant Lot Reporting Program 1.2a: Facilitate the full buildout of the TCSP to accommodate RHNA 1.2b: Rezone and Lot Consolidation Program on Mixed-use Sites within the TCSP 1.2c: Displacement Prevention of Existing Businesses within the TCSP 1.2d: City-owned Sites/Surplus Land Act 1.3: No Net Loss Program (continuation)
Category 2: The Development of Adequate Housing to Meet the Needs of All Economic Segments	2.1: Section 8 Housing Choice Voucher Program (continuation) 2.2: First Time Homebuyer Program (continuation) 2.3: Lower-Income and Special Needs Housing Incentives Program 2.4: ADU Incentives Plan 2.5: Area Agency on Aging Outreach Program (continuation) 2.6: Inland Regional Center Outreach Program 2.7: Density Bonus Ordinance (continuation)
Category 3:	3.1: Zoning Ordinance Amendments (continuation) 3.2: Reasonable Accommodation Procedure (continuation)

Address and Remove Governmental and Nongovernmental Housing Constraints	3.3: SB 35 Streamlining Information 3.4: Support the Development of a Variety of Housing Types
Category 4: Conserve and Improve the Condition of the Existing Housing Stock	4.1: Housing Code Enforcement 4.2: Homeowner Housing Rehabilitation Program (continuation)
Category 5: Promote and Affirmatively Further Housing Opportunities for All Persons	5.1: AFFH Outreach Program (continuation) 5.2: Fair Housing Services Program (continuation) 5.3: Affirmative Fair Housing (Marketing AFHM) Plan 5.4: Displacement Risk Program 5.5: Transit Expansion Program 5.6: Equitable Quality of Life Program

Fiscal Impact Yes/No: No

Attachments:
1 - Resolution
Ex A - HCD Letter
Ex B - Housing Element Amendment
Ex C - Adopted Negative Declaration
Ex D - Addendum to the Adopted Negative Declaration

RESOLUTION NO. 2025-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING GENERAL PLAN AMENDMENT 25-01, TO ADOPT THE CITY'S 6TH CYCLE HOUSING ELEMENT UPDATE, YEARS 2021 TO 2029; AND DIRECTING STAFF TO PROVIDE THE AMENDED HOUSING ELEMENT FOR THE SIXTH CYCLE TO THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

WHEREAS, the City of Canyon Lake has adopted a General Plan, consistent with Government Code Section 65300; and

WHEREAS, said General Plan includes a Housing Element certified by the State Department of Housing and Urban Development for the 5th Cycle, Years 2013 to 2021; and

WHEREAS, the City Council has received correspondence from the State Department of Housing and Community Development requiring an update to that document for the 6th Cycle, Years 2021 to 2029; and

WHEREAS, the City of Canyon Lake Housing Element has been updated to provide the required materials and documentation requested by the State Department of Housing and Community Development in their multiple adoption of a revised Housing Element on October 2, 2019, February 9, 2022, and August 8, 2022, and in subsequent versions submitted for review, as referenced in their letters of December 7, 2021, April 15, 2022, October 18, 2022, March 4, 2024, August 27, 2024, February 7, 2025 to the City of Canyon Lake as part of the City's 6th Cycle Housing Element Update; and

WHEREAS, the City of Canyon Lake updated and adopted the City's Housing Element to comply with the request of the State Department of Housing and Community Development for the 6th Cycle Housing Element; and

WHEREAS, the State Department of Housing and Community Development (HCD) issued a letter on February 7, 2025, requesting a number of minor modifications to the adopted 6th Cycle Housing Element; and

WHEREAS, Staff modified the Housing Element pursuant to HCD suggestions and to meet Proposed Sixth Cycle Housing Element the needs of the City for all income groups for the eight-year period encompassing the Sixth Cycle Housing Element ("Amended Sixth Cycle Housing Element"); and

WHEREAS, the Amended Sixth Cycle Housing Element is in accordance with the requirements of the Sixth Cycle Housing Element and updated to be consistent with the comments provided by the HDC in their letter dated February 7, 2025; and

WHEREAS, the Amended Sixth Cycle Housing Element contains a number of new, expanded and continued programs listed in the City's 5th Cycle Housing Element; and

WHEREAS, the Amended Sixth Cycle Housing Element focuses on meeting the identified number of new housing units within the City, providing programs to meet identified needs and housing requirements, and continuing and updating a number of the previously adopted programs to meet identified housing needs; and

WHEREAS, the City of Canyon Lake has made the document available for public review to receive input on the proposed Housing Element update; and

WHEREAS, the amended Housing Element projects meeting the needs of the City of Canyon Lake for all income groups for the eight year period encompassing the 6th Cycle, Year 2021 to 2029; and

WHEREAS, the City complied with SB 18 and other laws for tribal consultation, and, incorporated an additional policy and objective based upon that consultation; and

WHEREAS, this Housing Element update was noticed with a 1/8 page advertisement in the Friday Flyer for public hearing, before the City Council on November 12, 2025, as provided for in Government Code Section 65091; and

WHEREAS, on November 12, 2025, after a duly noticed public hearing, the City Council adopted a Resolution to recommend approval of the Resolution approving, among other things, the Proposed Sixth Cycle Housing Element; and

WHEREAS, an Addendum to an adopted Negative Declaration was prepared consistent with the California Environmental Quality Act (CEQA), based upon the proposed changes to the Element, and used as a basis for the evaluation of this update; and

WHEREAS, the City Council finds that the adoption of the General Plan Amendment 25-01 and the Amended Sixth Cycle Housing Element will promote the public interest, health, safety, convenience, or welfare of the City.

.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. Based upon the referenced HCD comment letters and the February 7, 2025, letter (Exhibit "A"), the City Council makes the following findings regarding GPA (General Plan Amendment) 25-01:

1. The proposed Housing Element update (Exhibit "B"), is in accordance with the requirements of the 6th Cycle Housing Element and updated to be consistent with the comments provided by the State Housing and Community Development (HDC) in their letter dated February 7, 2025.

2. The proposed Housing Element update contains a number of new programs and expanded or continued programs listed in the City's 5th Cycle Housing Element.

3. The proposed Housing Element update focuses on meeting the identified number of new housing units within the City, providing programs to meet identified needs and housing requirements, and continuing and updating a number of the previously adopted programs to meet identified housing needs.

4. The proposed Housing Element update does not require the establishment of additional residentially designated properties or an increase in residential densities to meet identified housing needs, as reflected in the General Plan Land Use Map.

5. The proposed Housing Element update does not involve a change to or conflict with any of the General Plan's visions, goals, and principles.

6. The proposed Housing Element update has been evaluated to determine compliance with the California Environmental Quality Act (CEQA) through the completion of an adopted Negative Declaration on February 9, 2022 (Exhibit "C"), and the preparation of an Addendum (Exhibit "D") to evaluate any changes to the Housing Element, including the availability of additional information, such as the update Safety Element, and represents the City's independent evaluation of the project.

Section 3. The proposed Housing Element Amendment addresses the comments from the Department of Housing and Community Development and incorporates changes in the Housing Element data and programs to identify demographic and economic data and to comply with updated State laws.

Section 4. Pursuant to the above findings, the City Council of the City of Canyon Lake adopts the findings and the environmental determination provided in this resolution and approve GPA 25-01.

Section 5. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 7. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

EXHIBIT "A"

February 7, 2025, HCD Letter
(attached)

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
651 Bannon Street, Suite 400
Sacramento, CA 95811
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov

February 7, 2025

Jim Morrissey, City Planner
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake, CA 92587

Dear Jim Morrissey:

RE: City of Canyon Lake's 6th Cycle (2021-2029) Subsequent Draft Housing Element

Thank you for submitting the City of Canyon Lake's (City) revised draft housing element update received for review on December 17, 2024, along with revisions received on February 4, 2025. The revisions were posted and made available to the public for seven days prior to review. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. Our review was facilitated by a conversation on January 23, 2025 with Jason Montague, Consultant.

The revised draft element, incorporating the revisions, addresses most statutory requirements described in HCD's August 27, 2024 review. However, the housing element cannot be found in substantial compliance until the City has completed Program 1.2b (Rezone Program on Mixed-use Sites within the TCSP) to rezone sites to accommodate the Regional Housing Needs Allocation (RHNA) pursuant to Government Code section 65583.2, subdivisions (h) and (i). While HCD has reviewed Ordinance Number 222 to rezone sites within the TCSP, the ordinance does not meet statutory requirements. Specifically, the zoning does not appear to meet requirements related to nondiscretionary review for housing developments with 20 percent affordability, minimum density (20 dwelling units per acre for Canyon Lake), residential performance standards, including allowing 100 percent residential development, among other requirements. Pursuant to Government Code section 65588, subdivision (e)(4), a jurisdiction that failed to adopt a compliant housing element within one year from the statutory deadline cannot be found in compliance until rezones pursuant to Government Code sections 65583, subdivision (c)(1) and 65583.2, subdivision (c) is completed.

The housing element will substantially comply with State Housing Element Law (Gov. Code, § 65580 et seq) when it is adopted, submitted to and approved by HCD, in accordance with Government Code section 65585, subdivision (g) and all rezones are completed pursuant to Government Code section 65583.2, subdivision (h) and (i). Once the City completes Program 1.2b, a copy of the resolution or ordinance should be transmitted to HCD.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the City must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available while considering and incorporating comments where appropriate. Please be aware, any revisions to the element must be posted on the local government's website and to email a link to all individuals and organizations that have previously requested notices relating to the local government's housing element at least seven days before submitting to HCD.

In addition, for your information, if the element relies on nonvacant sites to accommodate 50 percent or more of the housing needs for lower-income households, requirements are triggered to make findings based on substantial evidence (as part of adoption) that the existing use is not an impediment and will likely discontinue in the planning period. Please see HCD's prior reviews for additional information.

For your information, pursuant to Government Code section 65583.3, subdivision (b), the City must utilize standards, forms, and definitions adopted by HCD when preparing the sites inventory and submit an electronic version of the sites inventory. While the City has submitted an electronic version of the sites inventory, if changes occur, any future adopted versions of the element must also submit the electronic version of the sites inventory.

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant, the Affordable Housing and Sustainable Communities programs, and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the City will meet housing element requirements for these and other funding sources.

For your information, some general plan element updates are triggered by housing element adoption. HCD reminds the City to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: https://www.opr.ca.gov/planning/general-plan/guidelines.html.

HCD appreciates the hard work and dedication of the housing element team in the update and review of the housing element. HCD looks forward to receiving the City's adopted housing element. If you have any questions or need additional technical assistance, please contact Clare Blackwell, of our staff, at Clare.Blackwell@hcd.ca.gov.

Sincerely,

Melinda Coy
Proactive Housing Accountability Chief

EXHIBIT "B"

Housing Element Update
(attached)

Canyon Lake Housing Element (2021-2029)

Adopted: August 8, 2022

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Canyon Lake Housing Element (2021-2029)

Section I – Introduction

1 Background and History

The roots of the City of Canyon Lake were established in 1882 when the California Southern Railroad built a small branch line from Perris to Lake Elsinore along the east side of the San Jacinto River. In the early 1900's, a series of multiple floods wiped out the rail lines, which were eventually abandoned. In 1927, work started on the dam that would create Canyon Lake, originally named Railroad Canyon Reservoir. When the lake was constructed, it was one of the largest freshwater lakes in Southern California. From 1937 to 1968 the lake was operated as a small fishing resort. In 1968 Canyon Lake was established as a gated master planned community by the Corona Land Company.

The City of Canyon Lake was officially incorporated on December 1, 1990. Community development patterns, location and density of development was established prior to the City's incorporation. The City is structured around private, gated residential areas and is only one of five gated cities in California.

All residences within the city are currently located within the Canyon Lake Property Owners Association (POA), and all but a few roads within the city are privately held and maintained. The entrances to the Canyon Lake POA are gated and guarded, accessible by residents and selected guests approved by the owners within the POA. Recreational parks, water use, and social centers are restricted to residents and their invited guests. Current residents include retirees, young families, and those looking for security or a change of residence.

The community is named for Canyon Lake reservoir which it surrounds. The reservoir, created in 1928 with the construction of the Railroad Canyon Dam, has a storage capacity of 11,586-acre feet. It is owned and operated by the Elsinore Valley Municipal Water District. The reservoir is supplied by storm water runoff from the San Jacinto River and Salt Creek. Water from the reservoir feeds the Canyon Lake Water Treatment Plant, which provides approximately 10 percent of the domestic water supply in the Lake Elsinore/Canyon Lake area.

Three commercial areas are located within the city. The first is located at the west end of the city on Railroad Canyon Road, while the second at the east end of the city on Goetz Road. The main shopping and business center of the city, Canyon Lake Towne Center, is located directly across Railroad Canyon Road from the Main (south) entrance gates. The Towne Center provides Canyon Lake with many services and is the location of Canyon Lake City Hall, a county sheriff's satellite station, a Riverside County branch library, and the Property Owner's Association offices, which are all located side by side in the same building. The Towne Center also houses the Canyon Lake Chamber of Commerce.

The City of Canyon Lake does not have identifiable extremely low-, very low- and low- income neighborhoods. All residents have access to POA amenities, which include parks, restaurants, pools, boat launch areas, an equestrian center and the Lake. All but a very few single-family residential lots are in gated areas. The gating of the major portions of the city establishes a more uniform development pattern which decreases the ability to create demographic differences.

1.1 Government Code Requirements

A housing element is one of the seven mandated elements of the General Plan and must be updated every eight years unless otherwise extended by legislation. The City of Canyon Lake's Housing Element covers the planning period from October 2021 to October 2029. The mandated contents of a housing element are described in detail in Title 7, Chapter 3, Article 10.6, Government Code Sections 65580 through Government Code 65589.8. The law governing the contents of a housing element is the most detailed of all elements of the General Plan. In accordance with Government Code Section 65583, "the housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community."

2 Organization of the Housing Element

The *2021-2029 Housing Element* includes the following sections and appendices:

- **Section I – Introduction.** This section provides a background of the city as well as the required components of a housing element in accordance with State law. This section also details the public engagement effort that has been conducted through the housing element update.
- **Section II – Housing Element Summary and Programs.** This section presents a summary of housing needs and constraints; a statement of goals, policies, and objectives; and a description of planned actions to address the program requirements of Government Code Section 65583(c).
- **Appendix A – Assessment of Housing Needs.** This appendix includes data and analysis of existing and projected housing needs.
- **Appendix B – Assessment of Fair Housing.** This appendix contains information on fair housing protected groups; describes fair housing issues; and recommends goals, priorities; and strategies.
- **Appendix C – Sites Inventory and Analysis.** This appendix identifies the sites that will accommodate the City's share of the regional housing need for above moderate-, moderate-, and lower-income housing units.
- **Appendix D – Governmental Constraints.** This appendix describes actual and potential governmental constraints that hinder the City's ability to address housing needs.
- **Appendix E – Nongovernmental Constraints.** This appendix describes market conditions that impede the development of housing for all economic segments, including the availability of financing, land costs, and construction costs.
- **Appendix F – Housing Resources.** This appendix describes financial and administrative resources that can contribute to addressing the City's housing needs.
- **Appendix G – Progress Report.** This appendix describes the progress the City has made in implementing the actions adopted in the 2021-2024 Housing Element.

3 Housing Element Consistency with Other General Plan Elements

The City's General Plan was adopted in 1996 and includes the seven mandated elements: Land Use, Circulation, Housing, Open Space, Conservation, Safety and Noise. The Land Use Element was amended in 2009 and the Safety Element was updated in 2023.

During the planning period, consistency between the 2021-2029 Housing Element and the other General Plan Elements will be maintained through the General Plan Annual Progress Report. This Report, which is completed in April of each year, reports on the status and implementation progress of the General Plan Elements. The Progress Report contains information on the status of General Plan amendments, if any, and how internal consistency will be maintained between the Housing Element and the other six elements.

3.1 Water and Sewer Priority

Government Code Section 65589.7(a) requires the 2021-2029 Housing Element that is adopted by the City Council to be delivered to agencies providing the City's water and sewer services. Each public agency or private entity providing water or sewer services shall grant a priority for the provision of these services to proposed developments that include housing units affordable to lower income households.

The City will transmit a copy of the adopted 2021-2029 Housing Element with a cover letter referencing Government Code Section 65589.7(a) to the Elsinore Valley Municipal Water District (EVMWD) and the Eastern Municipal Water District (EMWD).

4 Public Participation and Consultation

During the preparation of the Draft 2021-2029 Housing Element the following public participation and consultation efforts were undertaken:

4.1 City Council Meeting – May 5, 2021

A presentation was made to the City Council and the public on the progress made on the preparation of the Towne Center Specific Plan. The Specific Plan is being jointly funded by the City and an SB 2 Planning Grant.

Two of the topics discussed at the meeting were the vision for the Towne Center and how mixed-use sites can accommodate the RHNA. The focus of achieving the RHNA numbers is one of the fundamental purposes of the Towne Center Specific Plan.

4.2 Community Housing Element Workshop – July 1, 2021

The City of Canyon Lake residents are all members of a Property Owners Association POA. City staff engaged residents during a community workshop on July 1, 2021. Advertisement of the workshop was made via the POA and in a local newspaper ("Friday Flyer") advertisement. The Workshop was an in-person meeting and had a virtual component to the workshop, and a video recording of the workshop was posted on the City's website following the meeting.

The purpose of the meeting was for City Staff to:

- Inform the public on the features of the City's Housing Element;
- The status of the Housing Element update process;
- Receive community input, and;
- Respond to questions. Staff also was to also provide an overview of recently enacted State laws that affect the City's Housing Element.

The following organizations were invited to the public workshop:

- Canyon Lake Community Church: Largest church within the City and also provides Day Care facilities for area residents.
- Canyon Lake Chamber of Commerce: Major business/entrepreneurial organization within the City.
- POA: All residential properties within the City of Canyon Lake are automatically part of the POA. The POA operates all City parks, boating on Canyon Lake, golf course, common area amenities including restaurants, equestrian center, lodge, beaches, amphitheater, and boat dock.
- The Giardinelli Law Group (offices are located in Canyon Lake): Local active law firm in the City.
- Housing Authority of the County of Riverside: Oversees many of the region's housing programs.
- Jamboree Housing Corporation (located in Irvine) Affordable housing developer that builds affordable housing with services throughout California.
- Riverside Housing Development Corporation: A non-profit that is committed to improving the quantity and quality of affordable housing opportunities throughout the Inland Empire.
- Habitat for Humanity (located in Riverside): Nationally recognized non-profit that assists families in need of decent and affordable housing.

Unfortunately, none of the invitees or the public attended the Workshop.

4.3 City Council Public Hearing on Draft Housing Element– September 1, 2021

The City Council held a noticed public hearing on the Draft Housing Element with an advertisement in the Friday Flyer. City staff provided an overview of the 2021-2029 Preliminary 6th cycle Housing Element. There were no in-person or live streaming questions from the public during the general comment period at the meeting. Topics presented at the meeting included:

- Draft housing programs
- Schedule of submittal of the Housing Element to the California Department of Housing and Community Development (HCD).
- Other actions are to be taken to update the City's Zoning Ordinance to mirror the Housing Element
- Towne Center Specific Plan

Staff noted The Towne Center Specific Plan had been drafted and would be brought to the City Council for approval. Staff also noted the Towne Center Specific Plan would provide adequate affordability of housing and meet the City's requirement for the Regional Housing Needs Allocation (RHNA) from HCD.

Mayor Kasey Castillo asked when will the HCD review be responded to and presented back to the City Council. Mr. Morrissey responded that it would be at the latest, the first meeting in January. Since HCD has a 60-day review period.

City Council Member Larry Greene had a question regarding the Housing Element and its effect on grants. He asked if the 5th Certified Housing Element, which was a midterm cycle, is what will allow for the SB2 Funds to pay for the Housing Element and a $160,000 Grant that was awarded will be able to move forward? Mr. Morrissey replied that the 5th Certified Housing Element would allow the funds and grants to move forward or be reimbursed. Council Member Greene further asked if the submittal and certification of the 6th Cycle Housing Element would allow for future funds for housing and other grants would allow for the submittal of the applications? Mr. Morrissey responded that they would. Also, Council Member Mr. Greene asked if there are HUD funds the City can apply for. Jim Morrissey replied that the City of Canyon Lake has a lower population in the City; therefore, the status of HUD and CDBG grants are administered by the County of Riverside.

After a question-and-answer period between staff and the City Council, the City Council unanimously approved transmittal of the Preliminary Draft Housing Element to the State Department of Housing and Community Development.

4.4 City Council Public Hearing – December 1, 2021

Critical information regarding community surveys, community needs assessment, services provided, number and types of persons assisted, and policy recommendations were obtained from the following organizations:

- California Department of Developmental Disabilities
  - Data on the number of Canyon Lake clients and their living arrangements
- Amanda Swartz
  - Community Access Center
  - Information on home modifications and transition to independent living
- Carrie Harmon
  - Community Action Partnership
  - Information on poverty reducing programs

- Disability Rights California
  - Information on reasonable accommodations, reasonable modifications, service and companion animals
- County of Riverside Area Agency on Aging
  - Information on needs assessments, survey of seniors, housing priorities
- Fair Housing Council of Riverside County, Inc.
  - Review and comments on the fair housing enforcement, resources and outreach section (Appendix B) of the Preliminary Draft Housing Element by the staff of the Fair Housing Council of Riverside County, Inc.
- Housing Authority of the County of Riverside – Cindy Hui (Section 8 statistics and Housing Opportunity Area Maps)
- Public Counsel Pro Bono Law Firm
  - Information on best practices regarding planning for emergency shelters
- Inland Regional Center
  - Information on services provided and licensed and unlicensed living options
- Southern California Association of Governments (SCAG) – Kevin Kane (RHNA methodology and housing data)
- Terner Center for Housing Innovation
- Information on housing development costs, impact of local development impact fees, density bonuses
- Vicki Gums
  - U.S. Department of housing and Urban Development (HUD)
  - San Francisco Regional Office
  - Information on housing discrimination complaints filed by Canyon Lake residents by basis and alleged act
- Western Riverside County Council of Governments (WRCOG)

In addition, the Draft 2021-2029 Housing Element was posted on the City's website for review by the interested public. Additional public participation opportunities were made available during the 60-day HCD review period and the public hearings that will be held by the City Council.

The public participation and consultation effort contributed to the development of the *2021-2029 Housing Element* in the following ways:

- Housing programs have been incorporated into the Housing Element to initiate and maintain ongoing consultation and involvement with mainstream organizations such as the Area Agency on Aging and the Inland Regional Center.
- The FHCRC provided valuable information on fair housing enforcement and capacity. In addition, insights were provided by the FHCRC on fair housing actions.
- The Public Counsel provided data on best practices concerning the development of emergency shelters.

  In an effort to provide additional public outreach and understanding of the Towne Center Specific Plan several steps were undertaken, which include the following:
- Draft Mitigated Negative Declaration – Towne Center Specific Plan
  - The Draft Mitigated Negative Declaration for the Towne Center Specific Plan was made available for public review March 4, 2022, to April 4, 2022, through direct mailing to surrounding property owners within 700 feet and notice within the local newspaper publication, Friday Flyer. The City expanded the notification distance from 300 feet to 700 feet in order to obtain additional community input. The location of the Towne Center Specific Plan is directly across the street from the main gated access into the residential areas of the City. As such, the additional notification distance greatly expanded the number of residences receiving personal notification of the project.

- In conjunction with the environmental notification, the City prepared a Fact Sheet about the Towne Center Specific Plan and posted it on the City's website detailing the various components of the Specific Plan. Copies of the Fact Sheet were also made available at the public counter.

4.5 City Council Public Meeting – June 1, 2022

The Towne Center Specific Plan was adopted by the City on June 1, 2022, through Resolution No. 2022-33. Ordinance 222. This Resolution amended the City Zoning Map of the City of Canyon Lake changing the zoning designation of the Towne Center property from C-1 General Commercial to Mixed Use Zone. The adoption of the Towne Center Specific Plan and the changes to the Zoning Map allow for zoning to permit high density housing in the plan area to fulfill the Regional Housing Needs Allocation. The Specific Plan also includes commercial uses to reduce vehicle trips and air emissions. Efforts to keep the public informed will continue through public notices and announcements; providing information on the City's website; providing copies of the Draft 2021-2029 Housing Element at City Hall, the Library, and POA offices.

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Canyon Lake Housing Element (2021-2029)

Section II – Housing Element Summary and Housing Programs

2 Introduction

The Housing Program identifies the City of Canyon Lake's housing goals, policies, and programs. The overall strategy is to present a balanced and diverse array of programs to address the main issue areas of construction, preservation of affordable housing, conservation of naturally occurring affordable housing, rehabilitation, and administration. Canyon Lake's Housing Program includes the five following categories:

- Category 1: Actions to Make Sites Available to Accommodate the RHNA
- Category 2: Assist in the Development of Adequate Housing to Meet the Needs of All Economic Segments
- Category 3: Address and Remove Governmental and Nongovernmental Housing Constraints
- Category 4: Conserve and Improve the Condition of the Existing Housing Stock
- Category 5: Promote and Affirmatively Further Housing Opportunities for All Persons

The Housing Program seeks to address housing needs as identified in Appendix A, housing constraints as identified in Appendix D and Appendix E, and patterns of segregation and barriers that restrict access to opportunity for protected classes as identified in Appendix B. Programs from the 5th cycle Housing Element have been carried forward where applicable, as identified in Appendix G.

2.1 Goals, Policies, and Programs

The goals and policies contained in the Housing Element address the identified housing needs in Canyon Lake and are implemented through a series of housing programs. Housing programs define the actions the City will take to achieve specific goals and policies. The Housing Element includes programs currently in operation as well as new programs that address identified housing constraints and fair housing issues. This section provides a description of each program as well as qualitative and quantitative objectives for implementing each program.

2.1.1 Summary of Programs

Table 2-1 lists individual programs in five program categories.

Table 2-1 City of Canyon Lake 2021-2029 Housing Programs

Program Category	List of Programs
Category 1: Actions to Make Sites Available to Accommodate the RHNA	1.1: Annual Housing and Vacant Lot Reporting Program (new)
	1.2a: Facilitate the full buildout of the TCSP to accommodate RHNA (new)
	1.2b: Rezone and Lot Consolidation Program on Mixed-use Sites within the TCSP (new)
	1.2c: Displacement Prevention of Existing Businesses within the TCSP (new)
	1.2d: City-owned Sites/Surplus Land Act (new)
	1.3: No Net Loss Program (continuation)
Category 2: The Development of Adequate Housing to Meet the Needs of All Economic Segments	2.1: Section 8 Housing Choice Voucher Program (continuation)
	2.2: First Time Homebuyer Program (continuation)
	2.3: Lower-Income and Special Needs Housing Incentives Program (new)
	2.4: ADU Incentives Plan (modified)
	2.5: Area Agency on Aging Outreach Program (continuation)
	2.6: Inland Regional Center Outreach Program (new)
	2.7: Density Bonus Ordinance (continuation)
Category 3: Address and Remove Governmental and Nongovernmental Housing Constraints	3.1: Zoning Ordinance Amendments (continuation)
	3.2: Reasonable Accommodation Procedure (continuation)
	3.3: SB 35 Streamlining Information (new)
	3.4: Support the Development of a Variety of Housing Types (new)
Category 4: Conserve and Improve the Condition of the Existing Housing Stock	4.1: Housing Code Enforcement (new)
	4.2: Homeowner Housing Rehabilitation Program (continuation)
Category 5: Promote and Affirmatively Further Housing Opportunities for All Persons	5.1: AFFH Outreach Program (continuation)
	5.2: Fair Housing Services Program (continuation)
	5.3: Affirmative Fair Housing (Marketing AFHM) Plan (new)
	5.4: Displacement Risk Program (new)
	5.5: Transit Expansion Program (new)
	5.6: Equitable Quality of Life Program (new)

2.2 Category 1: Actions to make sites available to accommodate the Regional Housing Needs Assessment (RHNA)

A major part of meeting the housing needs of all segments of the community is the provision of adequate sites to facilitate the development of all types, sizes, and prices of housing throughout the city. People and households of different ages, types, incomes, and lifestyles have a variety of housing needs and preferences that evolve over time and in response to changing life circumstances. Providing an adequate and diverse supply of housing works to accommodate the housing needs of all residents. If existing land use regulations or other constraints are present that prevent a jurisdiction from reaching its RHNA mandates for each income level, the City must take action to address these constraints.

2.2.1 Goals

- Accommodate meeting the housing needs of all income groups which were allocated to the City by the Southern California Association of Government's 6th Cycle Regional Housing Needs Assessment Final Allocation Plan.[1]
- Facilitate the construction of the maximum feasible number of housing units for all income groups.

2.2.2 Policies

- The City shall designate sites that provide a variety of housing types.
- The City shall implement the Land Use Element, Housing Element, TCSP, and Zoning Ordinance updates to achieve adequate sites for extremely low-, very low-, low-, moderate-, and above moderate-income households.

2.2.3 Programs

Program 1.1: Annual Housing Element and Vacant Lot Reporting Program

In compliance with Government Code Section 65400, each jurisdiction in California must submit an Annual Progress Report (APR) documenting progress in implementing its Housing Element. This report is due to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR) by April 1 of each year, covering the previous calendar year. The City will enhance the APR by reporting on vacant R-1 lots within city limits. To support this effort, the City will develop and maintain a comprehensive database of all vacant and available R-1 lots.

Objectives

Objective 1: Develop and publish an Annual Vacant Residential Lot Development Report.

Objective 2: Submit the APR to HCD and OPR by April 1 each year.

Responsible Agency

Planning Department and Building Department

Timeline

Objective 1: Complete and release the first Annual Vacant Residential Lot Development Report by April 2026.

Objective 2: Continue submitting the APR annually throughout the 8-Year Planning Period.

Funding Source

General Fund

Program 1.2a: Facilitate the full buildout of the TCSP to accommodate RHNA

The City has analyzed potential development sites, as detailed in Appendix C, confirming sufficient capacity to accommodate housing across all income levels, aligned with the City's RHNA allocation for 2021-2029. However, due to limited available parcels and a lack of vacant multi-family parcels, the TCSP plays a critical role in meeting lower- and moderate-income RHNA allocations. To support TCSP buildout, the City will actively engage developers, provide technical assistance for lot consolidation (see Program 1.3d), and complete steps for affordable housing

[1] Southern California Association of Governments. 2021. 6th Cycle Regional Housing Needs Assessment Final Allocation Plan. https://scag.ca.gov/sites/main/files/file-attachments/6th_cycle_final_rhna_allocation_plan_070121.pdf?1646938785 (accessed November, 2023)

development on City-owned property (see Program 1.2d). Development will be monitored to ensure compliance with SB 166 requirements (see Program 1.3).

Objective 1: Facilitate full buildout of the TCSP, ensuring projects achieve at least 30 dwelling units per acre and align with the California Low-Income Housing Tax Credit Program. Monitor and facilitate TCSP development to ensure at least 43 very low-income units, 24 low-income units, and 24 moderate-income units are completed by the end of the planning period.

Objective 2: Maintain and promote a Sites Inventory for developers through the following actions:

- Adopt additional incentives, such as amending or removing restrictive development standards.
- Develop a web-based Housing Development Toolkit with step-by-step guidance, incentives, and funding resources for affordable housing development.
- Launch an outreach program to local real estate brokers to promote TCSP development opportunities.
- Streamline the development process with a dedicated staff contact to assist developers through entitlement and permitting.
- Provide technical assistance to developers for accessing funding, utilizing density bonuses, and addressing infrastructure needs.

Objective 3: Relocate City operations from parcels in Planning Area 4 of the TCSP to enable residential development through the following actions:

- End the lease for APN 355-330-011 within 18 months of development application approval and secure new operational space.
- Dispose of City-owned parcels in compliance with the Surplus Land Act (see Program 1.2d).

Responsible Agency

Planning Department

Timeline

Objective 1: Create a full build-out program for the TCSP by June 2026. If residential development of the TCSP does not appear on track to meet the RHNA, meet with developers and/or add incentives (e.g., density bonus incentives beyond State law) to facilitate development by December 2026. If no residential development application is approved by June 2027, identify and rezone alternative sites by December 2027.

Objective 2: Adopt incentives for developers by August 2026. Publish web-based toolkit by September 2026. Email list of potential sites and information on technical assistance and incentives to developers and real estate brokers by December 2026 and establish an interest list. By June 2026, meet with the Southwest Riverside County Association of Realtors, developers, and nonprofit organizations that develop housing to discuss sites and incentives. Provide outreach to potential developers, real estate brokers, and property owners of the sites at least once every six months afterwards. Offer technical assistance throughout the development process.

Objective 3: Relocate City operations within 18 months of development approval for APN 355-330-011 and upon availability of new usable space upon which operations can be conducted. The timeline for disposition of City-owned sites is included in Program 1.2d.

Funding Source

General Fund

Program 1.2b: Rezone and Lot Consolidation Program on Mixed-use Sites within the TCSP

To address a substantial portion of the City's RHNA allocation, the City rezoned sites within the TCSP in 2022. The City must amend the TCSP and zoning code to allow multifamily residential uses by-right, consistent with Government Code Sections 65583.2(h) and (i). Key features of these rezoned sites include:

- Density Requirements: All sites support a minimum density of 20 units per acre, with the capacity for at least 16 units per site.
- Mixed-Use Standards: Sites within the TCSP allow 100 percent residential use by-right and require residential uses to comprise at least 50 percent of the total floor area in mixed-use projects.
- By-Right Development: Multifamily residential developments in which at least 20 percent of units are affordable to lower-income households are permitted by-right. This means no conditional use permit, planned unit development permit, or other discretionary approval is required.

All rezoned sites are detailed in the Sites Inventory (Appendix C). To ensure compliance, the City will amend the zoning code and TCSP to explicitly allow owner-occupied and rental multifamily uses by-right for qualifying affordable developments. Additionally, at least 50 percent of the lower-income housing needs must be met on sites zoned for residential use only or on mixed-use sites that:

- Allow 100 percent residential use, and,
- Require residential uses to occupy at least 50 percent of the total floor area through a Memorandum of Understanding (MOU) or development agreement.

The Sites Inventory includes 13 parcels under 0.5 acre which are too small to accommodate lower-income units. Once an application is submitted, the City will work with the developer to consolidate these small parcels with larger adjacent parcels to align with the proposed parcel layout of the TCSP buildings.

Objectives

Objective 1: Adopt the TCSP consistent with the requirements of Government Code section 65583.2(i) (completed). Amend the zoning code and TCSP for rezoned sites by December 2025.

Objective 2: Develop and adopt the findings of an affordable housing and lot consolidation incentives study with input from housing developers. Meet with at least three housing developers to receive input. Typical strategies include flexible development standards such as reduced or alternative parking arrangements.

Objective 3: Provide technical assistance to applicants receptive to lot consolidation to encourage housing development, with priority for developments that support lower- and moderate-income housing. Offer interdepartmental pre-development consultation for multifamily housing developments with lot consolidation. When a development application is received, work with the developer to consolidate small lots within the TCSP to conform with the proposed parcel layout. The City will take the following actions to support lot consolidation and development of the 13 parcels under 0.5 acre in the Sites Inventory:

  - Make the list of potential sites for lot consolidation available to interested developers. The list will be available online with information on parcel size, zoning, and existing uses.
  - Facilitate communication between property owners and interested developers.
  - Provide technical assistance to expedite the site acquisition, plan review, and entitlement process.

Responsible Agency

Planning Department

Timeline

Objective 1: Amend the zoning code by December 2025.

Objective 2: Meet with developers for input by June 2026. Complete study by December 2026 and adopt identified incentives by June 2027.

Objective 3: Provide technical assistance on an as-needed basis. Email a list of potential sites for consolidation and information on technical assistance and incentives to list of developers and real estate brokers by December 2026 (see Program 1.2a). Conduct outreach to interested parties of potential sites for consolidation by June 2026 to establish an interest list. By June 2026, meet with the Southwest Riverside County Association of Realtors and developers to discuss potential sites and incentives. Provide outreach to developers, real estate brokers, and property owners at least once every six months afterwards. Consolidate lots as part of the Specific Plan development process by December 2027. Develop small lots by the end of the planning period.

Funding Source

Funding will be sourced from the General Fund and from additional State and Federal funding sources as they become available.

Program 1.2c: Displacement Prevention of Existing Businesses within the TCSP

The TCSP will require building housing on the footprints of existing buildings which may contain businesses. This program is intended to mitigate the impact of TCSP buildout on existing businesses by requiring TCSP developer(s) to provide a displacement prevention plan as part of proposal and buildout.

Objectives

Objective 1: Conduct a survey of existing businesses to determine displacement risk of existing businesses.

Objective 2: Include a MOU for a business displacement prevention plan as part of the TCSP RFP is issued.

Objective 3: Monitor implementation of a business displacement prevention plan as the TCSP is built out.

Responsible Agency

Planning Department

Timeline

Objective 1: Complete survey before issuing an RFP.

Objective 2: During the issuing of the RFP.

Objective 3: Ongoing through the planning period.

Funding Source

General Fund

Program 1.2d: City-owned Sites/Surplus Land Act

The City shall maintain compliance with all requirements of the Surplus Land Act, Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5, including holding a public hearing designating the properties as “surplus properties” under California Law throughout the planning period.

The Sites Inventory identifies 76 units on four City-owned sites as capacity to meet the RHNA: APNs 355-330-034, 355-330-009, 355-330-011, and 355-330-029. The City intends to make these properties available through the

Surplus Land Act process by 2027. The City will declare the surplus property in accordance with State law. Following the declaration of surplus, the City must provide a Notice of Availability (NOA) to the eligible entities including HCD, any local public entity within the city, and developers who have notified HCD of their interest in developing affordable housing on surplus local land, for specified uses, including affordable housing, parks and recreation, and schools. An eligible entity desiring to purchase or lease the surplus land must notify the City in writing of its intent to purchase or lease the land within 60 days after receipt of the City's notification of intent to dispose of the land. If the City receives notice of interest from any eligible entities, a 90-day negotiation period with any designated entities that submit timely offers. If no notice of interest is received or negotiations do not result in a disposition, the City may proceed with disposing of the land. State law requires that, at a minimum, any subsequent development of 10 or more residential units on the site must designate at least 15 percent of units as affordable. Following release of the NOA and 60-day noticing period, if no notice of interest is received or negotiations do not result in a disposition, the City may proceed with disposing of the land in accordance with the City's disposition procedures and notice will be posted on the City's website.

Objectives

Objective 1: Publish a list of publicly owned sites on the City's website by January 2026. Prioritize releasing Surplus Lands Act-related documents for City-owned parcels. The City Council will make a declaration of surplus during a public hearing by June 2026.

Objective 2: Engage with local affordable housing developers to determine site constraints and potential policies to meaningfully incentivize affordable housing development on these sites. Discuss opportunities and potential incentives for affordable housing on the City-owned sites with at least three potential developers by June 2026. Adopt incentives for affordable housing on City-owned sites based on engagement with the development community by December 2026.

Objective 3: By December 2026, release an RFP to eligible entities. Specifically focus outreach and distribution to local affordable housing developers. Provide technical assistance to applicants on the RFP upon release. If no notice of interest is received or negotiations do not result in a disposition, conduct additional targeted outreach to housing developers by June 2027.

Objective 4: Select developer(s) by December 2027 and issue land use entitlements by July 2028 and building permits by December 2028. Provide technical assistance to developer(s) to achieve the development City-owned sites by the end of the planning period in accordance with state requirements and objectives of the TCSP.

Objective 5: If any of these sites are determined to be infeasible for residential development or unlikely to provide the assumed number of units, identify alternative sites to accommodate the shortfall by July 2028 and rezone (if necessary) by December 2028.

Responsible Agency

Planning Department

Timeline

Objective 1: Declare surplus properties and publish sites on the City's website by January 2026.

Objective 2: Engage with developers by June 2026 and develop incentives December 2026.

Objective 3: Issue RFP by January 2027. If needed, conduct additional outreach by June 2027.

Objective 4: Select Developer(s) by December 2027. Issue land use entitlements by July 2028 and issue permits by December 2028.

Objective 5: Identify alternative sites by December and rezone, if necessary, by July 2028.

Funding Source

General Fund

Program 1.3: No-Net Loss Program

To ensure sufficient residential capacity is maintained to accommodate the RHNA for each income category, within one year of adoption of the Housing Element, develop and implement a formal, ongoing (project-by-project) evaluation procedure pursuant to Government Code section 65863. The evaluation procedure will track the number of extremely low-, very low-, low-, moderate-, and above moderate-income units constructed to calculate the remaining unmet RHNA by income group. The evaluation procedure will also track the number of units built on the identified sites to determine the remaining site capacity by income category and will be updated continuously as developments are approved. No action can be taken to reduce the density or capacity of a site (e.g., downzone, moratorium), unless other additional adequate sites are identified prior to reducing site density or capacity. If a development is being approved on an identified site at a lower density than what was assumed for that site identified in the Housing Element, additional adequate sites must be made available within 180 days of approving the development.

Objective

Objective 1: Develop and maintain a no-net loss evaluation procedure.

Responsible Agency

Planning Department and Building Department

Timeline

Objective 1: Within one year of adoption of the Housing Element, develop and implement a formal ongoing evaluation procedure pursuant to Government Code Section 65863.

Funding Source

General Fund

2.3 Category 2: Assist in the development of adequate housing for Special Needs and Low-Income households

The City of Canyon Lake is a diverse community with many residents who have special housing needs. State law requires the housing element to address the needs of specific "special needs" groups, including extremely low-income residents, seniors, persons with disabilities, large families, female-headed households with children, and persons experiencing homelessness. The City will continue to monitor its policies, standards, and regulations to ensure that they comply with applicable laws pertaining to housing for special needs populations.

The City will also work with experienced nonprofits developing affordable special needs housing through aid, incentives, or concessions such as direct financial assistance (when available), density increases, or other financial, land or regulatory assistance that would result in enhancing development feasibility.

2.3.1 Goal

- Accommodate meeting the housing needs of special needs households living in Canyon Lake with financial resources available from the County Riverside (Housing Authority of the County of Riverside and County of Riverside Economic Development Agency).

- Develop working relationships with experienced nonprofits developing affordable special needs.

2.3.2 Policies

- The City shall reduce barriers to housing development, especially the development of housing for special needs groups.
- The City shall assist special-need groups to achieve rental assistance through programs administered by the County of Riverside Housing Authority.
- The City shall facilitate the development of affordable housing.
- The City shall work cooperatively with non-profit and for-profit housing developers to secure financing for affordable housing.

2.3.3 Programs

Program 2.1: Section 8 Housing Choice Voucher (HCV) Program

The Section 8 Housing Choice Voucher is administered by the Housing Authority of the County of Riverside. The program provides rental assistance to extremely low- and very low-income and special needs households. As of September 2021, the Housing Authority provided rental assistance to one household living in Canyon Lake. On average, one to three households received rental assistance in recent years.

The City will continue to support the Housing Authority's applications to the U.S. Department of Housing and Urban Development (HUD) for additional funding and assist the Housing Authority in marketing the program to rental property owners.

Objective

Objective 1: Promote knowledge of Section 8 Housing Vouchers to tenants of Canyon Lake, individuals who work in the city but do not reside in the city, and residents in neighboring areas.

Objective 2: Promote knowledge of Section 8 Housing Vouchers to owners of rental properties in Canyon Lake.

Objective 3: Provide assistance to help at least five extremely low- and very low-income households achieve Section 8 housing vouchers during the planning period.

Objective 4: Work to achieve up to 10 properties in the city eligible for Section 8 Housing Vouchers by December 2029, with at least eight located in areas designated high resource by TCAC.

Responsible Agency

Housing Authority of the County of Riverside

Timeline

Objective 1: Post information on the basic practical details of the Section 8 Housing Voucher Program on the City's website, post informational flyers at public locations (e.g., libraries, City Hall, and Property Owners Association (POA) in the city and in neighboring areas, and promote information on the City's social media platforms by March 2026 and update annually thereafter.

Objective 2: Conduct a workshop with the Housing Authority to explain how the Section 8 Housing Voucher Program works for rental property owners by December 2026.

Objective 3: Provide assistance to at least five extremely low- and very low-income households by December 2029.

Objective 4: Provide assistance to at least five extremely low- and very low-income households by December 2029.

Funding Source

HUD Housing Choice Vouchers

Program 2.2: First Time Homebuyer Program

Canyon Lake is a Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) cooperating city with the County of Riverside. Through this cooperative effort, City residents and projects located in Canyon Lake are eligible to participate in three County funded programs including the First-Time Homebuyer Program, Mortgage Credit Certificate Program (reduced federal income tax liability) and the Neighborhood Stabilization Program (silent second mortgage purchase price assistance). The First Time Homebuyer (FTHB) Program provides down payment assistance up 20 percent of the purchase price (not to exceed $75,000).

The County's 2019-2024 Consolidated Plan allocates $4,353,170 to the First Time Homebuyer Program.[2] The funding amount is projected to assist 100 households over a five-year period. The funding amount may assist households living in the County territory and the cooperating cities. Therefore, the number of households that can be assisted in any one city is limited.

Objective

Objective 1: Promote knowledge of First Time Homebuyer Assistance to residents of Canyon Lake in English and Spanish. Distribute bilingual materials to the POA office and to regional advocacy groups. Promote program to employees who work in the city but do not currently reside in the city.

Objective 2: Facilitate First Time Homebuyer Assistance to five buyers purchasing homes in Canyon Lake by promoting Riverside County's Mortgage Credit Certificate (MCC) Program and other public funding opportunities such as CAL HOME, with the goal of assisting at least two homebuyers who are employed in the city but do not currently reside in the city.

Responsible Agency

County of Riverside Economic Development Agency, Planning Department, and Building Department

Timeline

Objective 1: Post information on the program on its website annually throughout the planning period. Annually conduct a FTHB Workshop hosted by the City and Fair Housing Council of Riverside County (FHCRC).

Objective 2: Assist at least five homebuyers obtain funding during the planning period.

Funding Source

County of Riverside HUD CDBG/HOME Funds.

Program 2.3: Lower-Income and Special Needs Housing Incentives Program

The City will encourage and support the development of housing that meets the needs of lower-income and extremely low-income households, seniors, and persons with disabilities, including developmental disabilities. The City will also support services that meet the needs of City residents, especially extremely low-income households and special housing needs populations, that support mobility options and housing choices.

[2] Riverside County Economic Development Agency. 2023. 2022-2023 Consolidated Annual Performance and Evaluation Report (CAPER). https://rivcoeda.org/Portals/0/CDBG/PlansAndReports/FINAL_CAPER_9_28_2023.pdf?ver=2023-10-02-160301-047 (accessed November, 2023)

Objective

Objective 1: Conduct outreach and coordination with affordable and special needs housing developers to determine best practices and procedures for accommodating lower-income, extremely low-income, and special needs housing development such as fee waiver or deferral.

Objective 2: Assist affordable housing developers by providing site information and assisting in the entitlement processes.

Objective 3: Adopt priority processing procedures and incentives (e.g. permit streamlining for projects with an affordability component) for housing developments which designate at least 10 percent of their units for extremely low-income households or 15 percent of their units for low-income households. In connection with Objective 1, coordinate with affordable and special needs housing developers to determine fee waivers/deferrals to facilitate and encourage the development of lower-income housing and special needs housing.

Objective 4: In connection with Objective 1, coordinate with affordable and special needs housing developers to identify development standards that present obstacles to the development of lower-income and special needs housing. Modify development standards accordingly.

Objective 5: Encourage use of State density bonus provisions through technical assistance and information dissemination.

Objective 6: Promote awareness of Riverside County's Continuum of Care services by adding relevant material to the City website, print materials at City Hall, and conducting workshops with the public in English and Spanish. Distribute bilingual materials to the POA office and to regional advocacy groups.

Objective 7: Promote shared housing programs such as Affordable Living for the Aging (ALA), with the goal of connecting at least ten senior homeowners with housemates seeking discounted rent in exchange for providing support to senior homeowners during the planning period. Post information on shared housing programs on the City's website by June 2025 and invite the ALA and/or similar organizations to attend a workshop on senior resources.

Responsible Agency

Planning Department

Timeline

Objective 1: Annually: Hold at least one conference between City leadership and relevant housing developers to discuss:

- Best practices and procedures for accommodating lower-income housing, extremely low-income housing, and special needs housing development.
- Changes to the Sites Inventory.
- Other opportunities for development.

Objective 2: Annually: Make the Sites Inventory available online; refresh at least once per year.

Objective 3: Adopt priority processing procedures by June 2026. Determine appropriate fee waivers/deferrals by the December 2026 and adopt by June 2027.

Objective 4: Identify obstacles by June 2026 and modify constraining development standards by December 2026.

Objective 5: Complete by December 2025: Add an informational webpage to the City website on State Density Bonuses. Ongoing: Ensure City planning staff are informed on changes to State legislation related to lower-income housing, extremely low-income housing, and special needs housing development.

Objective 6: Complete initial workshop and add relevant information to the City website, City Hall, POA, and regional advocacy groups by December 2025. Conduct subsequent workshops annually.

Objective 7: Provide information on shared housing programs throughout the planning period. Post information on shared housing programs on the City's website by June 2026. Invite ALA and/or similar organizations to resource fairs and/or in conjunction with other communitywide events.

Funding Source

General Fund

Program 2.4: ADU Incentives Plan

The City adopted an ADU Ordinance in March 2020.[3] To support and encourage the production of ADUs, the City will develop handouts, frequently asked questions, brochures, and checklists to educate property owners regarding strategies to reduce construction costs. The City will also adopt a program that incentivizes and promotes the creation of ADUs that can be offered at an affordable rent for very low-, low-, or moderate-income households. In addition, the City will clarify the ADU permitting process by developing an application checklist and posting to the City's website. The City will also develop materials for use by city residents to find lower-income tenants for their ADUs, which will be provided by the City to ADU applicants upon application for a building permit or ADU permit. These affirmative marketing materials will include contact information for housing service providers and non-profit housing organizations that serve lower-income tenants in the surrounding region. Interested residents can use these materials to find prospective tenants in the larger southern Riverside County market area, including residents of all races, ethnicities, ages, and abilities.

Objectives

Objective 1: Post on the City's website examples of design features and methods to construct attached ADUs, examples of small ADUs (<500 square feet), and strategies on how to reduce ADU construction costs including information about outside funding sources.

Objective 2: Provide interested parties with a brochure and/or online material describing ADU opportunities and the permitting and development process, including an application checklist. Disseminate information through the POA, City website, and mail.

Objective 3: Offer free consultation meetings with planning staff for property owners interested in developing ADUs. Conduct at least three consultation meetings per year with interested parties.

Objective 4: Research and promote awareness of available fee waivers and reductions from City, school district and special district fees. Promote the use of HCVs or development of cost incentive programs and prioritize promotion in areas designated as high-resource by TCAC. Implement a Pilot Program with the goal of assisting at least four income-restricted ADUs by the end of the planning period. Develop affirmative marketing materials for property owners to locate lower-income tenants.

Objective 5: Inform property owners and ADU permit applicants of the Section 8 Housing Choice Voucher Program and County of Riverside Housing Authority contacts.

Objective 6: Adopt pre-approved ADU plans.

Objective 7: Ensure all areas of the city have adequate infrastructure to support existing and proposed ADU development. Coordinate with City Staff to review the City's Capital Improvement Projects (CIP) and other agencies providing infrastructure and utility services to ensure public facilities and infrastructure are supportive of the needs of ADU development. Prioritize areas of the city designated as high-resource areas by TCAC.

[3] City of Canyon Lake Municipal Code. Chapter 9.32: Accessory Dwelling Units. https://codelibrary.amlegal.com/codes/canyonlakeca/latest/canyonlake_ca/0-0-0-27065 (accessed November, 2023).

Objective 8: Adopt an ordinance, consistent with SB 9, for new development standards to allow an additional primary unit and additional ADUs that meet basic setbacks and square footage requirements on properties in the R-1, ER-1, and ER-2 zoning districts. The ordinance shall allow additional units on qualifying properties if such properties can be safely accommodated (e.g., that the properties have adequate sewer/septic and water capacity, can construct in compliance with all building code and fire prevention requirements, and can meet parking requirements).

Objective 9: Develop a database to track all permitted ADUs in the city. Require all newly permitted ADUs to be registered at the time of permit issuance and incentivize pre-existing ADUs to register by incentivizing compliance with fee waivers or streamlined inspections. Permit at least 8 very low-, low, and/or moderate-income units in High Resource areas during the planning period.

Objective 10: Prepare a survey to assess the utilization, effectiveness, and challenges of ADUs as housing units in the city. Send surveys to all registered ADU owners via mail, email, or an online platform. If necessary, based on the results of the survey, provide additional incentives to increase the effectiveness of ADUs.

Responsible Agency

Planning Department and Building Department

Timeline

Objective 1-3: Complete all objectives June 2026.

Objective 4: Prepare a report on potential strategies and apply for potential funding sources to implement ADU affordability program June 2026. Implement pilot program and develop affirmative marketing materials by December 2026.

Objective 5: Ongoing.

Objective 6: Complete by end of 2026.

Objective 7: Meet annually with appropriate individuals and groups with the first meeting by December 2025.

Objective 8: Adopt ordinance by June 2026.

Objective 9: Develop ADU database and incentive pre-existing ADUs to register by December 2025. Register new ADUs upon permit issuance.

Objective 10: Develop the ADU survey by June 2026 and distribute annually. If necessary, implement additional incentives six months after receiving survey results.

Funding Source

General Fund

Program 2.5: Area Agency on Aging Outreach Program

The Riverside County Office on Aging (OOA) is authorized by the Older Americans Act and the Older Californians Act to serve as the local Area Agency on Aging for Riverside County. OOA is charged with developing a system of care that offers safety net services for vulnerable older persons and adults with disabilities.

The City will reach out to the Area Agency on Aging to assist toward achievement of the following Area Plan on Aging.

Objectives

Objective 1: Participate in the Needs Assessment, Community Surveys, and Planning Workshop conducted by the Area Agency on Aging as needed.

Objective 2: Provide emergency assistance in the form of housing, rental, utility, transportation, home repairs and modifications, falls prevention, and mobility management assistance.

Objective 3: Conduct workshops to educate the local community about resources for Seniors.

Responsible Agency

Planning Department

Timeline

Objective 1: Ongoing as needed.

Objective 2: Emergency services will be provided on an on-going basis.

Objective 3: Conduct an initial workshop on resources for Canyon Lake Seniors in 2025. Conduct additional workshops annually.

Funding Source

General Fund

Program 2.6: Inland Regional Center Outreach Program

Objective

Objective 1: Continue to reach out to the Inland Regional Center to obtain the most recent information on:

- Description of common services (e.g., adult day programs, housing support services, etc.);
- Living options (brochures in English and Spanish); and
- Transition fact sheets describing the transition from adolescence to adulthood (in both English and Spanish).

Objective 2: Work with the Inland Regional Center to obtain the most current and relevant data on the types of housing occupied by Canyon Lake's developmentally disabled youth and adults (e.g., home of parent, foster/family home, etc.)

Responsible Agency

Planning Department

Timeline

Objective 1: Ongoing. Post information on the City's website as needed.

Objective 2: Ongoing. Participate in the Needs Assessment, Community Surveys, and Planning Workshops conducted by the Inland Regional Center as needed.

Funding Source

General Fund

Program 2.7: Density Bonus Ordinance

The purpose of this program is to implement State law to provide affordable housing by providing concessions for new development through the reduction of various development standards. The 5th Cycle Housing Element provided for adoption of the Density Bonus Program.

Objective

Objective 1: Conduct and present research on best practices for Density Bonus Ordinances (DBOs) in cities comparable to Canyon Lake.

Objective 2: Draft a DBO.

Objective 3: Adopt a DBO.

Responsible Agency

Planning Department

Timeline

Objective 1: Complete and present by December 2025.

Objective 2: Draft by June 2026.

Objective 3: Adopt by December 2025.

Funding Source

General Fund

2.4 Program Category 3: Address and remove governmental and nongovernmental housing constraints

The City must regularly evaluate and update its development review and permitting policies, standards, and practices in response to State and federal laws intended to facilitate residential development. The City also takes into consideration the needs and desires of the community as it undertakes such policy updates.

The City also continues to improve the efficiency of the development review process. As a response to the State housing crisis, Senate Bill 35 (SB 35; 2017-Wiener) made changes to Housing Element law to limit local discretion for qualified housing projects. The City continues to take steps to reduce identified constraints to housing production and make housing developments more financially feasible.

2.4.1 Goals

- Remove existing governmental constraints to the maintenance, preservation, improvement and development of housing.
- Remove existing and, where appropriate and legally possible, future governmental constraints that may hinder addressing the housing needs of disabled persons.

2.4.2 Policies

- The City shall prepare Zoning Ordinance development standards and requirements that address the housing needs of special populations such as disabled persons.
- The City shall permit reduced parking standards based on the results of a parking study correlating the need for parking to the housing unit/bedroom mix of the proposed project.

2.4.3 Housing Programs

Program 3.1: Zoning Ordinance Amendments

A number of Zoning Ordinance Amendments are required to comply with recently updated State regulations. This program will implement these changes.

Objective

Objective 1: Adopt applicable Zoning Ordinance amendments pertaining to emergency shelters, pursuant to AB 139/Government Code section 65583, subdivision (a)(4)(A). Increase the number of allowed beds at emergency shelters from 10 to 20.

Objective 2: Adopt applicable Zoning Ordinance amendments pertaining to low barrier navigation centers, pursuant to Government Code section 65660.

Objective 3: Adopt applicable Zoning Ordinance amendments pertaining to permanent supportive housing, pursuant to Government Code section 65651.

Objective 4: Adopt applicable Zoning Ordinance amendments pertaining to single-room occupancy units (SROs), pursuant to Government Code sections 65583 and 65583.2.

Objective 5: Adopt applicable Zoning Ordinance amendments pertaining to employee housing, pursuant to the Employee Housing Act (Health and Safety Code, § 17000 et seq.), specifically, sections 17021.5 and 17021.6.

Objective 6: Adopt applicable Zoning Ordinance amendments pertaining to accessory dwelling units (ADUs).

Objective 7: Adopt applicable Zoning Ordinance amendments pertaining to large family daycare homes, pursuant to Assembly Bill 234.

Responsible Agency

Planning Department

Timeline

Objectives 1-7: Complete all Zoning Ordinance Amendments by December 2026.

Funding Source

General Fund and Local Early Action Planning (LEAP) Grant

Program 3.2: Reasonable Accommodation Procedure

Various federal laws require housing providers to make reasonable accommodations and reasonable modifications for individuals with disabilities.[4] Federal nondiscrimination laws that protect against disability discrimination cover not only tenants and home seekers with disabilities, but also buyers and renters without disabilities who live or are associated with individuals with disabilities. These laws also prohibit housing providers from refusing residency to persons with disabilities, or placing conditions on their residency, because they require reasonable accommodations or modifications.

The City has prepared an application and brochure describing the Reasonable Accommodation Procedure. The application and brochure are available at the Planning Department and Building Department counters. To increase community awareness, the brochure/application will be posted on the City's website.

[4] U.S. Department of Housing and Urban Development. "Reasonable Accommodations and Modifications." HUD.gov, accessed November 30, 2023. https://www.hud.gov/program_offices/fair_housing_equal_opp/reasonable_accommodations_and_modifications.

Objective

Objective 1: Make materials regarding reasonable accommodation procedure, reasonable modifications, and service and companion animals available at City Hall and on the City's website.

Objective 2: Conduct biannual community workshops to educate the public about reasonable accommodation procedure, reasonable modifications, and service and companion animals.

Responsible Agency

Planning Department and Building Department

Timeline

Objective 1: Post the brochure and application and additional relevant information on the City's website by December 2025.

Objective 2: Conduct initial community workshop by December 2025; continue to conduct workshops biannually.

Funding Source

General Fund

Program 3.3: SB 35 Streamlining Information

SB 35 requires cities and counties to streamline review and approval of eligible affordable housing projects by providing a ministerial approval process, exempting such projects from environmental review under the California Environmental Quality Act (CEQA). The City has not received any SB 35 development applications or inquiries. To accommodate any future SB 35 applications or inquiries, the City will create and make available to interested parties an informational packet that explains the SB 35 streamlining provisions in Canyon Lake and provides SB 35 eligibility information.

Objective

Objective 1: Compile relevant SB 35 information and create both a print and a virtual information packet; Post this information on the City website.

Objective 2: Draft and adopt an amendment to the Zoning Ordinance to implement SB 35 streamlining processes.

Responsible Agency

Planning Department

Timeline

Objective 1: Post information packet on City website by December 2025.

Objective 2: Adopt by June 2026.

Funding Source

General Fund

Program 3.4: Support the Development of a Variety of Housing Types

Providing development opportunities for a variety of housing types promotes diversity in housing price, style, and size, and contributes to neighborhood stability by offering more affordable and move-up homes and accommodating a diverse income mix. The City will also support housing for the "missing middle"—households that earn too much annual income to qualify for traditional affordable housing, but not enough to afford market-rate rents. The City will

review applicable plans and the City's Zoning Code to support the development of housing types at higher densities in lower-density neighborhoods.

Objective 1: Review the General Plan, applicable Specific Plans, and Zoning Code and Zoning Map to evaluate opportunities for removing barriers to housing production such as adding housing capacity and accommodating a greater mix of dwelling types and sizes, prioritizing areas designated as high resource by TCAC. Recommend amendments, as necessary, to accommodate added housing capacity in these areas. Additionally, review the Zoning Code to identify opportunities to increase and encourage a greater mix of dwelling types and sizes, specifically housing types that may accommodate moderate-income households (e.g., ADUs, duplexes, triplexes, fourplexes, townhouses, courtyard buildings), in low-density residential areas and mixed-use zones citywide. The City will develop a report identifying strategies to be implemented by the City to encourage and facilitate missing-middle housing. Develop at least 8 units of missing middle housing types in high resource areas by the end of the planning period.

Objective 2: Through the State Notice of Funds Available (NOFA), apply for grants for projects offering diverse types of housing (e.g. ADUs, senior housing, live-work units), particularly those targeting low- and moderate-income households. Assist at least five applicable projects during the planning period.

Responsible Agency

Planning Department

Timeline

Objective 1: Review the General Plan, applicable Specific Plan, and Zoning Code and Zoning Map by December 2025 and implement Develop a report of missing middle housing strategies and present to City leadership for adoption by March 2026. Adopt amendments to the zoning code to implement changes by June 2026.

Objective 2: Pursue funding annually as part of the State NOFA process. Consider funding mechanisms on a project-by-project basis.

Funding Source

General Fund

2.5 Program Category 4: Conserve and improve the condition of the existing stock

The city's existing housing stock is a valuable asset to the community. There is a need to maintain and improve the quality of existing market rate and deed-restricted subsidized affordable housing. While the age of housing, by itself, does not necessarily equate with poor housing conditions, there is greater potential for housing problems in older structures. Supporting the maintenance and preservation of the existing housing stock stabilizes neighborhoods and protects against displacement, particularly for low-income residents.

Government Code Section 65583(c)(4) states that a housing element shall describe actions to conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action.

2.5.1 Goals

- Conserve and improve the condition of Canyon Lake's existing housing stock.

2.5.2 Policies

- The City shall enforce adopted code requirements that set forth acceptable health and safety standards for the occupancy of existing housing.
- The City shall continue to provide information on the County's rehabilitation programs regarding financial assistance to repair and improve homes.

Program 4.1: Housing Code Enforcement

To ensure the quality of the City's housing stock, the City will continue to enforce its health and safety code.

Objective

Objective 1: The City will continue providing ongoing inspection services to review and enforce code violations.

Responsible Agency

Code Compliance Department

Timeline

Objective 1: Implementation will occur as needed throughout the 8-year planning period

Funding Source

General Fund

Program 4.2: Homeowner Housing Rehabilitation Program

The City is a cooperating city in the County of Riverside Urban County CDBG Program. The County's 2019-2024 Consolidated Plan allocates $4,235,710 to the Homeowner Housing Rehabilitation Program. The 5-year goal is the rehabilitation of 125 owner-occupied housing units. Canyon Lake homeowners may apply for the financial assistance provided by this program. County staff has indicated that there have been very few applications from Canyon Lake residents in the past five years. The City will continue to cooperate with the County of Riverside in the implementation of home repair and rehabilitation programs. The City will post information on its website describing the County program and encouraging eligible homeowners to submit an application.

Objective

Objective 1: Rehabilitate five homes through the County's program during the planning period.

Responsible Agency

Planning Department

Timeline

Objective 1: Complete by December 2029.

Funding Source

County CDBG funds

2.6 Program Category 5: Promote and affirmatively further housing opportunities for all persons

Section 65583(c)(5) requires that the housing element promotes and affirmatively furthers fair housing (AFFH) opportunities throughout the community for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by State and Federal law.

Appendix B summarizes the fair housing issues and concerns in Canyon Lake. It includes a demographic summary of fair housing protected classes in Canyon Lake; analysis of fair housing issues; description of factors contributing to fair housing issues; and a fair housing action plan encompassing priorities, goals, and strategies.

Programs under this goal are designed to affirmatively reduce barriers to housing and increase equitable conditions across neighborhoods, addressing issues such as historic and existing racial and economic inequities, housing mobility and access, community investment and engagement, and environmental health.

2.6.1 Goals

- Promote equal housing opportunity in the City's housing market for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by State and Federal law.
- Collect and maintain relevant data on fair housing issues in Canyon Lake.
- Join and participate in relevant AFFH related organizations.

2.6.2 Policies

- The City shall consistently enforce fair housing laws.
- The City shall develop and implement policies to affirmatively further fair housing.
- The City shall ensure meaningful consultation with California Native American tribes.

Program 5.1: AFFH Outreach Program

The City will outreach related to affirmatively further fair housing through the meaningful actions described in this program.

Objectives

The outreach efforts shall include the following:

Objective 1: Conduct annual meetings with the following agencies to discuss and determine best practices for AFFH within Canyon Lake:

- Fair Housing Council of Riverside County, Inc. (FHCRC)
- California Department of Fair Employment and Housing (DFEH)
- U.S. Department of Housing and Urban Development (HUD)
- Community Access Center
- Elsinore Valley Municipal Water District (EVMWD)

Objective 2: Conduct at least one AFFH Community Outreach event per year within Canyon Lake to provide residents of Canyon Lake a summary of fair housing issues within the City and to provide residents information on fair housing resources including where and how to report violations of fair housing laws.

Objective 3: Create a fair housing resources page on the Canyon Lake website which provides information on fair housing resources including where and how to report violations of fair housing laws.

Objective 4: Join the FHCRC as a public agency and promote relevant events to residents of Canyon Lake on the City website and social media.

Objective 5: In collaboration with the EVMWD, communicate with property owners of hazardous waste sites and solid waste facilities to ensure the safety and health of residents. Host an annual workshop to educate residents on water quality in the community.

Objective 6: In accordance with Senate Bill 18 and Assembly Bill 52, ensure meaningful consultation with California Native American tribes during the preparation, adoption, and implementation of the Housing Element and other land use planning activities that are encompassed within this legislation.

Responsible Agency

Planning Department

Timeline

Objective 1: Complete initial round of meetings by December 2025; conduct follow-up meetings annually.

Objective 2: Complete initial outreach event by December 2025; conduct additional outreach events annually.

Objective 3: Complete by December 2025; update as needed.

Objective 4: Join by December 2025; conduct community outreach as needed.

Objective 5: Complete initial meeting, outreach to property owners, and host a workshop by December; conduct follow up meetings annually.

Objective 6: Ongoing on a project-by-project basis.

Funding Source

- General Fund
- County CDBG funds

Program 5.2: Fair Housing Services Program

The City of Canyon Lake will take affirmative steps to promote fair housing practices by working with the Fair Housing Council of Riverside County, Inc. to provide applicable services for residents.

Objectives

Objective 1: Continue to refer cases and questions to the FHCRC for enforcement of prohibitions on discrimination in lending practices and in the sale or rental of housing.

Objective 2: Make fair housing information available at City Hall, Chamber of Commerce, Senior Center, and the Public Library. The information will include brochures and other written information that will be obtained from the FHCRC. In addition, the City will make information available on its Website and provide links to additional resources.

Objective 3: Obtain training and education on fair housing issues for the benefit of City staff.

Objective 4: Work with the Fair Housing Council of Riverside County, Inc. to ensure that female householders are free from housing discrimination on the basis of sex and familial status.

Objective 5: Post on the City's website information on availability and location of childcare services.

Objective 6: Work with the FHCRC to schedule Fair Housing Workshops.

Responsible Agency

Planning Department

Timeline

Objective 1: Ongoing

Objective 2: Publicly post fair housing resources within six months of adoption of the Housing Element.

Objective 3: Research and conduct initial City staff training by December 2026, annually through the remainder of the planning period.

Objective 4: Ongoing

Objective 5: Complete by December 2025.

Objective 6: Schedule and complete an initial Fair Housing Workshop by December 2025. Conduct additional workshops annually.

Funding Source

General Fund and/or County CDBG funds

Program 5.3: Affirmative Fair Housing (AFHM) Marketing Plan

A key purpose of the AFFH is to create inclusive communities. An associated objective is to remove barriers to buying or renting housing based on these characteristics.

To achieve these purposes the City shall require the developers of mixed-use developments in the TCSP to prepare and implement an Affirmative Fair Housing Marketing Plan to ensure that future units are marketed to attract occupants who are demographically diverse, including lower-income households in other areas of Riverside County. The Affirmative Fair Housing Marketing Plan will consist of the following:

- Property location
- Demographics of the market area
- Identification of populations groups interested but least likely to buy or rent at the property location.
- Develop outreach efforts to the targeted population groups.
- Develop targeted advertising to the population groups.
- Obtain input and evaluation of the Marketing Plan from the FHCRC.

Objective

Objective 1: Complete an Affirmative Fair Housing (AFHM) Marketing Plan for the TCSP, with a goal of at least 50 percent of future TCSP affordable housing occupants migrating to the area from outside Canyon Lake.

Responsible Agency

Planning Department, FHCRC, affordable housing developers

Timeline

Objective 1: Complete the Plan requirements by December 2028 upon buildout of the TCSP.

Funding Source

General Fund and/or County CDBG funds

Program 5.4: Displacement Risk Program

In the past few decades, Canyon Lake has experienced slow new housing construction compared to surrounding cities and Riverside County as a whole. This can lead to displacement, particularly for low- and moderate-income households. Although there are significant factors outside of the City's control that affect the housing market and cost of construction, the City will do its part to make it easier for different types of housing to be built at a variety of affordability levels to serve the needs of current and future residents.

The City will work with the Housing Authority of the County of Riverside and local non-profit to make available – when needed – financial resources such to prevent householders from being displaced from their Canyon Lake housing.

Objective

Objective 1: Network with the Housing Authority of the County of Riverside, fair housing service providers, service providers, and community organizations to discuss best practices for preventing displacement within Canyon Lake. Present this information to City leadership.

Objective 2: Draft and implement a Displacement Risk Program to prevent displacement of city residents, prioritizing low- and moderate-income renters and residents with special housing needs living within the TCSP. Depending on the input received, the Displacement Risk Program may include the development of an emergency tenant assistance fund, property owner/manager and tenant education program, and/or additional City administrative support for resident referrals to affordable housing. The Displacement Risk Program may include, but is not limited to, the following potential efforts:

- Production: Increase multifamily residential and mixed-use opportunities throughout the city beyond the City's RHNA allocation.
- Preservation: Establish partnership with the Housing Authority to support acquisition of affordable units at-risk of conversion to market rate; identify a code enforcement specialist on staff that can provide technical assistance and information to property owners of lower income units to address code enforcement issues; seek funding to support rehabilitation of substandard multifamily units; restrict conversion of existing units occupied by lower-income households to short term rentals; require replacement of all lower income units lost due to redevelopment.
- Protect Current Residents through Engagement: Develop an engagement strategy and work with a fair housing provider to disseminate information on tenant protections (especially source of income, and State rent stabilization and just cause eviction regulations) and available resources. Work to reduce/avoid displacement of local businesses during redevelopment; establish a single point of contact for technical/relocation assistance for business owners.

Objective 3: Create a registry of affordable units (e.g. deed restrictions, development agreements, or other affordability mechanisms as applicable) available citywide and posting on the City's website. Inform residents of online registry during targeted outreach events.

Responsible Agency

Planning Department, FHCRC, affordable housing developers

Timeline

Objective 1: Complete by December 2025.

Objective 2: Prepare the displacement risk program and engagement strategy by the June 2026 and adopt and implement a program by December 2026.

Objective 3: Post the registry of affordable units on City's website by June 2025.

Funding Source

General Fund and/ other funding sources that may become available.

Program 5.5: Transit Expansion Program

Reliable public transit access and active transportation options (walking and biking) are imperative for lower-income residents and/or persons with disabilities to connect to employment opportunities. Access to employment via public transit and active transportation can reduce income burden and increase housing mobility, which enables residents to find housing in more areas. Lack of transportation options can impede fair housing choice and continue to reinforce barriers for low-income residents in accessing opportunities.

Transit access in Canyon Lake is very limited. The City of Canyon Lake does not have its own transit system and Riverside County Transportation Authority operates only one line which provides service to the commercial area outside the gated portion of the community. To expand transportation opportunities within Canyon Lake, the City will collaborate with the Riverside Transit Agency to prepare a study on transit and active transportation needs for Canyon Lake residents and identify actions to address those needs, focusing on connecting residents to job centers.

Objective

Objective 1: Evaluate transit needs as part of a transit and active transportation needs study and identify actions to address identified needs, specifically to address the transportation needs of elderly and disabled residents.

Objective 2: Schedule and complete a meeting with the Riverside County Transportation Authority to discuss options for expanding transit in Canyon Lake. Complete meeting with at least three suggested transit solutions to at least double the level of transit service in Canyon Lake and address transportation needs for elderly and disabled residents. Solutions could include increase paratransit services, fixed-route transit stops, reduced-fare programs for seniors and disabled individuals, community shuttle program specifically for elderly and disabled populations.

Objective 3: Present these three suggested transit solutions to City leadership, employees of city businesses, and residents via a public workshop.

Objective 4: Apply for grants under programs like the Federal Transit Administration's Enhanced Mobility of Seniors and Individuals with Disabilities program to fund transit improvements.

Responsible Agency

Planning Department

Timeline

Objective 1: Complete by January 2026.

Objective 2: Complete by June 2026.

Objective 3: By December 2026.

Objective 4: Appy for grants annually as funds become available.

Funding Source

General Fund

Program 5.6: Equitable Quality of Life Program

Due to limited capacity of the gated portion of the community to accommodate lower-income housing, the entirety of income-restricted RHNA requirements is planned to be accommodated at the TCSP. While all these sites are

located within a high opportunity census tract, the concentration of all lower-income units within one census tract could potentially exacerbate fair housing conditions. To ensure that the location of these sites does not further segregation or result in substandard living conditions for occupants of income-restricted units, the City will implement programs to promote equitable quality of life throughout the city.

Objective

Objective 1: At the time of issuing an RFP for build out of the TCSP as required in Program 1.2a, include a requirement for a residential displacement prevention plan as part of the TCSP that includes multi-lingual outreach and information on tenant rights and responsibilities, access to fair housing services, and right to counsel. Ensure that residents of the TCSP are informed of any City measures developed from the Displacement Risk Program (Program 5.4 above).

Objective 2: Monitor implementation of the residential displacement prevention plan as the TCSP is built out with a report on outreach efforts and resident survey conducted by a fair housing provider conducted at least every two years.

Objective 3: Implement place-based community revitalization strategies: At the time of the issuing an RFP for build out of the TCSP as required in Program 1.2c, include a requirement as part of the development agreement to implement at least one place-based community revitalization program that will: (a) encourage economic and community development within the TCSP, (b) facilitate equitable quality of life for residents of income-restricted units.

Objective 4: Monitor implementation of the place-based community revitalization strategies.

Objective 5: Implement community improvement projects within the TCSP to ensure equity in development of public amenities and placemaking projects and events, including:

- Prioritize capital improvement projects, that could include various actions that would further benefit future residents, such as one new neighborhood park, social service facilities, or public transit or active transportation amenities, in the TCSP. Identify specific improvements December 2026 in alignment with development of the TCSP Specific Plan and release of the RFP.
- Budget for and implement plans and strategies prioritizing areas designated for lower-income and mixed-income housing opportunities in the sites inventory. By December 2025, identify and prioritize plans and strategies to assist future households in the TCSP, including but not limited to, school transportation, workforce development, childcare centers, and public transit connections, and create a list of partner agencies and interested parties. By December 2026, identify potential private investment incentives; public/private partnerships; and/or federal, state, and philanthropic grant funds for identified plans. Apply for potential funds within six months after issuing an RFP for build out of the TCSP. By the following fiscal year, secure funding for at least two plans or strategies.
- Upon development of the TCSP with residential units, organize a TCSP resident association to identify and prioritize additional placemaking projects, events, and plans and work with the City to identify potential funding and management.
- Prepare a report that identifies and summarizes community improvement projects.

Responsible Agency

Planning Department

Timeline

Objective 1: During the issuing of the RFP and ongoing implementation thereafter.

Objective 2: Two years after buildout of the TCSP and ongoing thereafter.

Objective 3: During the issuing of the RFP.

Objective 4: Ongoing

Objective 5: Complete first annual report by the end of the year following execution of a contract from the RFP and annually thereafter. Complete at least two of the identified projects within the planning period.

Funding Source

General Fund and/or other funding sources that may become available.

2.7 Quantified Objectives

California Housing Element Law requires jurisdictions to estimate the number of units achieved for maintenance, preservation, and construction of housing over the eight-year planning period. The City has two sets of numerical housing goals included in the Housing Element: the City's share of the RHNA (with adequate buffer) and the Quantified Objectives for Affordable Housing Production. The analysis of adequacy of available land resources to meet the RHNA is provided in Appendix C.

The second set of numerical goals is quantified objectives for the creation of affordable housing opportunities and the provision of other housing assistance. These quantified objectives are based on the goals, policies, and programs described in this section. The quantified objectives set a target goal for the City based on needs, resources, and constraints.

Table 2-2 shows quantified objectives for construction, rehabilitation, and conservation/preservation of housing for the current housing cycle.

Table 2-2 Quantified Objectives

Category	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
Construction	21	22	24	24	38	129
Rehabilitation	1	2	87	85	86	109
Conservation/ Preservation	3	2	0	0	0	5

The construction objective of 129 units is based on the following:

- 67 lower-income housing units. In 2020, the average size of a project awarded low-income housing tax credits was 67 housing units.
- At least the RHNA allocation of 24 moderate income housing units.
- At least the RHNA allocation of 38 above moderate-income housing units.

The rehabilitation objective of 109 units is based on the following:

- Rehabilitation of one extremely low-income unit, two very low-income units, and two low-income units funded through the Riverside County Homeowner Housing Rehabilitation Program.
- The Home Mortgage Disclosure Act (HMDA) reports that an annual average of 32 home improvement loans were approved in 2018 and 2019. Based on this, 256 home improvement loans can be projected to be approved over the 8-year planning period.
  - Rehabilitation of 85 moderate-income homes funded through private home improvement loans.
  - Rehabilitation of 86 above moderate-income homes funded through private home improvement loans.

The conservation/preservation objective of five units is based on three extremely low-income households and two very low-income households funded through Section 8.

Canyon Lake Housing Element (2021-2029)

Appendix A – Assessment of Housing Needs

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A Housing Needs Assessment

Ensuring adequate housing for all Canyon Lake's present and future residents is a primary housing goal for the City. To realize this goal, the City must effectively target its programs and resources toward those households with the greatest need. An assessment of the demographic, socioeconomic, and housing characteristics in Canyon Lake helps determine the specific housing needs of present and future residents. This section discusses the characteristics of Canyon Lake's population and housing stock to better define the nature and extent of unmet housing needs in the city.

This section includes the following sections:

- Population Characteristics
- Age Characteristics
- Race and Ethnicity
- Economic Characteristics
- Household Characteristics
- Special Needs Groups
- Housing Stock Characteristics
- Affordable Housing in Canyon Lake

A.1 Population Characteristics

Population characteristics affect the type and amount of housing needed in a community. Factors such as population growth, age and income distribution, and employment trends influence housing needs including the type and affordability of housing stock. The following section describes and analyzes the various population characteristics and trends that affect housing needs.

A.1.1 Population Growth

The City of Canyon Lake encompasses 3.9 square miles of Riverside County and is located between the cities of Lake Elsinore and Menifee, approximately 12 miles north of the City of Temecula. The city's incorporated area surrounds the Canyon Lake Reservoir, which is owned and operated by the Elsinore Valley Municipal Water District. The City began as a gated master-planned community, and incorporated as a city in 1990. The vast majority of its growth occurred between 1980 and 1990, when it grew from 2,039 to 7,938 residents.

From 1990 to 2000, Canyon Lake's population increased by over 25 percent to 9,952 residents. Growth in the city slowed from 2000 to 2010, with an increase of 6.1 percent. From 2010 to 2020 Canyon Lake's population grew by 4.9 percent and has remained stable with a population of just over 11,000 residents.

Among comparable cities, Canyon Lake's growth has been relatively moderate. From 1990 to 2020, Riverside County experienced explosive population growth, more than doubling in 20 years. The neighboring cities of Murieta and Temecula tripled in population, and the cities of Perris and Lake Elsinore more than doubled. By comparison, Canyon Lake's population grew by 40 percent.

Based on the City's RHNA allocations, its population is expected to grow by about 350 residents by 2029. This estimate is based on an average household size of 2.76 persons multiplied by the RHNA allocation of 129 housing units. This would constitute a growth of 3.2 percent. Table A-1 compares Canyon Lake's population growth with neighboring cities as well as Riverside County as a whole.

Table A-1 Population Growth

	1990	2000	2010	2020	Percent Change 1990-2000	Percent Change 2000-2010	Percent Change 2010-2020	Percent Change 1990-2020
Murrieta	1,628	44,282	103,466	110,949	2620.00%	133.70%	7.20%	6715.05%
Perris	21,460	36,189	68,386	78,700	68.60%	89.00%	15.10%	266.73%
Moreno Valley	118,779	142,381	193,365	208,634	19.90%	38.50%	7.90%	75.65%
Temecula	27,099	57,716	100,097	110,003	113.00%	73.40%	9.90%	305.93%
Lake Elsinore	18,285	28,928	51,821	70,265	58.20%	79.10%	35.60%	284.28%
Canyon Lake	**7,938**	**9,952**	**10,561**	**11,082**	**25.40%**	**6.10%**	**4.90%**	**39.61%**
Riverside County	1,170,413	1,545,387	2,189,641	2,473,902	32.00%	41.70%	10.40%	111.37%

Source: United States Census Bureau.

A.2 Age Characteristics

A community's current and future housing needs are determined in part by the age characteristics of residents. Typically, each age group has distinct lifestyles, family types and sizes, incomes, and housing preferences. As people move through each stage of life, housing needs and preferences may change. To create a balanced community that accommodates all age groups, it is important to provide housing options that suit a variety of needs.

While the city's total population grew by approximately 9.98 percent between 2000 and 2020, the child and youth population (ages 0-4 and 5-19 years), decreased by approximately 9.9 percent and 11.7 percent respectively. Between 2000 and 2020 the population of ages 20-34 in the city grew by approximately 44.06 percent, which is the largest growth of any age category. The city's elderly population also saw substantial growth with an increase of 29.8 percent. In the same period, the population of adults between the ages of 35 and 64 grew by 7.58 percent. Canyon Lake's median age has increased steadily from 40.6 in 2000 to 42.6 in 2020. Table A-2 shows population by age group in Canyon Lake.

Table A-2 Age Characteristics

Age Groups	2000 persons	2000 percent	2010 persons	2010 percent	2020 persons	2020 percent	Percent Change (2000-2020)
Under 5 years	546	5.34%	478	4.50%	492	4.38%	-9.89%
5-19 years	2,360	23.10%	2,304	21.70%	2,085	18.55%	-11.65%
20-34 years	1,212	11.86%	1,540	14.50%	1,746	15.54%	44.06%
35-64 years	4,510	44.14%	4,661	43.90%	4,852	43.18%	7.58%
65+ years	1,589	15.55%	1,635	15.40%	2,062	18.35%	29.77%
Total Population	**10,217**	**100.00%**	**10,618**	**100.00%**	**11,237**	**100.00%**	**9.98%**
Median Age (years)	40.6		42.5		42.6		4.93%

Source: Bureau of the Census, 2000, 2010, and 2020.

A.3 Race and Ethnicity

The race and ethnicity of residents is important to an analysis of housing needs and conditions for several reasons. Residential segregation and exclusion, whether by race and ethnicity, disability, or income, is a result of numerous housing policies, practices, and procedures—both public and private—that have enduring and pervasive negative impacts. Overt and covert housing discrimination through land use policy, shifting housing markets, and patterns of investment and disinvestment, have restricted meaningful fair housing choice and equitable access to opportunity, particularly for communities of color. Historic patterns of segregation persist in California despite the long-standing federal mandate, established by the Fair Housing Act of 1968 (FHA), that federal agencies and federal grantees affirmatively further the purposes of the FHA. To this end, it is important for a City to understand the interplay of racial and ethnic demographics and housing issues. Further in-depth analysis and discussion of housing segregation and disproportionate burden can be found in Appendix B, *Assessment of Fair Housing*.

Riverside County has become increasingly diverse in terms of race and ethnicity. As shown in Table A-3, non-Hispanic white residents comprise the largest racial/ethnic group in Canyon Lake at 75 percent of the city's population, which is higher percentage than Riverside County as a whole where non-Hispanic white residents make up 31 percent of the population. Hispanic/Latino is the second largest racial/ethnic group, comprising 15 percent of the population, followed by Asian at three percent and African American at two percent. The fastest growing ethnicity in the city has been Hispanic/Latino which increased seven percent since 2000, increasing its population share from nine percent to 15 percent. The share of Non-Hispanic White residents decreased from 87 percent to 75 percent in the same timeframe. An additional four percent of Canyon Lake residents identified as being of an "other" or a mixed racial/ethnic background.

Table A-3 Race/Ethnicity

Race/Ethnicity	2000 Persons	2000 Percent	2010 Persons	2010 Percent	2020 Persons	2020 Percent	Change since 2000	2020 Riverside County
Non-Hispanic White	8,679	87.21%	8,630	81.72%	8,279	74.71%	-12.50%	31.3%
African American	81	0.81%	122	1.16%	199	1.80%	+0.99%	7.5%
Asian	153	1.54%	184	1.74%	266	2.40%	+0.66%	7.8%
Native Hawaiian and Other Pacific Islander	11	0.11%	33	0.31%	15	0.14%	+0.03%	0.5%
Hispanic/Latino	848	8.52%	1,303	12.34%	1,668	15.05%	+6.98%	52.0%
American Indian or Alaska Native	11	0.11%	40	0.38%	45	0.41%	+0.30%	2.0%
Other Race or Two or More Races	424	4.26%	249	2.36%	610	5.50%	+1.24%	3.9%
Total	**9,952**	**100%**	**10,561**	**100%**	**11,082**	**100%**		

Source: Bureau of the Census, 2000. Bureau of the Census, 2010. ACS, 2019.

A.4 Economic Characteristics

Employment has an important impact on housing needs. Incomes associated with different jobs and the number of workers in a household determines the type and size of housing a household can afford. Higher-paying jobs provide broader housing opportunities for residents, while lower-paying jobs limit housing options. Additionally, employment growth is a major factor affecting the demand for housing in a community. In some cases, the types of jobs themselves can affect housing needs and demand such as in communities with military installations, college campuses, seasonal agriculture.

A.4.1 Employment

As a primarily residential community, 95 percent of Canyon Lake workers commute to other places for work according to a report published by Southern California Association of Governments (SCAG) in 2019. The top destinations were Lake Elsinore (6.9 percent), Riverside (5.2 percent), Temecula (4.8 percent), Los Angeles (4.6 percent), and Murrieta (4.1 percent).

According to SCAG's Connect SoCal Demographics and Growth Forecast, 1,855 jobs were in Canyon Lake in 2017. While data about industry types of these jobs are not available, Table A-4 lists the major employers located in the adjacent city of Menifee and provide a picture of typical employment types in the immediate region.

Table A-4 Major Employers in Menifee

Name of Employer	Type of Service	Number of Jobs
Mt San Jacinto College District	Education	1,500
Menifee Union School District	Education	1,290
Romoland Elementary School District	Education	554
Target Corporation	Retail	417
Menifee Global Medical Center	Medical	365
Stater Brothers	Retail	362
City of Menifee	Public	312
United Parcel Service (UPS)	Shipping and Logistics	248
Southern California Edison	Utility	220
Texas Roadhouse	Food	200

Source: Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2022. City of Menifee. https://cityofmenifee.us/DocumentCenter/View/16722/2022-ACFR. Accessed October 5, 2023.

In 2017, the largest occupational categories in Canyon Lake were professional services (18 percent), construction (17 percent), retail (13 percent), and finance (12 percent), which accounted for 60 percent of jobs within the city. The fastest growing sector were construction, retail, and transportation which respectively increased 4.4, 2.6, and 2.6 percentage points from 2007 to 2017. The fastest shrinking sectors were professional services and finance, which lost 6.2 and 5.5 percentage points, respectively. Table A-5 summarizes the employment characteristics of the City's civilian population in 2007 and 2017. More up-to-date information is not available.

Table A-5 Employment Characteristics

Industry	Percent of City Employment in 2007	Percent of City Employment in 2017	Change
Professional	24.00%	17.80%	-6.20%
Construction	12.10%	16.50%	4.40%
Retail	10.50%	13.10%	2.60%
Finance	17.80%	12.30%	-5.50%
Leisure	7.60%	9.30%	1.70%
Other	6.60%	8.40%	1.80%
Education	13.10%	8.20%	-4.90%
Transportation	1.90%	4.50%	2.60%
Information	2.30%	4.50%	2.20%
Wholesale	1.50%	2.60%	1.10%
Manufacturing	1.60%	1.80%	0.20%
Public	0.90%	0.90%	0.00%

Source: Southern California Association of Governments Local Profiles Report 2019.

Table A-6 displays mean annual wage data for occupations compiled by the California Employment Development Department (EDD) for Riverside County, providing insight into the typical salaries residents of Canyon Lake make based on the industries they work in. Legal, management, and healthcare occupations generally offered the highest wages while food service, healthcare support, and farming, fishing, and forestry occupations offered the lowest wages.

Table A-6 Mean Salary by Occupation – Riverside County

Occupation	Average Salary
Legal Occupations	$133,699
Management Occupations	$123,668
Healthcare Practitioners and Technical Occupations	$113,376
Computer and Mathematical Occupations	$101,061
Architecture and Engineering Occupations	$98,350
Life, Physical, and Social Science Occupations	$87,561
Educational Instruction and Library Occupations	$80,302
Business and Financial Operations Occupations	$79,875
Construction and Extraction Occupations	$66,433
Community and Social Service Occupations	$66,055
Arts, Design, Entertainment, Sports, and Media Occupations	$64,165
Installation, Maintenance, and Repair Occupations	$62,399
Protective Service Occupations	$62,127
All Occupations	$60,159
Sales and Related Occupations	$49,445
Office and Administrative Support Occupations	$49,303
Transportation and Material Moving Occupations	$46,983
Production Occupations	$46,708
Building and Grounds Cleaning and Maintenance Occupations	$42,550
Personal Care and Service Occupations	$41,401
Farming, Fishing, and Forestry Occupations	$38,352
Healthcare Support Occupations	$37,053
Food Preparation and Serving Related Occupations	$36,540

Sources: California Employment Development Department, Occupational Wage data, 2021

A.4.2 Household Income

Household income is directly connected to the ability to afford housing. Higher income households are more likely to own a home rather than rent housing. Lower income households are more likely to occupy overcrowded or substandard housing and tend to pay a higher percentage of their income for their housing.

For planning and funding purposes, the California State Department of Housing and Community Development (HCD) has developed the following income categories based on the Area Median Income (AMI) of metropolitan areas such as Riverside County:

- **Extremely low-income:** households earning up to 30 percent of the AMI
- **Very low-income:** households earning between 31 and 50 percent of the AMI
- **Low-Income:** households earning between 51 percent and 80 percent of the AMI
- **Moderate-Income:** households earning between 81 percent and 120 percent of the AMI
- **Above Moderate-income:** households earning over 120 percent of the AMI

Combined, the extremely low, very low, and low-income groups are referred to as lower-income.[1]

Between 2013 and 2017, approximately 79 percent of Canyon Lake households earned moderate or above moderate incomes, while 21 percent of households had lower incomes. Renters typically had lower household incomes than homeowners with 12 percent of renter households having incomes less than 30 percent AMI compared approximately 9.4 percent of owner households. Table A-7 shows renter- and owner-occupied households by income category.

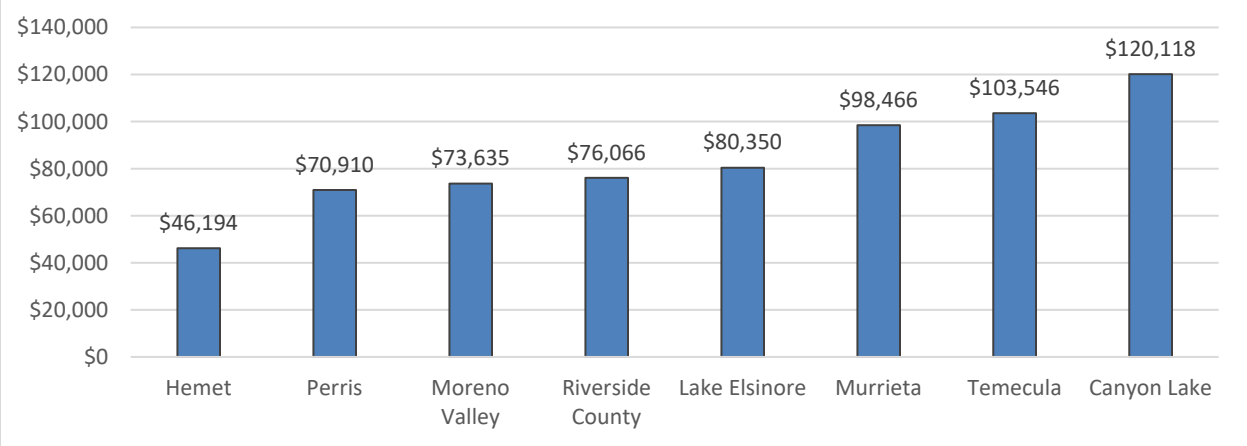
Table A-7 Household Income by Tenure (2013-2017)

Income Category (% of County AMI)	Percent of Owners	Percent of Renters	Total Households	Percent of Total Households
Extremely Low (30% AMI or less)	2.18%	5.85%	120	2.96%
Very Low (31 to 50% AMI)	7.18%	5.85%	280	6.90%
Low (51 to 80% AMI)	8.74%	18.13%	435	10.71%
Moderate or Above (over 80% AMI)	81.90%	70.18%	3225	79.43%
Total	**100.00%**	**100.00%**	**4,060**	**100.00%**

Source: HUD; Comprehensive Housing Affordability Strategy (CHAS), 2014-2018.

Household incomes in Canyon Lake tend to be significantly higher than those in Riverside County as a whole. The median household income in Canyon Lake in 2020 was $120,118, which was 58 percent higher the County's median income of $76,066. Figure A-1 compares household income in Canyon Lake, nearby cities, and Riverside County between 2015 and 2019.

Figure A-1 Comparison of Median Household Income (2015-2019) Household Income



Source: Bureau of the Census, American Community Survey, 2015-2019.

Table A-8 also compares median income in Canyon Lake and its neighboring cities to the County's overall median income. Median income in Canyon Lake is 58 percent higher than Riverside County as a whole, and 16 percent higher than the next highest city, Temecula. Temecula's median income is 36 percent higher than the County median income.

[1] Federal housing and community development programs typically assist households with incomes up to 80 percent of the AMI and use different terminology. For example, the Federal Community Development Block Grant (CDBG) program refers households with incomes between 51 and 80 percent AMI as moderate income (compared to low-income based on State definition).

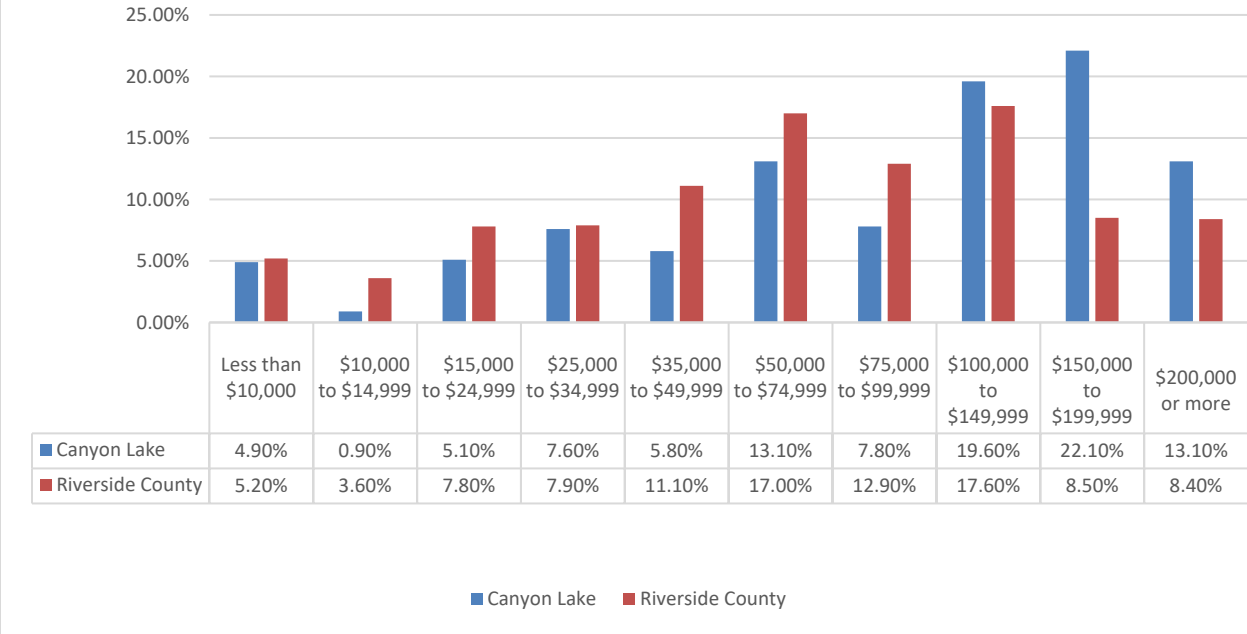
Table A-8 Median Household Income (2015-2019)

Jurisdiction	Median Household Income	Percent above/below Regional Median
Canyon Lake	**$120,118**	**57.91%**
Temecula	$103,546	36.13%
Murrieta	$98,466	29.45%
Lake Elsinore	$80,350	5.63%
Riverside County	$76,066	0.00%
Moreno Valley	$73,635	-3.20%
Perris	$70,910	-6.78%
Hemet	$46,194	-39.27%

Source: Bureau of the Census, American Community Survey, 2015-2019.

As shown in Figure A-2, 19 percent of Canyon Lake households earned less than $35,000 per year in 2020. By contrast, about 35 percent of Canyon Lake households earned $150,000 or more per year. Canyon Lake has a higher concentration of higher-income households and a lower proportion of lower-income households than Riverside County.

Figure A-2 Household Income Distribution (2015-2012)



	Less than $10,000	$10,000 to $14,999	$15,000 to $24,999	$25,000 to $34,999	$35,000 to $49,999	$50,000 to $74,999	$75,000 to $99,999	$100,000 to $149,999	$150,000 to $199,999	$200,000 or more
Canyon Lake	4.90%	0.90%	5.10%	7.60%	5.80%	13.10%	7.80%	19.60%	22.10%	13.10%
Riverside County	5.20%	3.60%	7.80%	7.90%	11.10%	17.00%	12.90%	17.60%	8.50%	8.40%

Source: Bureau of the Census, American Community Survey, 2020.

A.5 Household Characteristics

The Census defines a household as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood, and unrelated individuals living together. Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households. Household type and size, income levels, the presence of special needs populations, and other household characteristics determine the type of housing needed by residents, their preferences, and their ability to obtain housing that meets their needs. For example, single-person households tend to reside in apartment units or smaller single-family homes. Households with multiple people, such as families with children or grandparents in the home, typically require residences with several bedrooms. This section details the various household characteristics represented in Canyon Lake.

A.5.1 Household Type and Size

Canyon Lake had an estimated 4,151 households in 2020 representing an estimated 11 percent increase since 2000. As shown in Table A-9, 75 percent of the city's households in 2020 were families. The proportion of single occupant households and other non-family households both increased slightly from 2000 to 2020. In the same period the proportion of households with children was stable with a slight decline from 36 percent in 2000 to 34 percent in 2020. In the same period, the average household size has slightly decreased from 2.73 to 2.67.

Table A-9 Household Characteristics

Household Type	2000 Number	2000 Percent	2010 Number	2010 Percent	2019 Number	2019 Percent	Percent Change (2000-2019)
Households	3,733	–	3,769	–	4,151	–	11.20%
Family Households	**3,029**	**81.14%**	**2,978**	**79.00%**	**3,122**	**75.21%**	**3.07%**
With Children	1,327	35.55%	2,521	66.90%	1,425	34.33%	7.39%
No Children	1,702	45.59%	1,248	33.10%	2,726	65.67%	60.16%
Non-Family Households	**704**	**18.86%**	**791**	**21.00%**	**1,029**	**24.79%**	**46.16%**
Householder Living Alone	553	14.81%	607	16.10%	874	21.06%	58.05%
Elderly Living Alone	258	6.91%	19	0.50%	44	1.06%	-82.95%
Other Non-Families	**201**	**5.38%**	**184**	**4.90%**	**111**	**2.67%**	**-44.78%**
Average Household Size	2.73	–	2.80	–	2.67	–	-2.21%

Sources: American Community Survey 2000-2020.

Household size is a significant factor in housing demand. Often, household size can be used to predict the size of housing unit that a household will require. For example, housing units with up to two bedrooms are suitable for small households (one to three persons per household) while units with three to four bedrooms are more suitable for large households (five or more persons per household). Housing choices are often more of a function of economics than preference, as many households are obligated to rent smaller units or extend beyond their financial means to access larger homes. Canyon Lake had an average of 2.67 persons per household in 2021, representing a slight decrease from an average of 2.73 persons per household in 2000. Table A-10 compares household size in Canyon Lake to household size in surrounding cities and the County as a whole. Canyon Lake has the smallest household size 18 percent below the county average of 3.2. Perris has the highest average household size of 4.3 among surrounding Riverside County jurisdictions.

Table A-10 Average Persons per Household by Jurisdiction

Jurisdiction	Average Household Size (2017-2021)
Perris	4.30
Moreno Valley	3.91
Lake Elsinore	3.59
Murrieta	3.29
Riverside County	3.20
Temecula	3.19
Hemet	2.91
Canyon Lake	**2.67**

Source: American Community Survey, 2015-2019.

A.6 Special Needs Groups

Certain segments of the population may have more difficulty in finding decent, affordable housing due to their special needs. Special circumstances may be related to one's employment and income, family characteristics, disability, or household characteristics, among other factors. Government Code Section 65583(a)(7) requires an analysis of the needs of "special needs" groups including persons with disabilities, the elderly, large households, single-parent and particularly female-headed, single-parent households, people experiencing homelessness, and farmworkers. The special needs groups analyzed in this section include those groups required by state law as well as people living in poverty and college students (Table A-11). Many of these groups overlap, for example some farm workers are homeless, and many seniors have a disability of some type. This section contains a discussion of the housing needs facing each of these groups. Most of these special needs groups could be assisted by an increase in affordable housing, especially housing located near public transportation and services.

Table A-11 Special Needs Groups in Canyon Lake (2020)

Special Needs Group	Number of Persons or Households	Percent of Total Persons or Households
Households with Seniors	1,442	34.70%
Seniors Living Alone	1,363	12.30%
Persons with Disabilities	1,189	10.73%
Large Households (5+ persons)	357	8.40%
Single-Parent Households	N/A	N/A
Female Headed Households (no spouse present)	789	18.56%
Female Headed Households with children	N/A	N/A
People Living in Poverty	709	6.40%
Farmworkers	18	0.16%
Homeless	0	0.00%
Students	2,656	23.97%

Sources: American Community Survey (ACS), 2020.

A.6.1 Seniors

The limited income of many seniors often makes it difficult to find affordable housing. According to Table A-11, 1,442 households were headed by seniors, which accounts for approximately 35 percent of total households. Table A-12 shows that 1,961 persons aged 65 and over resided in Canyon Lake in 2022. This accounted for approximately 18 percent of residents, which is a larger percentage than the average 15 percent for Riverside County.

Table A-12 Persons Aged 65 and Over

Jurisdiction	Total	Age 65+	Percent Age 65+
Hemet	90,689	19,135	21.10%
Canyon Lake	**11,142**	**1,961**	**17.60%**
Riverside County	2,473,902	378,507	15.30%
Murrieta	113,783	13,426	11.80%
Temecula	111,752	12,069	10.80%
Moreno Valley	211,924	19,709	9.30%
Lake Elsinore	71,898	6,327	8.80%
Perris	80,263	5,538	6.90%

Source: United States Census Bureau, 2020.

Of households headed by seniors, an estimated 90 percent owned their homes, comprising 46 percent of all the homeowners within the city. As shown in Table A-13, 25 percent of persons 65 years of age or older live alone. 44 percent are part of a married couple, and 31 percent are male householders, female householders, or live with unrelated individuals. Data is unavailable for the elderly householders aged 62-64 years.

Table A-13 City of Canyon Lake Elderly Households 65 Years+ by Tenure and Household Type: 2015-2019

Household Type	Owner	Renter	Total	Percent
Living Alone	368	58	426	25.4%
Married Couples	708	27	735	43.8%
Male Householder	11	0	11	0.7%
Female Householder	80	0	80	4.8%
Not Living Alone	61	0	61	25.4%
Total	**1,228**	**85**	**1,313**	**100.0%**
Percent	91.5%	8.5%	100.0%	

Sources: 2015-2019 American Community Survey, Table B25011, Tenure by Household Type (including living alone) and Age of Householder

Of the 1,228 people ages 65 years or older:

- 34 percent have lived in the city 10 to 20 years
- 24 percent have lived in the city 20 to 30 years
- 21 percent have lived in the city 30 or more years

The special needs of seniors can be met through a range of services, including congregate care, rent subsides, shared housing, and housing rehabilitation assistance. For seniors with physical limitations or disabilities, housing can be modified with features that help ensure continued independent living arrangement. Two residential care facilities

for the elderly are located in Canyon Lake. They have a combined capacity of 12 beds. There also is one residential care facility for the elderly with a license pending that will have a capacity of six beds.

A.6.2 Persons with Physical and Developmental Disabilities

Physical, mental, and/or developmental disabilities may provide challenges to gaining employment, mobility, or independent living. Persons with disabilities may experience housing burdens and other challenges due to restricted income and/or accessibility needs. The living arrangement of disabled persons depends on the severity of the disability. Many persons with disabilities live at home independently or with family members. Independent living can be supported through special housing features for people with disabilities, income support, and in-home supportive services. Some persons with disabilities may require housing in a supportive or institutional setting.

Housing for persons with disabilities must be adapted according to individual needs. Various types of housing may be inaccessible to persons with mobility and sensory limitations. Housing may need to be adapted to accommodate widened doorways and hallways, access ramps, larger bathrooms, lowered countertops, and other features necessary for accessibility, and many housing types may not have suitable space for such adaptations. The location of housing is also an important factor for persons with mobility restrictions who rely on public transportation for travel.

Some residents suffer from disabilities that require living in a supportive or institutional setting. According to 2015-2019 ACS data, approximately 12 percent of Canyon Lake residents had a disability. Table A-14 shows the total number of disabled persons per age group in the City.

Table A-14 Disabilities Tallied in Canyon Lake (2019)

Disability Type	Under 18	Age 18 to 64	Age 65+	Total
Total Disabled Persons	95	546	647	1,288

Note: A person can have multiple disabilities.

Source: 2015-2019 American Community Survey 5-Year Estimates, Table B18101, Sex by Age by Disability Status.

Persons with Developmental Disabilities

State law requires the Housing Element to discuss the housing needs of persons with developmental disabilities. As defined by Federal law, “developmental disability” means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 18;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self- sufficiency; and
- Reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

Many persons with developmental disabilities can live and work independently in a conventional housing environment. More severely disabled individuals require a group living environment with supervision. The most severely affected individuals may require an institutional environment with medical services and physical therapy. Many persons with developmental disabilities require supportive services during the transition from childhood to a more independent living situation as an adult.

The California Department of Developmental Services (DDS) estimates that, in 2022, 1,768 individuals with developmental disabilities were living in Canyon Lake. Of individuals with developmental disabilities, 43 percent were children under 18 and 57 percent were adults.

There are a number of housing resources that improve access to housing for people living with a development disability. These resources include rent-subsidized homes, licensed and unlicensed group homes in single-family neighborhoods, Section 8 vouchers, special programs for home purchase, HUD housing, and residential care facilities. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group.

Incorporating barrier-free design in all new multifamily housing, as required by California and Federal Fair Housing laws, is especially important to provide the widest range of choices for disabled residents. The Fair Housing Act requires builders of multi-family housing projects to be accessible to people with disabilities through considerations in seven key areas[2]:

- Accessible building entrance on an accessible route
- Accessible and usable public and common use areas
- Usable doors
- Accessible route into and through the covered unit
- Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations
- Reinforced walls for grab bars
- Usable kitchens and bathrooms

While the Fair Housing Act creates a national baseline for multifamily housing accessibility, a citywide Universal Design Ordinance can go further to increase the usability of homes and apartments by people of all ages, sizes, and abilities. The Center for Universal Design[3] defines the seven principles of Universal Design as:

- Equitable use
- Flexibility in use
- Simple and intuitive use
- Perceptible information
- Tolerance for error
- Low physical effort
- Size and space approach and use

A home that complies with a Universal Design Ordinance that aligns with these principles enhances the ability of all residents to live independently in their own homes as long as possible by allowing the house to adapt to a lifetime of changing needs.

A.6.3 Large Households

Large households are defined as those consisting of five or more members. These households comprise a special need group because of the frequently limited supply of adequately sized and affordable housing units in a community. To save for other basic necessities such as food, clothing, and medical care, it is common for lower-income large households to reside in smaller units. This frequently results in overcrowding and could accelerate unit deterioration. Table A-15 compares the number of large households in Canyon Lake to that of Riverside County. Approximately 8 percent of households in Canyon Lake consisted of five or more persons, which is a significantly lower rate than Riverside County as a whole (19 percent).

[2] United States Department of Housing and Urban Development, Fair Housing Act Design Manual (1998)
[3] North Carolina State University, The Center for Universal Design, The Principles of Universal Design (1997)

Table A-15 Large Households in Canyon Lake Compared to Riverside County

Jurisdiction	# of Large Households	% of Total Households	# of Large Owner Households	% of Total Households	# of Large Renter Households	% of Total Households
Canyon Lake	**357**	**8.40%**	**263**	**6.19%**	**67**	**1.58%**
Riverside County	479,937	19.40%	N/A	N/A	N/A	N/A

Source: American Community Survey, 2015-2020. Census Reporter, 2022.

Lower and moderate-income large households can benefit from various affordable housing programs. These include the Homeownership Education classes, Mortgage Credit Certificate program, affordable housing development assisted with City, State, and fFderal funds, and Housing Choice Vouchers, among others.

A.6.4 Single-Parent Households

Single-parent families, particularly female-headed, single-parent families with children often experience a higher housing cost burden relative to the general population and may require assistance to access affordable day care, health care, and other supportive services to ensure fair access to housing and other resources. As a result, State housing element law requires that jurisdictions analyze the particular needs of single-parent households especially female-headed single-parent households. As shown on Table A-16, an estimated 5 percent of Canyon Lake households were headed by single parents in 2021, the majority of which (89 percent) were headed by females. This is compared to an estimated 6 percent of single parent households across Riverside County, 78 percent of which were headed by females.

Table A-16 Single-Parent Households (2021)

	Total Households	Single-Parent Households	Percent Total Households	Female-Headed Households with Children	Percent of Single-Parent Households
Canyon Lake	**4,151**	**200**	**4.82%**	**177**	**88.50%**
Riverside County	765,673	48,988	6.40%	38,313	78.21%

Source: American Community Survey, 2015-2019.

Lower-income single-parent households can benefit from County programs that provide direct rental assistance or that will facilitate the development of deed restricted affordable housing. Affordable housing opportunities can also be expanded for low- and moderate- income single-parent households through the Housing Choice Vouchers, Homeownership Education classes, and the Mortgage Credit Certificate program.

A.6.5 Extremely Low-Income Households

Extremely low-income households are defined by HCD as households with income less than 30 percent of AMI. The 2023 AMI in Riverside County for a family of four is $94,500. For extremely low-income households, this translates to an annual income of $31,500 or less. Households with extremely low-income have a variety of housing situations and needs. For example, most families and individuals receiving public assistance, such as social security insurance or disability insurance are considered extremely low-income households.

Approximately 120 extremely low-income households reside in the city, representing three percent of the total households. This proportion is lower than in Riverside County, where four percent of households are extremely low-income. Some extremely low-income households could have physical or mental disabilities and/or other special needs. There is overlap between extremely low-income households and particular housing needs. Extremely low-income households are likely to be cost burdened for both renters and homeowners.

Canyon Lake currently has no subsidized or income-restricted affordable housing units. To address the range of needs, the City will employ programs to support affordable housing development, remove constraints, and support development of housing types that may fit the needs of extremely low-income residents, such as supportive housing.

A.6.6 Farmworkers

Due to Canyon Lake's location which is somewhat removed from Riverside County's agricultural areas, the need for farmworker housing in the city is minimal. Of the community's residents, approximately 18 persons are employed in the farming, fishing and forestry occupations, according to SCAG's pre-certified housing data, comprising just 0.16 percent of the city's population. There is no farmland designated in Canyon Lake.

Given the low number of persons employed in agricultural-related industries, the City can address the needs of the farmworker population through its overall affordable housing programs. Those persons identified as having agricultural jobs are most likely employed at plant nurseries and other small-scale jobs and thus are not anticipated to have the seasonal housing needs associated with crop-related farmworker jobs. Therefore, there is no need for land use regulations to address the State Employee Housing Act (Section 17000 of the Health and Safety Code).

A.6.7 Individuals Experiencing Homelessness

Throughout California, homelessness has become an increasingly important issue. A 2023 study conducted by the University of California, San Francisco Benioff Homelessness and Housing Initiative found that an estimated 47 percent of respondents became homeless due to economic reasons, 32 percent cited health reasons, and 63 percent cited conflict with roommates, overcrowding, or not wanting to impose on others.

California housing element law (California Government Code Section 65583(1)(6)) requires municipalities to address the special needs of individuals experiencing homelessness within their jurisdictional boundaries. Individuals experiencing "homelessness" as defined by the U.S. Department of Housing and Urban Development (HUD) Title 42 U.S. Code Section 11302, describes an individual (not imprisoned or otherwise detained) who:

- Lacks a fixed, regular, and adequate nighttime residence; and
- Has a primary nighttime residence that is:
  - A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
  - An institution that provides a temporary residence for individuals intended to be institutionalized; or
  - A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

This definition does not include persons living in substandard housing, unless it has been officially condemned; persons living in overcrowded housing, persons being discharged from mental health facilities (unless the person was homeless when entering and is considered to be homeless at discharge), or persons who may be at risk of homelessness (for example, living temporarily with family or friends).

Homelessness continues to be a regional and national issue. Canyon Lake relies on Riverside County's Continuum of Care (CoC), which oversees the county's plan to organize and deliver supportive social services, including housing options, which meet the specific needs of homeless individuals and families. The goal of the CoC is to move homeless people toward stable housing and maximum self-sufficiency.

HUD requires regional continuums of care conduct an annual point in time (PIT) count of all sheltered and unsheltered people experiencing homelessness on a single night in January. Because Canyon Lake is a gated community and has limited places where homeless people are likely to gather, homeless people are unlikely to be present in the city. The January 2023 Riverside County PIT Count identified zero unsheltered homeless adults and children living in Canyon Lake. The previous PIT count also found zero homeless persons in Canyon Lake. The PIT count for Canyon Lake is compared to the PIT county for Riverside County as a whole in Table A-17.

However, while people experiencing homelessness may not have an obvious presence in Canyon Lake, the City can still take steps to prevent contributing to factor that lead to homelessness by providing resources for people at risk of becoming homeless and by developing a housing affordability plan.

Table A-17 Homelessness in Canyon Lake and Surrounding Cities (2023)

Jurisdiction	Sheltered	Unsheltered	Total	% Sheltered	% of Total Homeless Population in Riverside County
Canyon Lake	**0**	**0**	**0**	**N/A**	**N/A**
Riverside County	1,284	2,441	3,725	34.47%	

Source: Riverside County homeless population increased by 12 percent while growth rate decreased by 3 percent, RivCoNOW, 202x. https://rivco.org/news/riverside-county-homeless-point-time-count-reveals-decrease-8-percent-unsheltered-homelessness

There are no emergency shelters located in Canyon Lake and 14 emergency shelters with a total of 879 beds located in Riverside County. Of the 879 beds available:

- 305 beds are for families with children
- 380 beds are for households without children
- 37 beds are only for children
- 120 beds in two shelters are for domestic violence victims
- 37 beds are in shelters for youth

Homeless service providers continually work toward linking homeless individuals and families to existing mainstream benefits such as Temporary Assistance to Needy Families (TANF), MediCal, and Food Stamps (CalFRESH). The City intends to reduce regulatory and zoning barriers to shelter and affordable housing development.

A.6.8 College Students

The college student population (those enrolled or identified in a program above grade 12) is another significant factor that affects housing demand. Although students represent a temporary housing need, the impact upon housing demand is critical in areas immediately adjacent to trade schools, colleges, and universities. Given student income limitations, the same market forces that impact the lower income housing market also influences student housing.

There are currently no colleges or universities located within Canyon Lake. The nearest college is Mt. San Jacinto College in Menifee, which is located approximately 10 miles from Canyon Lake, and is part of the California Community College system. In 2021, 493 Canyon Lake residents were enrolled in college, and an additional 77 were enrolled in a graduate or professional school. Because there are no colleges located in Canyon Lake, students likely live in the homes of their parents, and there is not a need for student housing in the city.

A.7 Housing Stock Characteristics

The characteristics of the housing stock, including housing production, type, age, condition, tenure, vacancy rates, housing costs, and affordability are important in determining Canyon Lake's housing needs. This section details the characteristics of the housing supply to identify how well the current housing stock meets the needs of current and future residents of the city.

The housing stock in most comparable cities grew faster from 2000 to 2010 than the following 10-year period. The number of housing units in Canyon Lake grew approximately 12 percent from 2000 to 2010 but grew 1.2 percent from 2010 to 2019. The number of housing units in Canyon Lake grew significantly slower than Riverside County which grew by approximately 45 percent between 2000 and 2020. Table A-18 shows a comparison of growth in the number of housing units since 2000 across Riverside County cities.

Table A-18 Housing Unit Growth (2000 to 2020)

Jurisdiction	2000	2010	2020	Percent Change 2000-2010	Percent Change 2010-2020	Percent Change 2000 - 2020
Murrieta	14,921	35,294	37,363	136.54%	5.86%	150.41%
Lake Elsinore	9,506	16,253	18,946	70.98%	16.57%	99.31%
Temecula	19,099	34,004	36,550	78.04%	7.49%	91.37%
Perris	10,563	17,906	19,476	69.52%	8.77%	84.38%
Riverside County	584,674	801,324	848,549	37.05%	5.89%	45.13%
Moreno Valley	41,127	55,559	57,523	35.09%	3.53%	39.87%
Hemet	29,401	35,305	36,067	20.08%	2.16%	22.67%
Canyon Lake	**4,047**	**4,532**	**4,584**	**11.98%**	**1.15%**	**13.27%**

Source: Pre-Certified Local Housing Data, 2000-2010. Southern California Association of Governments, April 2021. ACS, 2000-2020.

A.7.1 Housing Type

Table A-19 shows how the housing makeup of Canyon Lake has changed since 2000. The most prevalent housing type in Canyon Lake is single-family detached with 4,234 units. The share of all single-family units in Canyon Lake is 95 percent, which is higher than the 62 percent share in the SCAG region, which includes encompasses six counties in Southern California. Single-family attached homes make up another 2.9 percent of the housing stock. Multi-family housing of any size makes up 3.3 percent of the housing stock, and mobile homes account for 1.5 percent.

Development of multi-family housing and mobile homes has been insignificant since 2010. Multi-family housing share increased slightly by 2.2 percent of the City's housing stock in 2000 to 3.3 percent in 2020. However, development of multi-family housing has stalled since 2010. The share of mobile homes decreased from 3.5 percent of the City's housing stock to 1.5 percent in 2020.

Table A-19 Housing Unit Type

Housing Unit Type	2000 Units	2000 Percent of Total	2010 Units	2010 Percent of Total	2019 Units	2019 Percent of Total	Percent Change 2000-2010	Percent Change 2010-2019
Single-Family Homes	3,816	94.29%	4,317	95.26%	4,368	95.29%	13.13%	1.18%
Multi-Family Homes	90	2.22%	149	3.29%	149	3.25%	65.56%	0.00%
Mobile Homes/Other	141	3.48%	66	1.46%	67	1.46%	-53.19%	1.52%
Total Housing Units	**4,047**	**100%**	**4,532**	**100%**	**4,584**	**100%**	**6.50%**	**2.30%**

Source: Pre-Certified Local Housing Data, 2000-2010. Southern California Association of Governments, April 2021.

A.7.2 Tenure

Housing tenure refers to whether a unit is owned or rented. The owner versus renter distribution of a City's housing stock influences several aspects of the local housing market. Residential stability is influenced by tenure, with ownership housing being associated with a lower turnover rate than rental housing. Housing cost burden (sometimes referred to as overpayment), while faced by many households regardless of tenure, is generally far more prevalent among renters. Tenure is primarily related to household income, housing type, and age of the householder.

Owner and renter households occupy 79 percent and 22 percent respectively of all housing units. More than 94 percent of all owners occupy single family detached homes. 82 homeowners live in mobile homes. Renters predominantly occupy single-family detached homes. Almost 19 percent of all single-family detached homes are renter-occupied. Table A-20 displays a detailed breakdown of the tenure data.

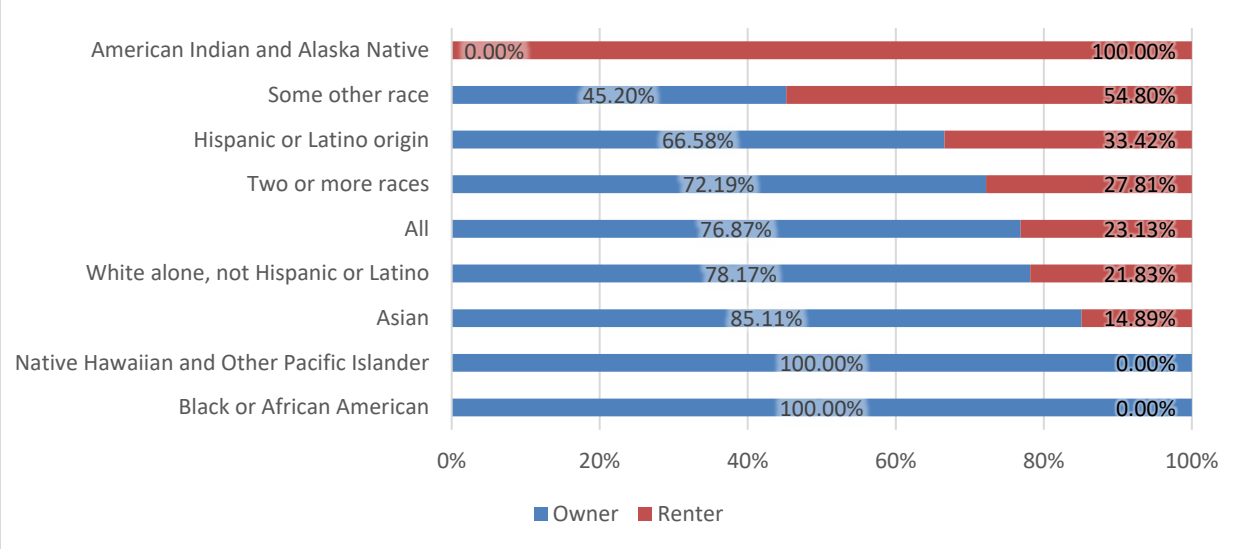
Table A-20 City of Canyon Lake Tenure by Units in Structure: 2015-2019

Units in Structure	Owner Occupied	Percent	Renter Occupied	Percent	Total	Percent
1, detached	3,132	94.4%	725	79.6%	3,857	91.2%
1, attached	17	0.5%	45	4.9%	62	1.5%
2 apartments	0	0.0%	0	0.0%	0	0.0%
3 or 4 apartments	64	1.9%	80	8.8%	144	3.4%
5 to 9 apartments	0	0.0%	0	0.0%	0	0.0%
10 or more apartments	24	0.7%	31	3.4%	55	1.3%
Mobile home or other type of housing	82	2.5%	30	3.3%	112	2.6%
Total	**3,319**	**78.5%**	**911**	**21.5%**	**4,230**	**100.0%**

Source: 2015-2019 American Community Survey 5-Year Estimates, Table S2504, Physical Housing Characteristics for Occupied Housing Units

In 2019, among the City's occupied housing units, an estimated 79 percent were owner-occupied, while 22 percent were renter occupied. As shown in Table A-20, renter-occupied households had a slightly smaller average household size than owner-occupied households in 2019. The average renter-household size in 2019 was 3.22 persons compared to 3.32 persons for the average owner-household. Though the average homeowner household size and renter household size is similar, the City's rental housing stock offers a smaller percentage of larger units (three and four bedrooms). Larger sized units constituted 79 percent of owner-occupied housing and only 20 percent of renter-occupied units. This disparity in the availability of larger sized rental housing may make accessing adequate housing difficult for larger households unable to afford home ownership. Due to country-wide historical patterns of segregation, discriminatory lending, and urban renewal, non-white households are less likely to own their home and access the wealth building opportunity that ownership offers. In Canyon Lake, Black and Native Hawaiian/Pacific Islander households have a 100 percent home ownership rate, followed by Asian with 85.1 percent and non-Hispanic or Latino White with 76.9 percent. The average homeownership rate for the City was 76.9 percent. Figure A-3 shows that rates of home ownership among different racial groups in Canyon Lake.[4]

Figure A-3 Tenure by Race of Householder (2020)



Source: American Community Survey 2015-2019

[4] Urban Institute, 2021. Available: https://apps.urban.org/features/tracking-housing-wealth-equity/

A.7.3 Vacancy

Vacancy rates indicate the degree of housing choice available in the City. Too high a vacancy rate can make it difficult for owners trying to sell or rent. Low vacancy rates usually indicate high demand and/or low supply conditions in the housing market. A vacancy rate that is too low can force prices up, making it more difficult for lower and moderate-income households to find housing.

Vacancy rates between two and three percent for single-family housing and between five and six percent for multi-family housing are usually considered optimal for a healthy housing market. However, vacancy rates are not the sole indicator of market conditions. They must be viewed in the context of all the characteristics of the local and regional market. Low rental-housing vacancy rates in a community, common especially in high demand regions like Southern California, also contribute to increased rents, increased housing costs, increased homelessness, and difficulties exiting homelessness.

Table A-21 shows a comparison of vacancy rates of cities comparable to Canyon Lake. In 2020, the vacancy rate in Canyon Lake was 13 percent, which is much higher than most regional cities. Canyon Lake's high vacancy rate is mostly due to the prevalence of homes for seasonal, recreational or occasional use. Of the 606 vacant units in Canyon Lake:

- 100 are rental units;
- 57 are for sale/sold units;
- 416 are for seasonal, recreational, or occasional use; and,
- 33 are “other vacant”.

While a high prevalence of homes for seasonal, recreational, or occasional use are indicators of community wealth, an underutilized housing stock constrains the community's housing supply and contributes to housing shortages and high housing costs while occupying land that could be used for permanent housing.

Table A-21 Vacancy Rates by Community (2020)

Jurisdiction	% Vacant	Total Units	# Vacant
Canyon Lake	**13.20%**	**4,584**	**606**
Hemet	12.30%	36,067	31,645
Lake Elsinore	7.10%	18,946	14,585
Moreno Valley	6.00%	57,523	54,094
Temecula	5.60%	36,550	34,511
Murrieta	4.90%	37,363	35,518
Perris	4.30%	19,476	16,839

Source: Pre-certified Local Housing Data. SCAG. August 2020.

Housing Age and Condition

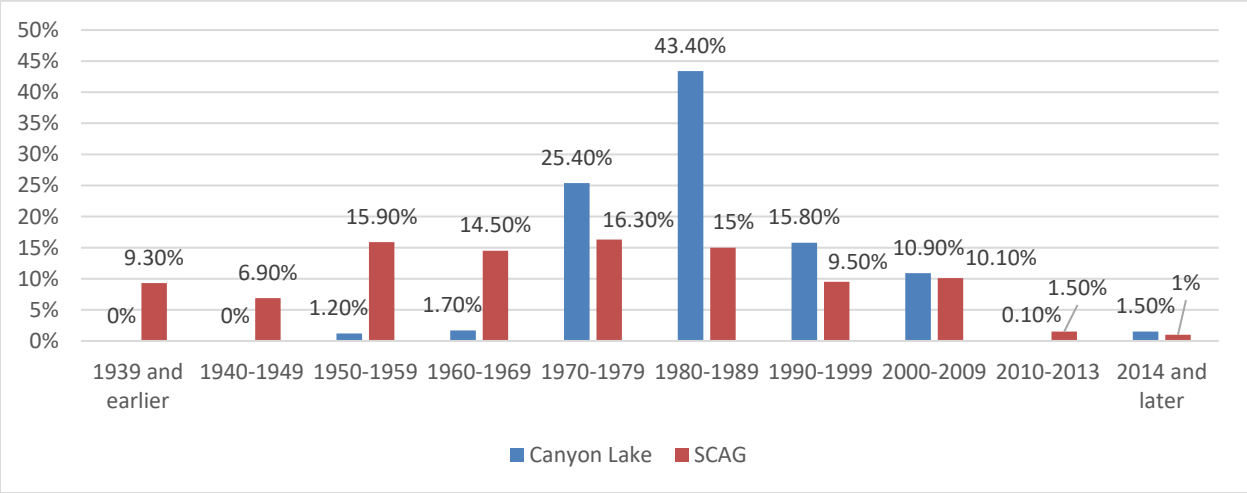
Housing age can be an important indicator of housing conditions in a community. Like any other tangible asset, housing is subject to gradual physical deterioration over time. If not properly and regularly maintained, housing can deteriorate and threaten the health and safety of residents, depress neighboring property values, and discourage reinvestment. Many federal and state programs also use the age of housing as a factor in determining housing rehabilitation needs. Typically, housing over 30 years of age is more likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work, and other repairs.

Housing that is not maintained can discourage reinvestment, depress neighboring property values, and can negatively impact the quality of life in a neighborhood. Common housing code violations and substandard conditions

in the City include unpermitted construction, moisture damage, faulty electrical wiring, plumbing, windows, and roof systems, deteriorated exterior siding, and faulty heating and mechanical systems.

Figure A-4 shows the age of housing stock in Canyon Lake compared to the rest of the SCAG region. 72 percent of Canyon Lake's housing stock was built before 1990. Despite the age of its housing stock, conditions of housing are good, with just one home identified by the City as needing rehabilitation in 2022 due to illegal construction. No homes are so deteriorated that they require replacement.

Figure A-4 Housing Stock Age (2020)



A.7.4 Overcrowding

The combination of low-incomes and high housing costs has forced many households to live in overcrowded housing conditions. “Overcrowding” is generally defined as a housing unit occupied by more than one person per room. Rooms can include living rooms and dining rooms but excludes hallways, kitchens, and bathrooms. Significant overcrowding indicates that a city does not have an adequate supply of affordable housing, especially housing that could accommodate large families.

Overcrowding typically occurs when there are not enough adequately sized units in a community, when high housing costs relative to income force more individuals to share a housing unit than it can adequately accommodate, or when families reside in smaller units than they need to devote income to other necessities, such as food and health care. Overcrowding tends to accelerate the physical deterioration of housing and disproportionately affects renter-households.

California Government Code Section 65584.01(b)(1) defines overcrowding as more than one person per room in a dwelling. Table A-22 summarizes overcrowding in Canyon Lake. As of 2019, less than one percent of households in Canyon Lake had more than one resident per room.

Table A-22 City of Canyon Lake Persons per Room by Tenure – 2015-2019

Persons per Room	Owner Occupied	Percent	Renter Occupied	Percent	Total Households	Percent
Less than 1.00	3,293	99.2%	911	100.0%	4,204	99.4%
1.01 to 1.50	26	0.8%	0	0.0%	26	0.6%
1.51 to 2.00	0	0.0%	0	0.0%	0	0.0%
2.01 or more	0	0.0%	0	0.0%	0	0.0%
Total	**3,319**	**100.0%**	**911**	**100.0%**	**4,230**	**100.0%**

Source: 2015-2019 American Community Survey 5-Year Estimates, Table B25014 Tenure by Occupants per Room

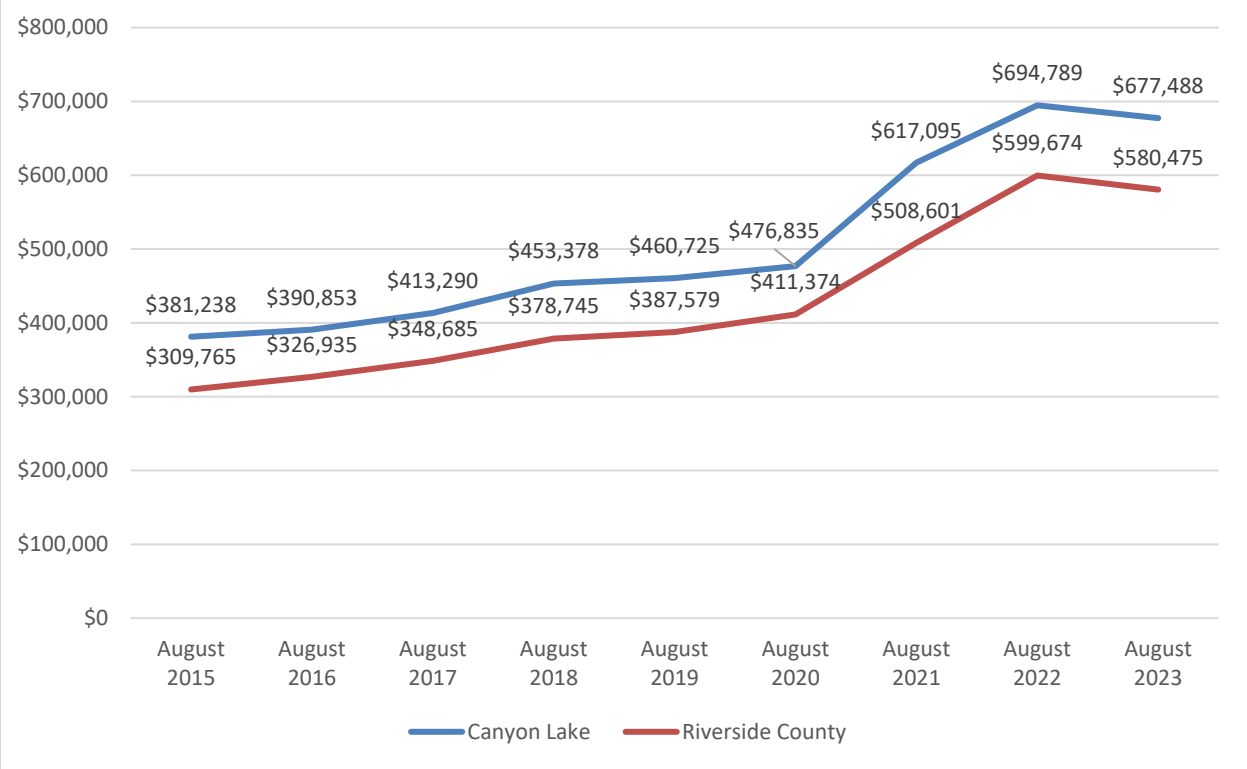
A.8 Housing Costs and Affordability

Housing costs are indicative of housing accessibility to all economic segments of the city. The cost of housing is directly correlated to the number of housing problems and affordability issues. High housing costs can price low-income families out of the market, cause extreme cost burdens, or force households into overcrowded or substandard conditions.

A.8.1 Home Values

The real estate listing services company Zillow estimates that Canyon Lake's typical home value in August 2023 was approximately $677,488. This value is 17 percent higher than the countywide typical value of $580,475. Figure A-5 shows 2023 median home values in the city and county as a whole.

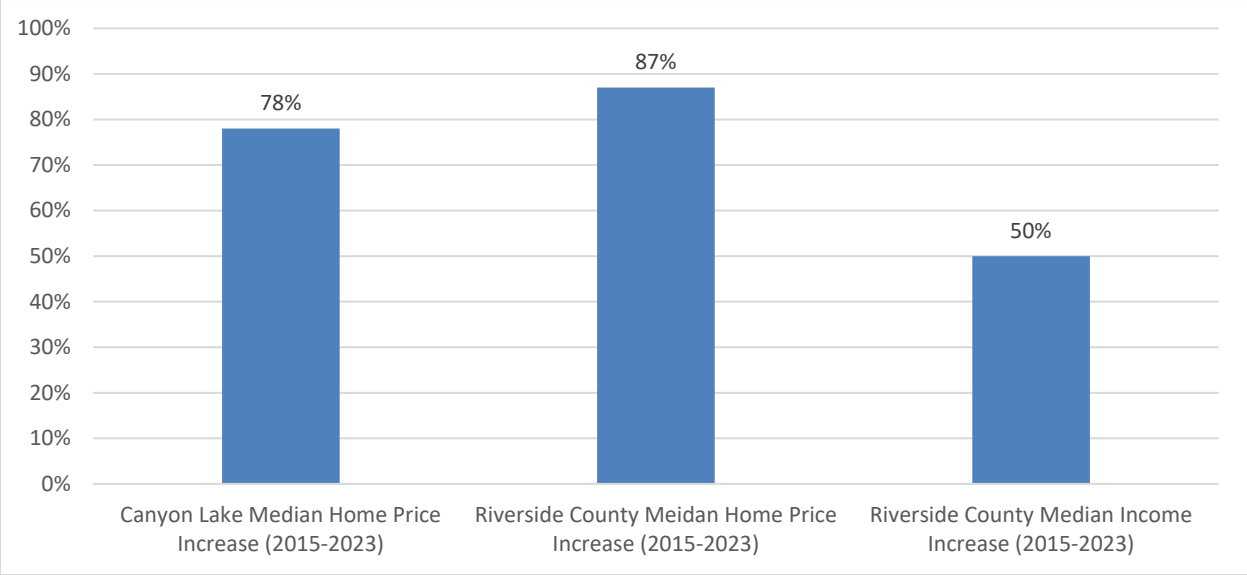
Figure A-5 Median Home Values (2023)



Source: Home Value Index, Zillow, 2023.

As shown in Figure A-6, home values in Canyon Lake increased by about 78 percent between 2015 and 2023. This is less than Riverside County as a whole (87 percent). Home values have increased much faster than median income, which increased 50 percent in the county over the same time period.

Figure A-6 Median Home Values (2023)

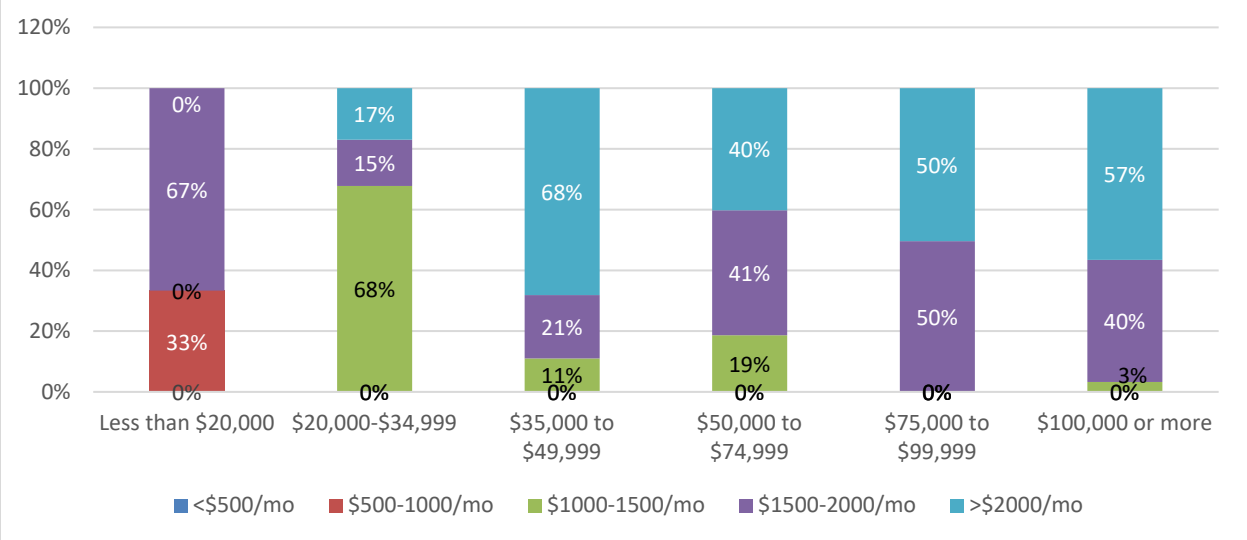


Source: Home Value Index, Zillow, 2023. U.S. Census Bureau, 2015-2023.

A.8.2 Rental Costs

Less than one-fifth of Canyon Lake households (18 percent) live in rental housing. Rents are high in Canyon Lake. According to the 2020 SCAG Pre-Certified Housing Data, most residents pay rental rates of greater than $2,000 per month. Figure A-7 shows the distribution of monthly rental rates in the city by income category.

Figure A-7 Estimate of Household Income by Rent in Canyon Lake (2014-2018)



Source: Pre-certified local housing data. SCAG. 2020.

Note: Data presented in this table are based on special tabulations from the American Community Survey (ACS) data. Due to the small sample size, the margins of errors can be significant. Interpretations of these data should focus on the proportion of households in need of assistance rather than on precise numbers.

As shown on Table A-23, average monthly rents in Canyon Lake ranged from $2,100 for a one-bedroom apartment to $3,600 for a three-bedroom apartment in 2023. Rent for efficiency units (studios) in Canyon Lake was not available. Of the analyzed cities, Canyon Lake had the highest rental costs 17 percent higher than the regional average of $3,081 and 15 percent higher than Temecula, the next most expensive market. Nationally, median rent prices have increased four times faster than median income from 1985 to 2020.

Table A-23 Comparison of Median Monthly Rent (2023)

Unit Size	Studio	1-Bed	2-Bed	3-Bed
Canyon Lake	**None**	**$2,100**	**$2,200**	**$3,600**
Temecula	$2,400	$2,100	$2,617	$3,124
Murrieta	$1,650	$1,900	$2,350	$2,900
Perris	$1,500	$1,740	$2,000	$2,700
Regional Average	**$1,850**	**$1,960**	**$2,292**	**$3,081**
Moreno Valley	$1,495	$1,795	$2,189	$2,750
Lake Elsinore	$1,095	$1,525	$1,995	$2,700
Hemet	$1,500	$1,450	$1,695	$2,495

Source: Median rent search conducted on October 10, 2021, on Apartments.com.

A.8.3 Housing Affordability

The cost of housing compared to the income of local households is used to determine the affordability of an area. If costs are high relative to income, housing problems such as overcrowding, and cost burden are more likely to occur. The lack of affordable housing contributes to cost burden, overcrowding, and even homelessness. “Affordable housing cost” for lower-income households is defined in California law as not more than 30 percent of gross household income with variations (Health and Safety Code Section 50052.5). The comparable federal limit, most widely used, is 30 percent of gross income, with variations. “Housing cost” commonly includes rent or mortgage payments, utilities (gas, electricity, water, sewer, garbage, recycling), and property taxes and insurance on owner-occupied housing.

The median household income in Canyon Lake in 2020 was $120,118 which equates to a median affordable monthly housing cost of $3,337 per household. Current data to analyze how many households are paying more than 30 percent of their income on housing costs is not available. However, median rents in Canyon Lake are $3,600 per month, which is seven percent higher than the median affordable housing payment of $3,007, without factoring in utilities and fees. Therefore, it's reasonable to conclude that even households with above-moderate income levels are rent stressed as defined by HCD. Housing affordability can be inferred by comparing the cost of renting or owning a home in the city with the maximum affordable housing costs for households at different income levels. Taken together, this information can generally show who can afford what size and type of housing and indicate the type of households most likely to experience overcrowding and overpayment.

HUD conducts annual household income surveys nationwide to determine a household’s eligibility for federal housing assistance. Based on this survey, HCD developed income limits that can be used to determine the maximum price that could be affordable to households in the upper range of their respective income category. Households in the lower end of each category can afford less by comparison than those at the upper end.

A.8.4 Cost Burden

Measuring the portion of a household’s gross income that is spent for housing is an indicator of the dynamics of demand and supply. This measurement is often expressed in terms of “over payers”: households paying an excessive amount of their income for housing, thereby decreasing the amount of disposable income available for other needs. This indicator is an important measurement of local housing market conditions because it reflects the affordability

of housing in the community. Federal and state agencies use overpayment indicators to determine the extent and level of funding and support that should be allocated to a community. State and federal programs typically define over-payers as lower-income households paying over 30 percent of household income for housing costs. A household is considered severely cost burdened if it spends more than 50 percent of its gross income on housing. Table A-24 provides overpayment detail by income group and household type in Canyon Lake between 2014 and 2018 as well as the housing assistance needs for lower-income households that rent or own in Canyon Lake. The types of problems vary according to household income, type, and tenure.

Table A-24 Housing Cost Burden by Tenure (2016-2020)

Household by Tenure, Income, and Cost Burden	Renters	Owners	Total Households
Extremely low-income (0-30% AMI)	**145**	**160**	**305**
With cost burden >30%	62.07%	100.00%	
With cost burden > 50%	62.07%	78.13%	
Very low-income (31-50% AMI)	**130**	**275**	**405**
With cost burden >30%	100.00%	58.18%	
With cost burden > 50%	100.00%	45.45%	
Low-income (51-80% AMI)	**55**	**430**	**485**
With cost burden >30%	100.00%	54.65%	
With cost burden > 50%	41.18%	22.09%	
Moderate & Above Income (>80% AMI)	**630**	**2,325**	**2,955**
With cost burden >30%	18.25%	18.06%	
With cost burden > 50%	1.59%	3.01%	
Total Households	**960**	**3,190**	**4,150**
With cost burden >30%	17.55%	13.02%	
With cost burden > 50%	0.13%	27.60%	

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2014-2018.

A.9 Eviction

While eviction data was not available for Canyon Lake, data is available for immediately adjacent City of Menifee. From 2013 to 2018, the total number of unlawful detainer filings in Menifee was 189, an average of 38 per year.

A.9.1 Tenant-Based Rental Housing Assistance

The Housing Authority of Riverside County serves Canyon Lake and provides housing choice vouchers for lower-income households. The Section 8 Rental Assistance Program provides rental subsidies to low-income families that spend more than 30 percent of their gross income on housing costs. Section 8 data is not available for Canyon Lake, but 2,370 households in Riverside County were receiving Section 8 assistance in 2019.[5]

Additionally, Section 202 program funds development of affordable housing for senior households and Section 811 program provides non-profits with funding to provide supportive housing for disabled, very- and extremely low-income persons.

[5] Analysis of Impediments to Fair Housing Choice 2019-2024. Riverside County. June, 2019 (Accessed October, 2023). https://www.rivcoeda.org/Portals/0/CDBG/PlansAndReports/AI_2019-2024_County%20of%20Riverside.pdf

A.9.2 Publicly Assisted Rental Housing and Preservation of At-Risk Housing

State law requires that the city identify, analyze, and propose programs to preserve existing income restricted multi-family rental units that are eligible to convert to non- low-income housing uses due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions during the next 10 years. However, the City does not currently have publicly assisted rental housing. Additionally, new deed-restricted affordable housing developments built during the planning period would typically have a longer term than the ten-year planning period and would not be at risk.

Preservation Options

Depending on the circumstances of the at-risk projects, different options may be used to preserve or replace the units. Preservation options typically include: 1) transfer of units to non-profit ownership; and 2) purchase of affordability covenants. In terms of replacement, the most direct option is the development of new assisted multi-family housing units. The following discussion highlights ways that the City's at-risk projects could be preserved as affordable housing. All the presented alternatives are costly and beyond the ability of the City to manage without large subsidies from Federal and/or State resources. These options are described below.

Transfer of Ownership

Typically, transferring ownership of an at-risk project to a non-profit housing provider is one of the least costly ways to ensure that the at-risk units remain affordable for the long term. By transferring property ownership to a non-profit organization, low-income restrictions can be secured, and the project would become potentially eligible for a greater range of governmental assistance.

If the current nonprofit organizations managing the units at risk are no longer able to maintain the project, transferring ownership of the affordable units to another nonprofit housing organization is a viable way to preserve affordable housing for the long term. The feasibility of this option depends on the willingness of the owner to sell, funding sources to buy the property, and the existence of a nonprofit organization with sufficient administrative capacity to manage the property. Additionally, projects in which all units are affordable can participate in ownership transfers more easily and are therefore more likely to be feasible.

Rental Assistance

Similar to Housing Choice Vouchers, the City could provide rent subsidies to tenants of at-risk units through a variety of potential funding sources. The level of the subsidy required to preserve the at-risk units is estimated to equal the Fair Market Rent for a unit minus the housing cost affordable to a lower income household.

State, local, or other funding sources can also be used to provide rental subsidies to maintain the affordability of at-risk projects. These subsidies can be structured to mirror the voucher program, whereby the subsidy covers the cost of the unit above what is determined to be affordable for the tenants' household income (including a utility allowance) up to the fair market value of the apartment. The per-unit subsidy is based on the difference between fair market rents and the annual amount affordable to a low-income household.

Purchase of Affordability Covenants

Another option to preserve the affordability of the at-risk project is to provide a financial assistance package to the owner to maintain the project as affordable housing. Assistance could include bonds, writing down the interest rate on the remaining loan balance, providing a lump-sum payment, and/or supplementing the rents to market levels. The feasibility and cost of this option depends on whether the complex is too highly leveraged. By providing lump sum financial incentives or ongoing subsidies in rents or reduced mortgage interest rates to the owner, the City can ensure that units remain affordable.

Construction of Replacement Units

The construction of new low-income housing units is a means of replacing the at-risk units if they are converted to market-rate units. The cost of developing housing depends upon a variety of factors, including density, size of the units (i.e., square footage and number of bedrooms), location, land costs, and type of construction.

A.9.3 Resources for Preservation

Preservation of at-risk housing requires not only financial resources but also administrative capacity of nonprofit organizations. These resources are discussed in detail later in this Housing Element in Appendix F - *Housing Resources*.

Canyon Lake Housing Element (2021-2029)

Appendix B – Assessment of Fair Housing

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B Assessment of Fair Housing

Appendix B presents an Assessment of Fair Housing for purposes of providing direction to the City on the goals, priorities and strategies it can adopt to affirmatively further fair housing (AFFH).

B.1 Government Code Requirements

B.1.1 Background

AB 686 (Santiago)

AB 686 was introduced on April 3, 2017. The June 4, 2018 version added the Assessment of Fair Housing to the program requirements of a local housing element, beginning on January 1, 2021. Government Code Section 65583(c)(5) states the housing program shall -

> Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law.

AB 686 does not ascribe a quantified meaning to the phrase “throughout” a community.

B.2 Assessment of Fair Housing Requirements

Appendix B presents an Assessment of Fair Housing for purposes of providing direction to the City on the goals, priorities and strategies it can adopt to affirmatively further fair housing (AFFH).

The Government Code requirements relating to affirmatively furthering fair housing and the assessment of fair housing are described on the next page.

Affirmatively Furthering Fair Housing/Assessment of Fair Housing

Government Code Section 8899.50

(a) For purposes of this section, the following terms have the following meanings:

(1) "Affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency's activities and programs relating to housing and community development.

Government Code Section 65583(c)

(9) (A) Affirmatively further fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2. The program shall include an assessment of fair housing in the jurisdiction that shall include all of the following components:

(i) A summary of fair housing issues in the jurisdiction and an assessment of the jurisdiction's fair housing enforcement and fair housing outreach capacity.

(ii) An analysis of available federal, state, and local data and knowledge to identify integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs within the jurisdiction, including displacement risk.

(iii) An assessment of the contributing factors for the fair housing issues identified under clause (ii).

(iv) An identification of the jurisdiction's fair housing priorities and goals, giving highest priority to those factors identified in clause (iii) that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance, and identifying the metrics and milestones for determining what fair housing results will be achieved.

(v) Strategies and actions to implement those priorities and goals, which may include, but are not limited to, enhancing mobility strategies and encouraging development of new affordable housing in areas of opportunity, as well as place-based strategies to encourage community revitalization, including preservation of existing affordable housing, and protecting existing residents from displacement.

The Assessment of Fair Housing presents an analysis of five potential issues:

- Integration and segregation patterns and trends
- Racially or ethnically concentrated areas of poverty
- Disparities in access to opportunity
- Disproportionate housing needs within the jurisdiction
- Displacement risk

Government Code Section (c)((9)(A) requires the analysis of fair housing issues within a jurisdiction. This focus is appropriate because it is the City's goals, priorities and strategies that will guide the actions to be taken to AFFH. The obstacles of comparing the city to a "region" are explained later in this Assessment of Fair Housing.

The fair housing analysis is hindered because the American Community Survey (ACS) does not produce data for each of the protected classes. For example, data are unavailable from the ACS regarding religious affiliation and the cost burdens experienced by sex of householder or by familial status.

The purpose of the analysis is to provide a basis to identify any "fair housing issues." For example, does segregation exist in the jurisdiction? Are there racially and ethnically concentrated areas of poverty in the jurisdiction?

If there are fair housing issues in the jurisdiction, then the assessment must identify and describe the factors that contribute to: 1) limiting or denying fair housing choice or access to opportunity and 2) negatively impact fair housing or civil rights compliance.

The jurisdiction then must identify for each contributing factor, the fair housing priorities and goals and the strategies to implement those priorities and goals. Government Code Section 65583(c)(9)(A)(v) provides examples of possible strategies and actions:

- Enhancing mobility strategies
- Encouraging development of new affordable housing in areas of opportunity
- Place-based strategies to encourage community revitalization
- Preservation of existing affordable housing
- Protecting existing residents from displacement

The strategies and actions become necessary when a fair housing issue is identified and the factors that contribute to that issue are known to some degree of certainty.

Government Code Section 8899.50(b) states:

> In selecting meaningful actions to fulfill the obligation to affirmatively further fair housing, this section does not require a public agency to take, or prohibit a public agency from taking, any one particular action.

According to Government Code Section 8899.50(c):

> This section shall be interpreted consistent with the Affirmatively Furthering Fair Housing Final Rule and accompanying commentary published by the United States Department of Housing and Urban Development contained in Volume 80 of the Federal Register, Number 136, pages 42272 to 42371, inclusive, dated July 16, 2015. Subsequent amendment, suspension, or revocation of this Final Rule or its accompanying commentary by the federal government shall not impact the interpretation of this section.

In preparing the AFH, the program participants – primarily Community Development Block Grant (CDBG) entitlement communities – were advised by HUD to use several available resources, including the AFFH Rule Guidebook, which was made available to grantees on December 15, 2015.

B.3 Fair Housing Protected Characteristics And Protected Classes

A "protected class" is a group of people with a common characteristic who are legally protected from housing discrimination.

According to U.S. Department of Housing and Urban Development (HUD):

- Protected Characteristics are race, color, religion, sex, familial status, national origin, having a disability, and having a type of disability. (24 C.F.R. § 5.152)
- Protected Class means a group of persons who have the same protected characteristic; e.g., a group of persons who are of the same race are a protected class. Similarly, a person who has a mobility disability is a member of the protected class of persons with disabilities and a member of the protected class of persons with mobility disabilities. (24 C.F.R. § 5.152)

Federal Protected Classes

- Race
- Color
- National Origin
- Disability: Mental and Physical
- Religion
- Sex
- Familial Status

California Protected Classes

- Marital Status
- Ancestry
- Source of Income
- Sexual Orientation
- Age*
- Gender Identity, Gender Expression
- Genetic Information
- Military or Veterans Status
- Primary Language*
- Citizenship/Immigration Status*

* Covered under the Unruh Civil Rights Act, which applies to most housing accommodations in California.

B.4 City Context

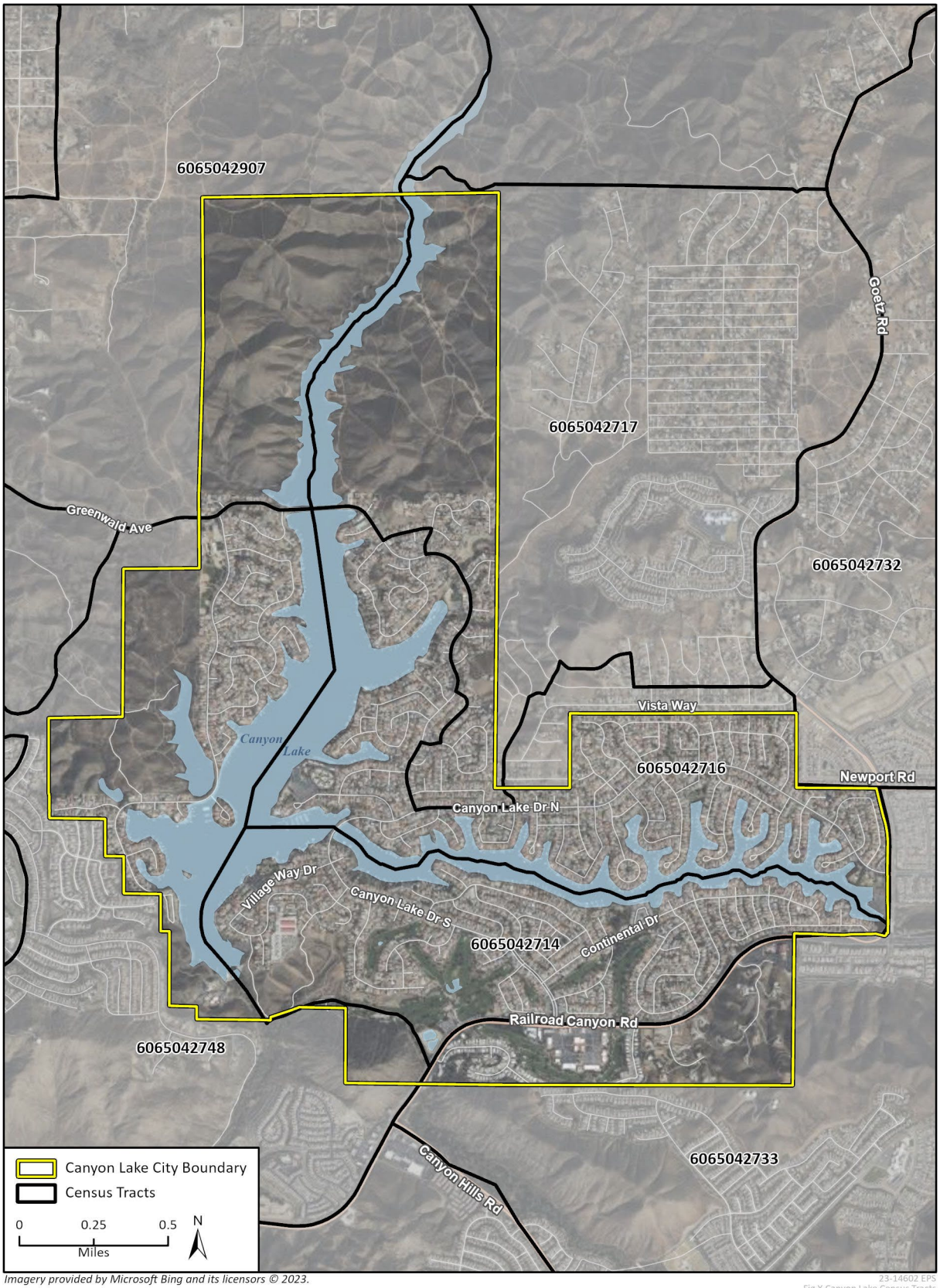
The City of Canyon Lake primarily consists of a private, gated community managed by the Canyon Lake Property Owners Association (POA). A large area in the northern part of the city and a smaller area in the western part of the city consist of undeveloped land zoned Natural Recreation Area. Most of the housing in the City consists of single-family residences surrounding the Lake. There are several condominium complexes throughout the gated community, containing units ranging from one- to four-bedrooms. One condominium complex is outside the gated area in the Towne Center, but this complex is still part of the City of Canyon Lake and the Canyon Lake Property Owners Association. Fairway Estates is a gated mobile home community located in the southern part of the city, outside of the main gated area, and is also part of the City of Canyon Lake.

Most residential development within the City is located within the gated community, with the exception of 25 single-family residential lots in the southeastern corner of the city. These 25 residential lots are located on a steep hillside and are mostly vacant.

The City of Canyon Lake overlaps with six census tracts, most of which contain large areas of land outside the city. Figure B-1 shows census tracts in Canyon Lake. Census Tracts 429.07 and 427.17 overlap the northern part of the City. Both census tracts contain a large area of undeveloped land, as well as a small number of single-family housing units in northern Canyon Lake and a greater number of housing units in the communities of Meadowbrook and Quail Valley. While census data for Census Tracts 429.07 and 427.17 may indicate that housing and population characteristics in the northern part of Canyon Lake differs from the rest of the City, this is likely inaccurate as the data is skewed by the housing and population in Meadowbrook and Quail Valley. Housing in the northern part of the City (in Census Tracts 429.07 and 427.17) is part of the same gated community as the rest of the City and therefore, likely shares similar housing and population characteristics as the rest of the city. The City has observed that sociodemographic characteristics within those areas of Census Tracts 429.07 and 427.17 located outside of Canyon Lake differ greatly from characteristics within the gated community of Canyon Lake. Because the population within

Census Tracts 429.07 and 427.17 located within the city of Canyon Lake are members of the Canyon Lake POA, housing costs are significantly more expensive than housing costs in Meadowbrook and Quail Valley within these same census tracts. The skewed census data for Census Tracts 429.07 and 427.17 has been considered throughout this AFFH analysis.

Figure B-1 Canyon Lake Census Tracts



Imagery provided by Microsoft Bing and its licensors © 2023.
Additional data provided by U.S. Census Bureau, 2023.

23-14602 EPS
Fig X Canyon Lake Census Tracts

B.5 Fair Housing Enforcement, Outreach and Resources Analysis

B.5.1 Fair Housing Enforcement

Fair Housing Resources

The enforcement of fair housing laws is administered by HUD, the California Department of Fair Employment and Housing (DFEH) and the Fair Housing Council of Riverside County, Inc. (FHCRC).

The DFEH is responsible for enforcing state fair housing laws that make it illegal to discriminate. The DFEH may file signed complaints with HUD if the matter falls within the jurisdiction of that agency. As a substantially equivalent agency, DFEH's findings are usually accepted by HUD.

Locally, the FHCRC takes part in a variety of activities to fight housing discrimination, such as free educational workshops, outreach to the community, and the investigation of housing discrimination complaints. The capacity of the FHCRC enables it to provide fair housing information, outreach, and enforcement to 24 cities and communities located in Riverside County plus the unincorporated area of the County. The funding that supports the efforts of the FHCRC includes CDBG funds received from participating jurisdictions within its service area and grant funds such as HUD's Fair Housing Initiatives Program (FHIP).

FHCRC's proposed activities include conducting fair housing tests on rentals, sales and design and construction; hosting the Annual Housing Conference during National Fair Housing Month; creating partnerships with local agencies and three partnerships with universities and colleges, conducting town hall meetings to connect the public with housing professionals and industry leaders, conduct trainings, create new educational materials in various languages and systematic investigations which will help remove barriers to fair housing.

The FHCRC provides a full range of services including:

- Anti-discrimination
- Landlord/tenant counseling
- First time homebuyer seminars
- Foreclosure prevention
- Loan modification
- Back-to-Work FHA
- Training

Additionally, the FHCRC completed a Cultural Diversity Grant through the National Association of REALTORs (NAR) for the Inland Valleys Association of REALTORs (IVAR) members to attend the 2020 and 2021 Housing Conferences.

FHCRC is also a certified continuing education credit training organization through the California Department of Real Estate.

The City does not participate in fair housing testing.

B.5.2 Housing Discrimination Complaints

The City refers fair housing complaints to the FHCRC and the HUD's Office of Fair Housing and Equal Opportunity (FHEO). HUD's San Francisco Regional Office reported four housing cases in Canyon Lake were filed by with the FHEO between January 2013 and November 2022. Two of these cases were based on familial status-based discrimination, two on sex-based discrimination, and one based on race-based discrimination (individual cases may have multiple basis of discrimination).

The FHEO does not consider fair housing inquiries as official cases as residents did not pursue further action, however inquiries can reveal information on fair housing concerns and possible housing discrimination. There were three fair

housing inquiries in Canyon Lake between January 2013 and November 2022. One inquiry was based on familial status and the remaining two inquiries did not report on the basis of discrimination.

There were no fair housing inquiries submitted by City residents to the Fair Housing Council of Riverside County, Inc. during the period from June 2015 through July 2020.

B.5.3 Compliance with Existing Fair Housing Laws

The City does not have any pending lawsuits, enforcement actions, judgements, settlements, or findings related to fair housing and civil rights. The City does not currently have any local fair housing laws or programs to specifically address fair housing issues.

The City of Canyon Lake complies with existing fair housing laws and regulations by ensuring all residents have equal access to housing programs, services, and resources and supporting any resident in filing complaints on housing discrimination. The City also ensures that the City's zoning regulations do not result in segregation or discriminatory practices. In addition, the City does not place more scrutiny or deny projects or individuals of their right to tenancy, residence, or entitlement based on memberships of protected classes, in compliance with Government Code section 65008. The City complies with the following fair housing laws:

- **Fair Housing Act of 1968** – The City upholds policies that prohibit housing discrimination based on protected characteristics and ensure equal access to housing programs and services through City protocols, decision-making procedures, and adhering to non-discrimination requirements of federal funding programs. The City ensures compliance through programs like Program 20, 21, and 22.
- **American Disabilities Act** – The City upholds policies prohibiting discrimination based on disability status through building permit review and issuance and as described in Appendix D Governmental Constraints, under the heading Housing for Special Needs Populations.
- **Fair Housing & Employment Act** – The City upholds policies that prohibit housing discrimination based on protected characteristics and enforces these policies by supporting residents seeking to file a complaint to the DFEH or who wish to pursue legal action. The City also complies through established City protocols for hiring and decision making, mandatory trainings for City staff, and legal counsel and advisement.
- **AB 686** – The City has included this assessment of fair housing and identifies strategies to increase housing opportunities for all residents, with specific actions to reduce housing disparities for disadvantaged communities.
- **Density Bonus Law** –The City is currently in the process of drafting a density bonus ordinance to allow density bonuses and other development incentives to housing developers proposing projects with a minimum amount of affordable housing units, in compliance with State law through Program 2.8 which directs the City to research best practices for Density Bonus Ordinances and adopt a Density Bonus Ordinance by the end of 2025.
- **Housing Accountability Act** –The City complies with the Housing Accountability Act by approving eligible housing development projects that comply with the City's adopted objective development standards unless the City makes a written finding that the project will have a specific, adverse impact on public health or safety and there is no feasible method to mitigate or avoid that impact. Compliance with the Housing Accountability Act is documented in Appendix D Governmental Constraints
- **No-Net-Loss** – The City complies with the No Net Loss Law by identifying sites that can accommodate the City's RHNA and will ensure compliance with no net loss by implementing Program 1.3, which directs the City to establish an evaluation procedure to track the number of extremely low-, very low-, low-, moderate-, and above moderate-income units constructed in the city.

B.5.4 Conclusion

No fair housing issue exists because of the lack of an organization to enforce fair housing laws. The FHCRC provides a full range of fair housing services throughout Riverside County.

B.6 Segregation/Integration Analysis

For the purposes of the Affirmatively Furthering Fair Housing (AFFH) rule, "segregation" "means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area. 24 C.F.R. § 5.152.

For the purposes of the AFFH rule, "integration" "means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area. 24 C.F.R. § 5.152[1]

The AFFH rule does not define the meaning of "High."

B.6.1 Dissimilarity Index Measures Segregation/Integration

HUD utilizes the racial/ethnic dissimilarity index to measure segregation levels across a defined geographic boundary. The racial/ethnic dissimilarity index ranges from 0-100, where 0 represents perfect integration between racial groups and 100 representing perfect segregation.[2] A dissimilarity index score of 0 to less than 40 indicates low segregation, 40 to 54 indicates moderate segregation, and greater than 55 indicates high segregation as shown in Table B-1.

Table B-1 Levels of Segregation

Dissimilarity Index Value	Level of Segregation
< 40	Low Segregation
40 –– 54	Moderate Segregation
> 54	High Segregation

Brown University publishes values of the Dissimilarity Index for metropolitan areas and cities. The metropolitan area in which the City of Canyon Lake is located is the Riverside-San Bernardino-Ontario Metropolitan Division, a vast geographic area of some 27,408 square miles, consisting of the counties of Riverside and San Bernardino. This is an area that is larger than the state of West Virginia. The distance from the city halls of Blythe (Riverside County) and Ontario (San Bernardino County) is 188 miles, a 3 hour drive. The distance from the city halls of Needles (San Bernardino County) and Rancho Cucamonga (San Bernardino County) is 215 miles, a 3 and ½ hour drive.

For the purpose of comparison, values of the index are available for the City of Canyon Lake only for 2010 and 2020, although values are available for more points in time for the metropolitan area. Region-wide, the most noticeable trend is the increase of the White-Black index from 43.8 to 52.7 during a ten-year span, as shown in Table B-2. Even though both values are still in the Moderate Segregation level, the 2020 value is moving closer to the High Segregation level. Values for the other racial and ethnic groups are all in the Moderate Segregation level and have been stable between 2010 and 2020. In fact, all have declined slightly with the exception of the Hispanic-Asian index which has not changed.

All City of Canyon Lake values of the index for both 2010 and 2020 and for each of the six racial and ethnic group comparisons are at the Low Segregation level. The values of the Dissimilarity Index for White-Black, White-Asian, and black-Asian have all increased, but they are still at the very low end of the scale. Although some racial and ethnic groups have increased in the city when compared to the county, overall, Canyon Lake has a lower dissimilarity index. It is safe to conclude that segregation by race is low throughout Canyon Lake.

[2] HUD, 2020. https://www.hud.gov/sites/dfiles/FHEO/documents/AFFH-T-Data-Documentation-AFFHT0006-July-2020.pdf

Table B-2 Dissimilarity Index: 2010 and 2020 (City of Canyon Lake and Riverside-San Bernardino-Ontario Metropolitan Division)

	City of Canyon Lake		Riverside-San Bernardino-Ontario Metropolitan Division	
Racial and Ethnic Group	2010	2020	2010	2020
White-Black/Black-White	8.7	13.7	43.8	52.7
White-Hispanic/Hispanic-White	5.8	4.2	42.4	42.2
White-Asian/Asian-White	2.1	5.6	38.2	38
Black-Hispanic/Hispanic-Black	7.4	11	32.5	30.8
Black-Asian/Asian-Black	9.7	13.2	38.6	38.4
Hispanic-Asian/Asian-Hispanic	7.4	2.8	44.8	44.8

Source: Brown University Diversity and Disparity Project 2021.

B.6.2 Race and Ethnicity

The ethnic and racial composition of a region relates to fair housing concerns such as household size, locational preferences, and economic opportunity. Historic exclusionary governmental policies, biased mortgage lending practices, and other tactics have caused racial and ethnic segregation and spatial inequities.

Regional Trends

Riverside County is fairly diverse, with a large non-White population. Approximately 49 percent of residents in Riverside County identify as Hispanic/Latino, 34 percent as non-Hispanic/Latino White, 7 percent as Asian/Pacific Islander, and 6 percent as Black/African American (Table B-3). Racial/ethnic makeup has not changed significantly between 2010 and 2020 in Riverside County. The percent of Hispanic/Latino residents decreased by five percent, non-Hispanic/Latino White residents decreased by seven percent, and Asian/Pacific Islander residents increased by one percent.

In Riverside County, the percentage of non-White residents is highest in the northwest and central parts of the county (Figure B-2). In parts of Riverside, Moreno Valley, Perris, and areas west and south of the Salton Sea more than 81 percent of residents identify as non-White.

Table B-3 Population by Race and Ethnicity: 2010 and 2020 (City of Canyon Lake and Riverside-County)

	Riverside County			
	2010		2020	
Race/Ethnicity	Number	Percent	Number	Percent
Hispanic or Latino	933,529	44.3%	1,204,521	49.4%
Not Hispanic or Latino				
White Alone	863,965	41.0%	837,847	34.4%
Black/African American	124,715	5.9%	148,003	6.1%
American Indian/Alaska Native	9,870	0.5%	9,079	0.4%
Asian/Pacific Islander	123,808	5.9%	165,691	6.8%
Other/Multiple Races	53,577	2.5%	72,723	3.0%
Total	**2,109,464**		**2,437,864**	
	City of Canyon Lake			
	2010		2020	
Race/Ethnicity	Number	Percent	Number	Percent
Hispanic or Latino	967	9.1%	1,377	12.3%
Not Hispanic or Latino				
White Alone	8,992	84.7%	8,686	77.3%
Black/African American	45	0.4%	88	0.8%
American Indian/Alaska Native	14	0.1%	15	0.1%
Asian/Pacific Islander	286	2.7%	386	3.4%
Other/Multiple Races	314	3.0%	685	6.1%
Total	**10,618**		**11,237**	

Sources: U.S. Census Bureau; 2010 Census, Summary File 1, 2010 Census Redistricting Data. Table P2, 2020 Census Redistricting Data, Table P2

Local Trends

Canyon Lake has a much higher percentage of non-Hispanic/Latino White residents (75 percent) compared to Riverside County (34 percent). White residents comprise the largest racial/ethnic group in Canyon Lake, followed by Hispanic and Latino residents (12 percent), other/multiple race residents (six percent), and Asian/Pacific Islander (3 percent). Racial/ethnic diversity in Canyon Lake increased slightly between 2010 and 2020. The percent of non-Hispanic/Latino White residents decreased by eight percent and the percent of Hispanic/Latino residents increased by three percent, other/multiple race residents by three percent, and Black/African American residents increased by almost one percent.

The percentage of non-White residents is highest in the northwestern part of the city, where between 61 and 80 percent of the population identifies as non-White, and lowest in the western part of the city, where approximately 22 percent of the population identifies as non-White (Figure B-3). However, the northern part of the city is mostly undeveloped with few housing units. The northwestern corner of the city, where the highest percentage of non-White residents is located, is within Census Tract 429.07 which contains a small number of housing units in Canyon Lake (18 housing units out of the 951 housing units in the census tract), as well as a large portion of the neighboring community of Meadowbrook. In Meadowbrook, approximately 76 percent of the population is non-White compared to just 25 percent in Canyon Lake, and 74 percent of Meadowbrook's population is Hispanic/Latino. Therefore, it is likely that the high percentage of non-White residents in Census Tract 429.07 is skewed by the sociodemographic

characteristics of Meadowbrook, as most of the population in that census tract is located outside of Canyon Lake. Residents in the Canyon Lake area of this census tract consist of homeowners living within the same gated community as other census tracts within the city and is more likely to be representative of the residents of these census tracts in Canyon Lake. The percentage of non-White residents within Census Tract 429.07 in the northwestern corner of the city is likely similar to the rest of the city, between 21 to 40 percent, and the northwestern part of the city likely does not have a higher concentration of non-White residents.

Figure B-2 Percent Total Non-White Population (Riverside County)

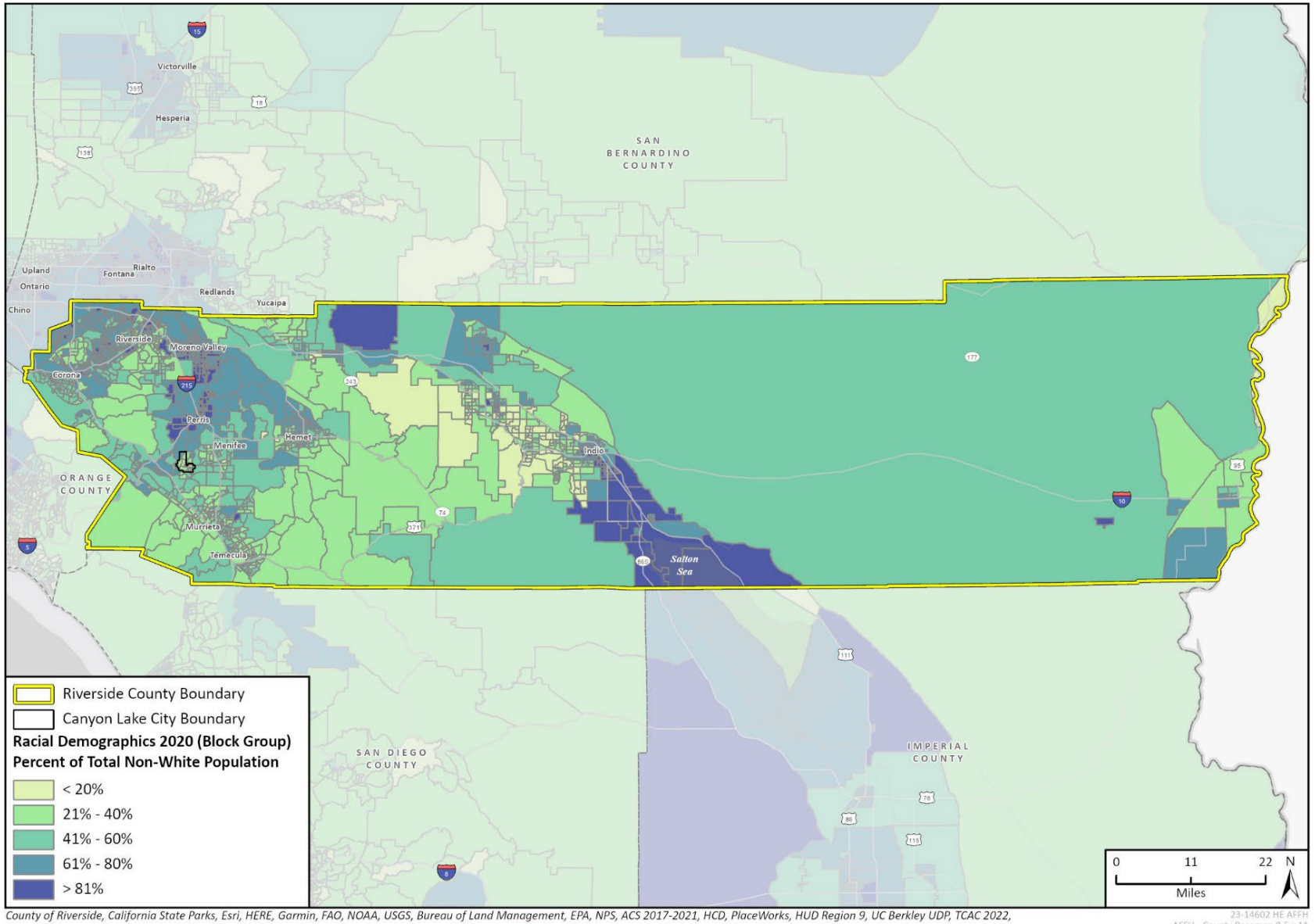
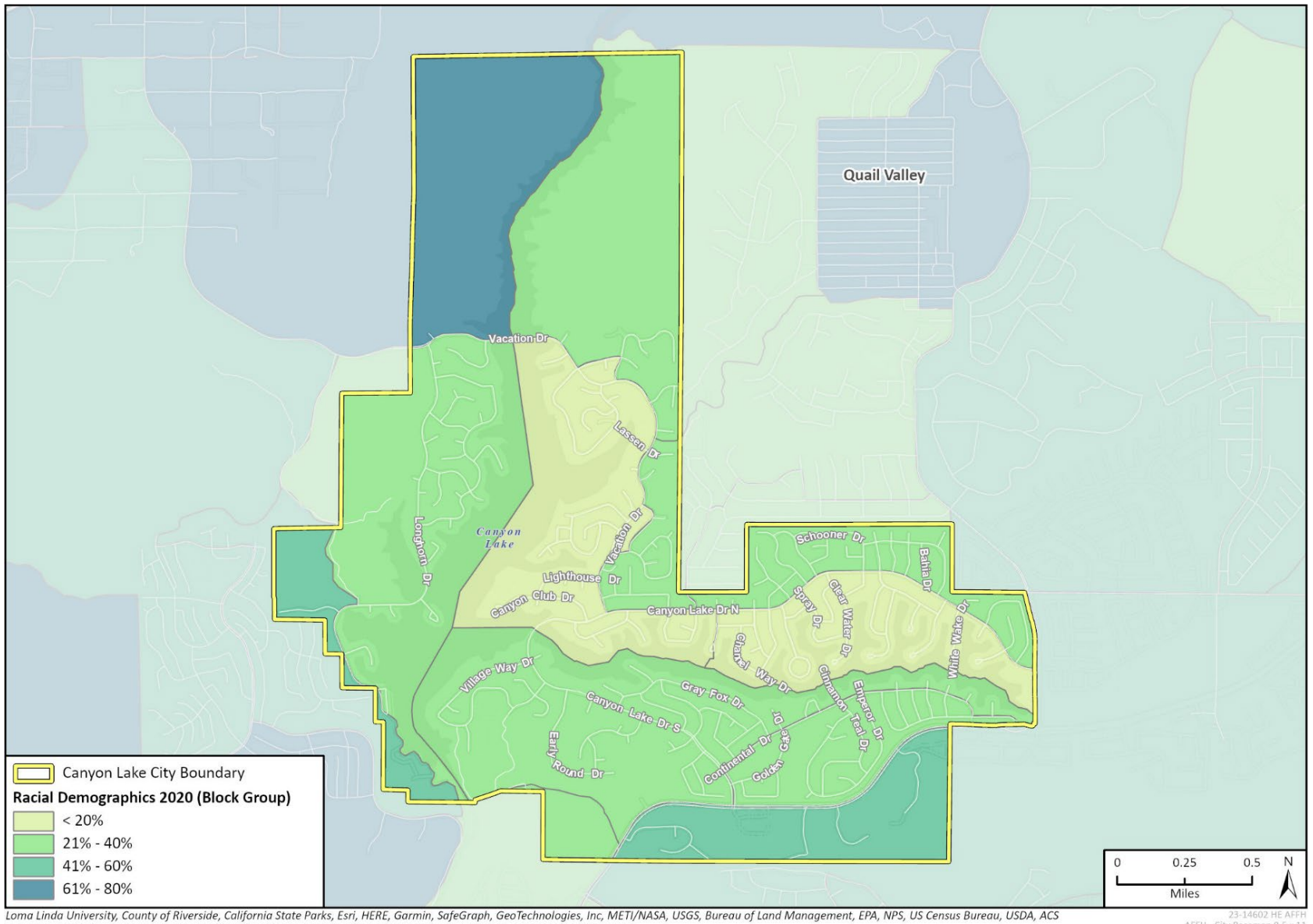


Figure B-3 Percent Total Non-White Population (Canyon Lake)



Compared to surrounding cities in Riverside Canyon, Canyon Lake has a lower percentage of non-White residents. The White Alone population still represents a large majority of the total population in Canyon Lake (74.7 percent) while representing approximately one-third of the population in Riverside County.

B.6.3 Income Disparity

Regional Trends

According to 2016-2020 ACS estimates, the median household income in Riverside County is $70,732, which is approximately 11 percent lower than the state's median household income of $78,672. In Riverside County, median household income various greatly by race/ethnicity (Table B-4). Asian households have the highest median household income ($90,165), while American Indian/Alaska Native households ($62,935), Hispanic/Latino households ($61,637), and other race households ($54,943) have the lowest median household incomes.

In Riverside County, median household income is higher in western areas of the county and lower in eastern parts of the county (Figure B-4). Census tracts in and near the cities of Woodcrest, Canyon Lake, Temecula, and La Quinta have the highest median household incomes in the county, between $120,000 and $175,000 per year. Lower median household incomes, below $55,000 per year, are concentrated in rural areas in the eastern part of the county and in the cities of Hemet, Riverside, Coachella, Cathedral City, Indio, Palm Desert, North Palm Springs, and Desert Hot Springs.

Table B-4 Median Household Income (in 2020 Inflation-Adjusted Dollars) by Householders' Race/Ethnicity (City of Canyon Lake and Riverside County)

Race/Ethnicity of Householder	City of Canyon Lake	Riverside County
Hispanic or Latino	$120,884	$61,637
White Alone	$114,920	$78,847
Black or African American*	**	$68,511
American Indian and Alaska Native*	**	$62,935
Asian*	$102,115	$90,165
Native Hawaiian and Other Pacific Islander*	**	$83,923
Some Other Race*	$120,115	$54,943
Two or More Races*	$85,604	$78,846
Total	**$107,868**	**$70,732**

*. Includes Hispanics or Latinos who are members of this racial group.

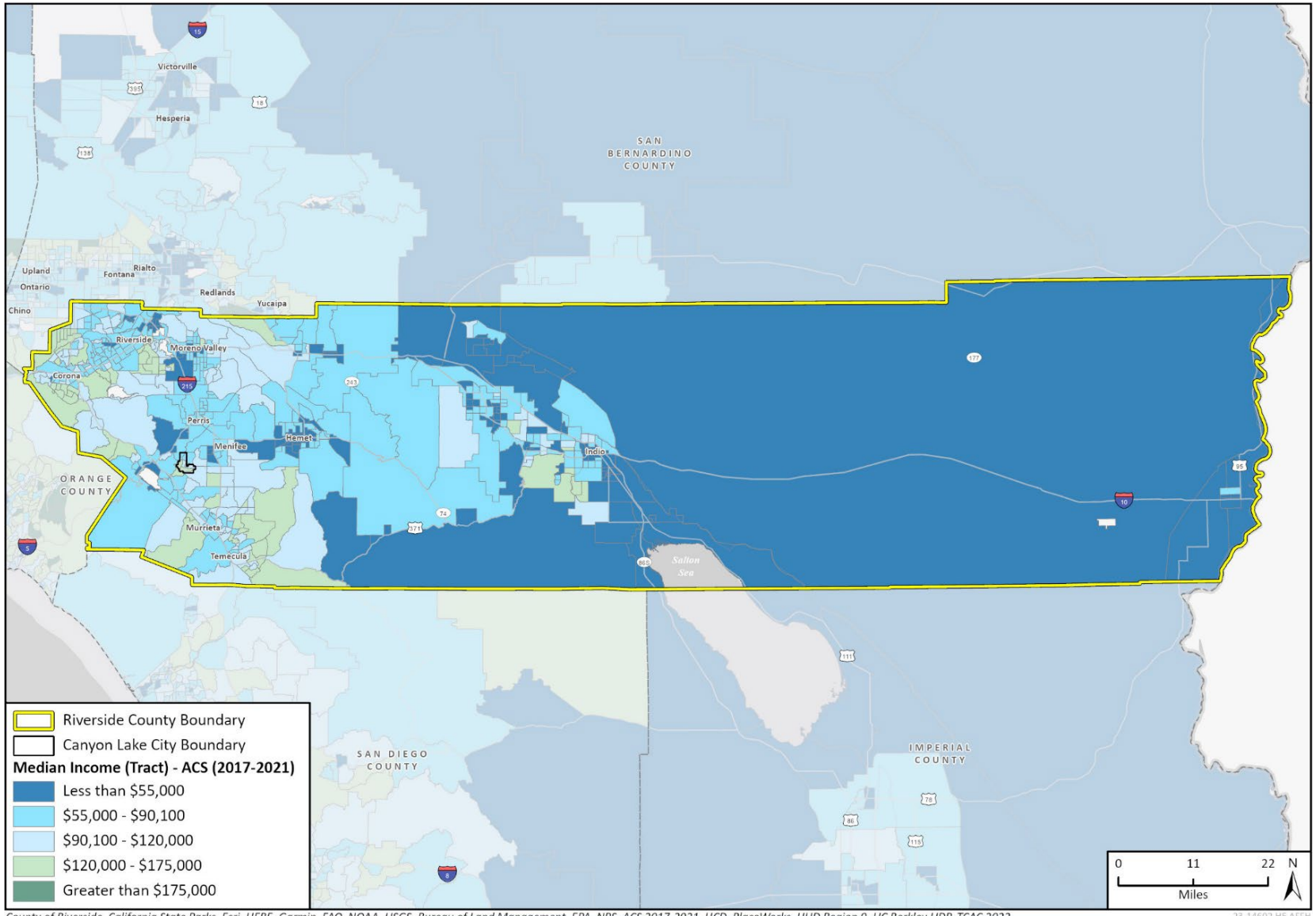
** The median household income is not available because the sample size was too small to calculate the margin of error.

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-year Estimates, Table S1903

Local Trends

According to 2016-2020 ACS estimates, overall median household income in Canyon Lake was $107,868 which is 42 percent higher than the median for Riverside County ($70,732) and 31 percent higher than the state median income ($78,672). Additionally, incomes are significantly higher for each racial and ethnic group residing in Canyon Lake compared to Riverside County. Hispanic/Latino households have the highest median household income ($120,884) in Canyon Lake, followed by some other race ($120,115), and White Alone ($114,920). In contrast, Hispanic and Latino households have one of the lowest median household incomes in Riverside County ($61,637). Median household income is highest in the western and southern part of the city (greater than $120,000) and lowest in the northern part of the city less than $68,000) (Figure B-5). Throughout the rest of the city, median household income ranges from $90,000 to $120,000. Areas of the city with higher median household incomes, generally correspond to areas that are predominantly Hispanic/Latino. The range of median household income throughout

Figure B-4 Median Household Income (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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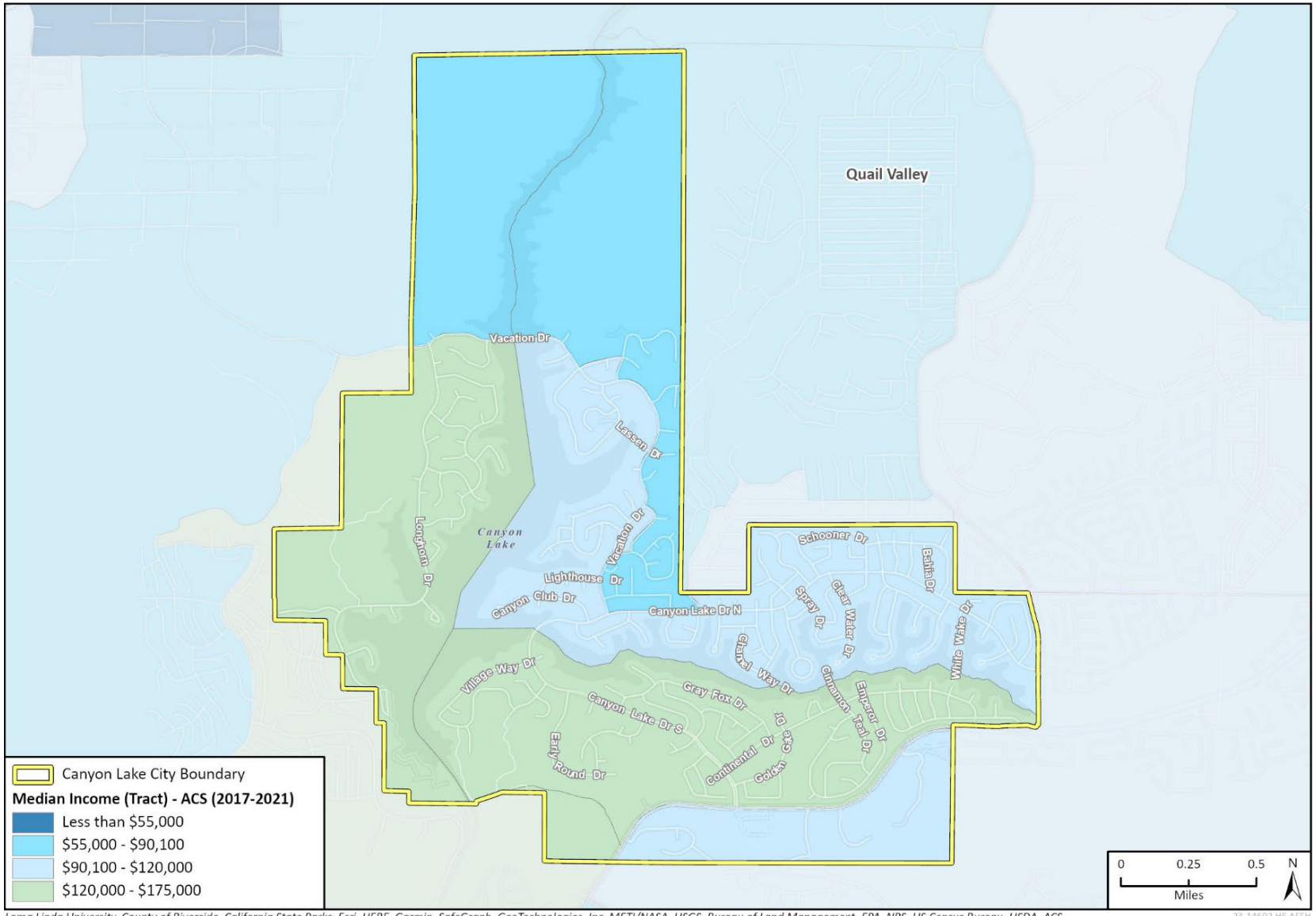
Figure B-5 Median Household Income (Canyon Lake)



Canyon Lake is similar to adjacent cities to the east. Cities to the north and west generally have lower median household incomes. While the ACS data shows that the northern part of the city has the lowest median household income, this area is mostly undeveloped and is comprised of Census Tracts 429.07 and 427.48 which mostly include areas within the community of Meadowbrook and Quail Valley and therefore do not reflect the population of Canyon Lake. Existing housing in Census Tracts 429.07 and 427.48 are part of the same gated community as the rest of the city and part of the Property Owners Association and as such have similar housing costs as other households living within the gated community in Canyon Lake. Households in Census Tracts 429.07 and 427.08 within Canyon Lake are homeowners living in single-family detached homes. Due to POA fees, housing costs in the gated community are more expensive than the surrounding areas, and it is likely that residents within the gated community generally have higher incomes to afford the higher housing costs. In addition, based on City observations, it is likely that residents within the northwestern part of Canyon Lake have similar sociodemographic characteristics as the rest of the City. Therefore, median household income in the northern part of the city is likely similar to the rest of the Canyon Lake.

B.6.4 Population with a Disability

For persons with disabilities, fair housing choice and access to opportunity include access to accessible housing and housing in the most integrated setting appropriate to an individual's needs as required under federal civil rights law, including equitably provided disability-related services that an individual needs to live in such housing. For example, persons with disabilities who are unable to use stairs or need a zero-step shower may not have housing choice if there are not sufficient housing units with these accessibility features.[3]

High spatial segregation of persons with disabilities may indicate fair housing issues related to not only physical needs, but also economic disparities. According to the 2020 Annual Report on People with Disabilities in America, more than 25 percent of persons with disabilities (including physical, intellectual, and developmental; sensory; and other disability categories) live below the Census Bureau-designated poverty line, which is 14.5 percentage points higher than people without a disability.[4] Persons with disabilities may be more reliant than persons without disabilities on fixed incomes or access to public transit.

Regional Trends

According to 2016-2020 ACS estimates, approximately 12 percent of the population has a disability (Table B-5). Disability rates are highest among non-Hispanic/Latino White residents (16 percent), followed by American Indian/Alaska Native residents (14 percent), Black/African American residents (14 percent), and Native Hawaiian/Pacific Islander residents (13 percent). Disability rates are lowest among Asian residents (9 percent), two or more races (9 percent), Hispanic/Latino residents (9 percent), and some other race (8 percent).

Table B-5 Percent with a Disability by Race/Ethnicity (City of Canyon Lake and Riverside County)

Race/Ethnicity	City of Canyon Lake	Riverside County
White alone	10.9%	13.3%
Black or African American alone	36.9%	13.8%
American Indian and Alaska Native alone	0.0%	14.0%
Asian alone	10.4%	9.4%
Native Hawaiian and Other Pacific Islander alone	0.0%	12.5%
Some other race alone	2.9%	8.1%
Two or more races	19.5%	9.1%

[3] HCD, 2021. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf
[4] Annual Disability Statistics Compendium, 2020. https://disabilitycompendium.org/annualreport

Race/Ethnicity	City of Canyon Lake	Riverside County
White alone, not Hispanic or Latino	11.2%	16.1%
Hispanic or Latino (of any race)	12.8%	8.5%
Total	**10.6%**	**11.6%**

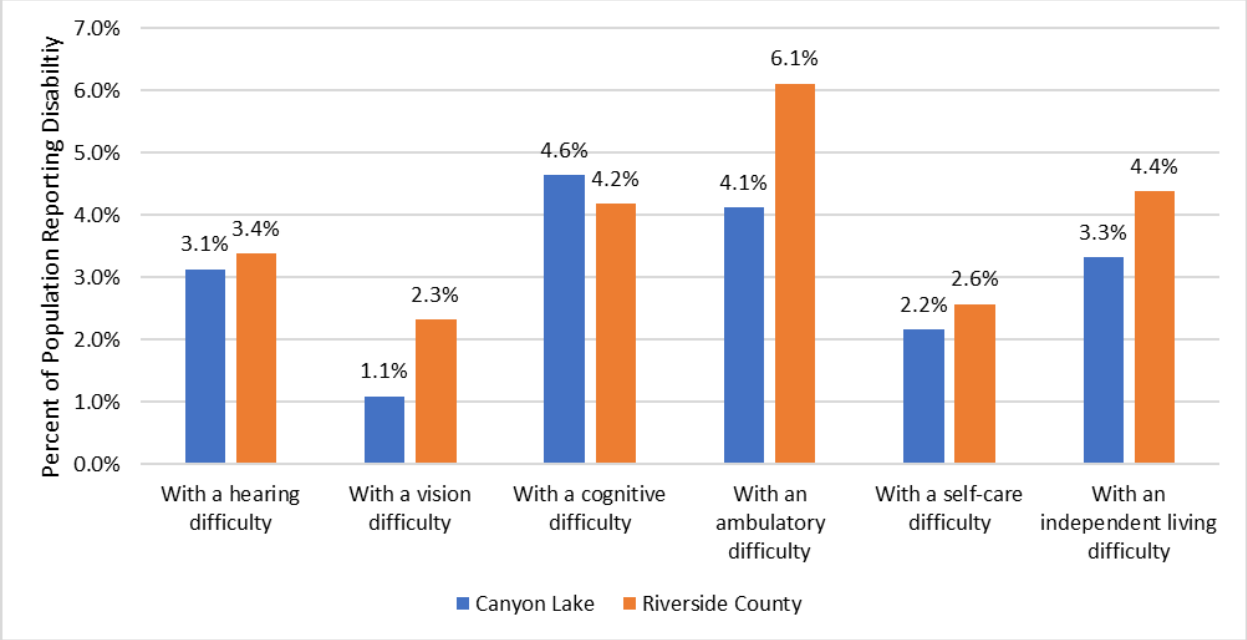
*. Includes Hispanics or Latinos who are members of this racial group.

** The median household income is not available because the sample size was too small to calculate the margin of error.

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-year Estimates, Table S1903

The most common disability in Riverside County is ambulatory difficulty (6 percent of the population), followed by difficulty with independent living (4 percent), and cognitive difficulty (4 percent) (Figure B-6).

Figure B-6 Disability by Type



In Riverside County, the percentage of residents with a disability is highest in the cities of Sun City, Hemet, a portion of the Coachella Valley, where up to 42 percent of residents have a disability (Figure B-7). Disability rates are also high in the Mount San Jacinto State Park area, Cathedral City, and Rancho Mirage, where between 20 and 30 percent of residents have a disability. Disability rates are lowest in the western part of the county, particularly within parts of the cities of Perris, Moreno Valley, and Corona, where less than 10 percent of residents have a disability.

Local Trends

The ACS data is only available for entire census tracts. The census tracts are not split between cities or between a city and unincorporated area. There are six census tracts that are partially within the City of Canyon Lake. However, only two (427.14 and 427.16) have a majority of the area located within Canyon Lake's city boundaries. As a result, the total household count of 3,236 in Table B-6 is less than the city-wide total of 4,230.

Overall, the percentage of the population with a disability has increased slightly from 2015 to 2020 in the City of Canyon Lake, from 10 percent to 11 percent, which is comparable to the disability rate in Riverside County. Seniors age 65 and older have the highest disability rate among age groups, 28 percent. The percentage of residents with a disability generally increases as the age increases.

Table B-6 Population by Age with a Disability 2015 and 2020 (City of Canyon Lake)

	2015		
Population with a Disability	Population	With a Disability	Percent
Under 18 Years of Age	2,158	82	3.8%
18 to 64 Years	6,766	506	7.5%
65 Years and Older	1,994	492	24.7%
Total Population	**10,918**	**1,080**	**9.9%**
	2020		
Population with a Disability	Population	With a Disability	Percent
Under 18 Years of Age	2,475	82	3.3%
18 to 64 Years	6,700	535	8.0%
65 Years and Older	2,062	572	27.7%
Total Population	**11,237**	**1,189**	**10.6%**

Source: U.S. Census 2011-2015 and 2016-2020 American Community Survey, Table CP02

As shown in Table B-5, disability rates are significantly higher for Black/African American residents (37 percent) and individuals that identify as two or more races (20 percent), than any other racial/ethnic group in the city. Disability rates are lowest among some other race residents (3 percent). Disability rates for all other races/ethnicities are between 10 and 13 percent. The City will continue to support the needs of residents with a disability by conducting targeted outreach to expand awareness of available resources and identify housing needs and through encouraging the development of affordable housing for residents with a disability. Since the majority of residents with a disability are seniors (65 and older), it is likely that elderly non-White residents have a higher rate of disability than other residents of the city. The City will implement Program 2.3 to facilitate the development of affordable housing for special needs households, including persons with disabilities, through permit streamlining, offering concessions and incentives, and removing constraints to developing housing. Through Housing Programs 2.5, 2.6, 3.2, and 5.1 the City will coordinate with local service providers to conduct outreach to increase awareness of available programs and resources to assist those with special needs, including those with a disability.

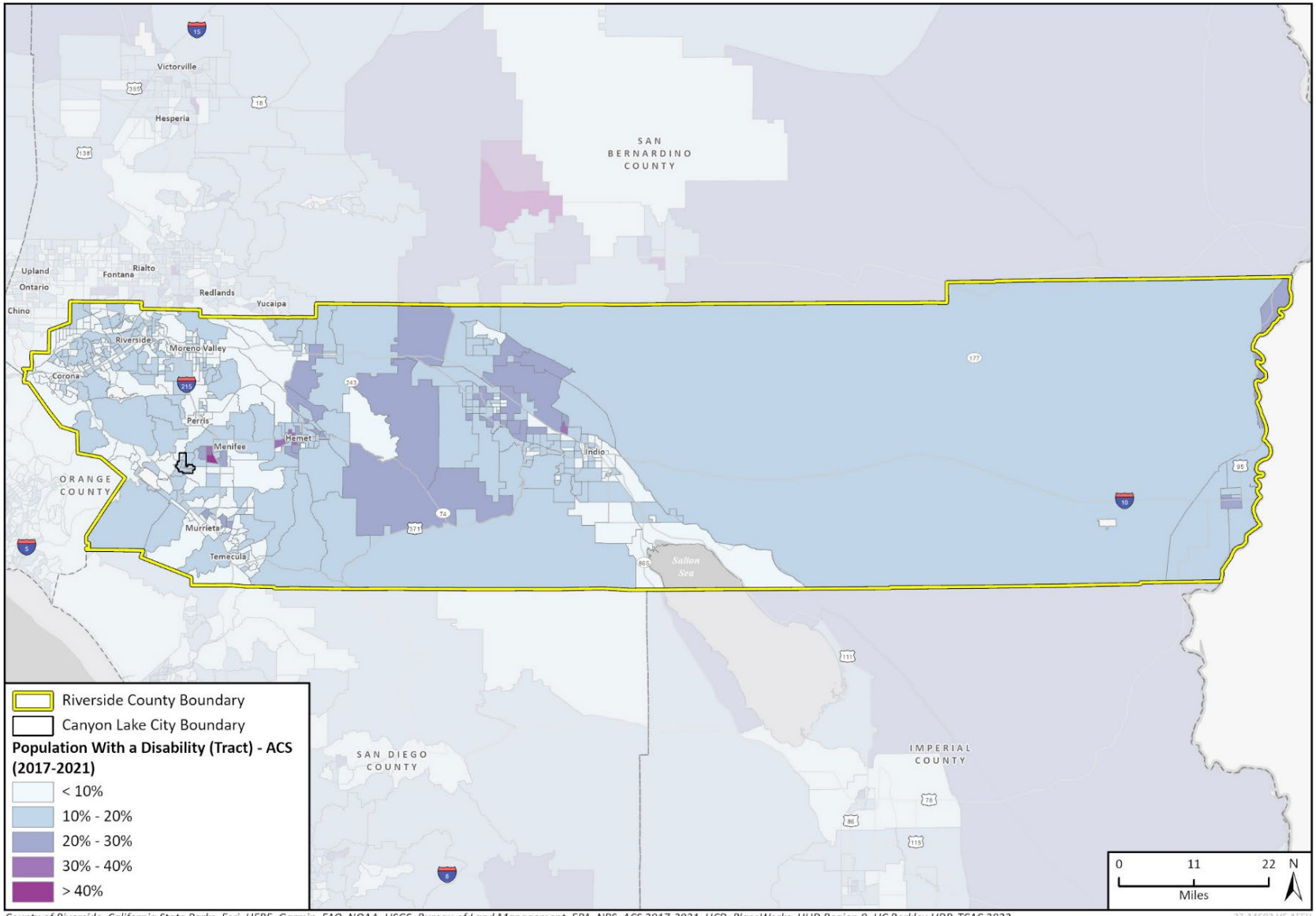
The most common disability in Canyon Lake is cognitive difficulty (5 percent of the total population), followed by ambulatory difficulty (4 percent) (Figure B-6).

The percentage of residents with a disability is highest in the center of the city, where between 10 and 12 percent of residents have a disability, and lowest in the northwest and southeast corners of the city, where less than 10 percent of residents have a disability (Figure B-8).

The vast majority of disabled persons live in separate living quarters (a housing unit) not in a group quarter setting (nursing home). There are no Adult Residential Facilities (ARFs) located in Canyon Lake according to the California Department of Social Services/Community Care Licensing Division. An ARF is a residential home for adults 18 to 59 with mental health care needs or who have physical or developmental disabilities and require or prefer assistance with care and supervision. Through Program 5.5, the City will collaborate with the Riverside Transit Agency to evaluate transit and active transportation needs, prioritizing transit needs for residents with disabilities. The City of Canyon Lake and Riverside County offer various resources for the elderly and disabled. Below are some key services available:

- Canyon Lake Senior Center: Provides social and recreational activities for seniors.
- Riverside County Office on Aging: provides programs such as meal services, health insurance counseling, caregiver support, employment training, and transportation services.
- Aging and Disability Resource Connection (ADRC): Serves as a central hub for information and referrals on aging and disability-related services.

Figure B-7 Percent of Population with a Disability (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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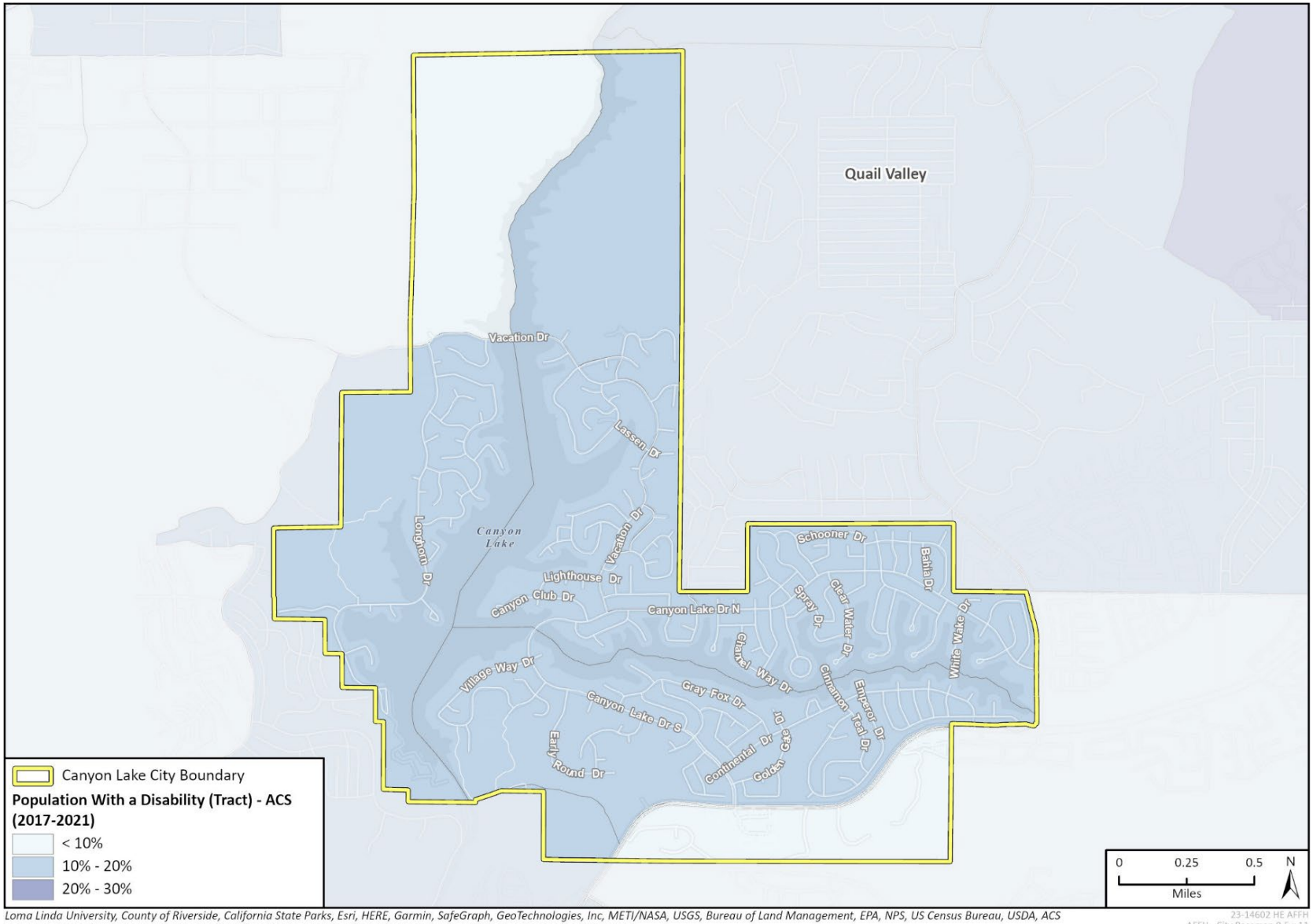
Figure B-8 Percent of Population with a Disability (Canyon Lake)



B.6.5 Familial Status

Familial status refers to the presence of children under the age of 18 and the martial status of the head of the household. Families with children may face housing discrimination by landlords who fear that children will cause property damage. Examples of differential treatment include limiting the number of children in an apartment complex or confining households with children to a specific location are potentially discriminatory. Single-parent households are protected by fair housing law. A 2016 HUD study on the effects of housing discrimination based on familial status found that landlords presented households with children fewer housing options, and the units shown were generally larger, and as a result, slightly more expensive to rent.[5] Additionally, female-headed households with children require special consideration and assistance because of generally greater needs for affordable housing and accessible day care, health care, and other supportive services.

Regional Trends

In 2020, approximately 32 percent of households in Riverside County comprised of households with children, a decrease of six percent from 2010 (Table B-7). Most households with children are married-couple households (73 percent), followed by female-headed, single-parent households (16 percent)

In Riverside County female-headed, single-parent households represent a greater percentage of households with children (20 percent) compared to Canyon Lake. In Riverside County, the highest percentage of children living in female-headed, single-parent households are in portions of the cities of Hemet, Palm Springs, and Rancho Mirage, as well as eastern Riverside County, where 40 to 60 percent of children live in female-headed, single-parent households Figure B-9. In one area in central Rancho Mirage, 100 percent of children live in female-headed, single-parent households. Throughout most of the County less than 20 percent of children live in female-headed, single-parent households, with 20 to 40 percent of children live in female-headed, single-parent households many urban areas.

Local Trends

Approximately 30 percent of households in Canyon Lake are households with children. Table B-17 shows the number of households with children between 2010 and 2020. The number of households with children has increased, but the percent of households with children has decreased by almost four percent, from 87 percent to 83 percent (Table B-7due to new development during that period. Most households with children are married-couple households (83 percent), followed by single-parent female-headed households with children (16 percent). Less than one percent of households with children are male-headed, single-parent households. Throughout the city, less than 20 percent of children live in female-headed, single-parent households (Figure B-10).

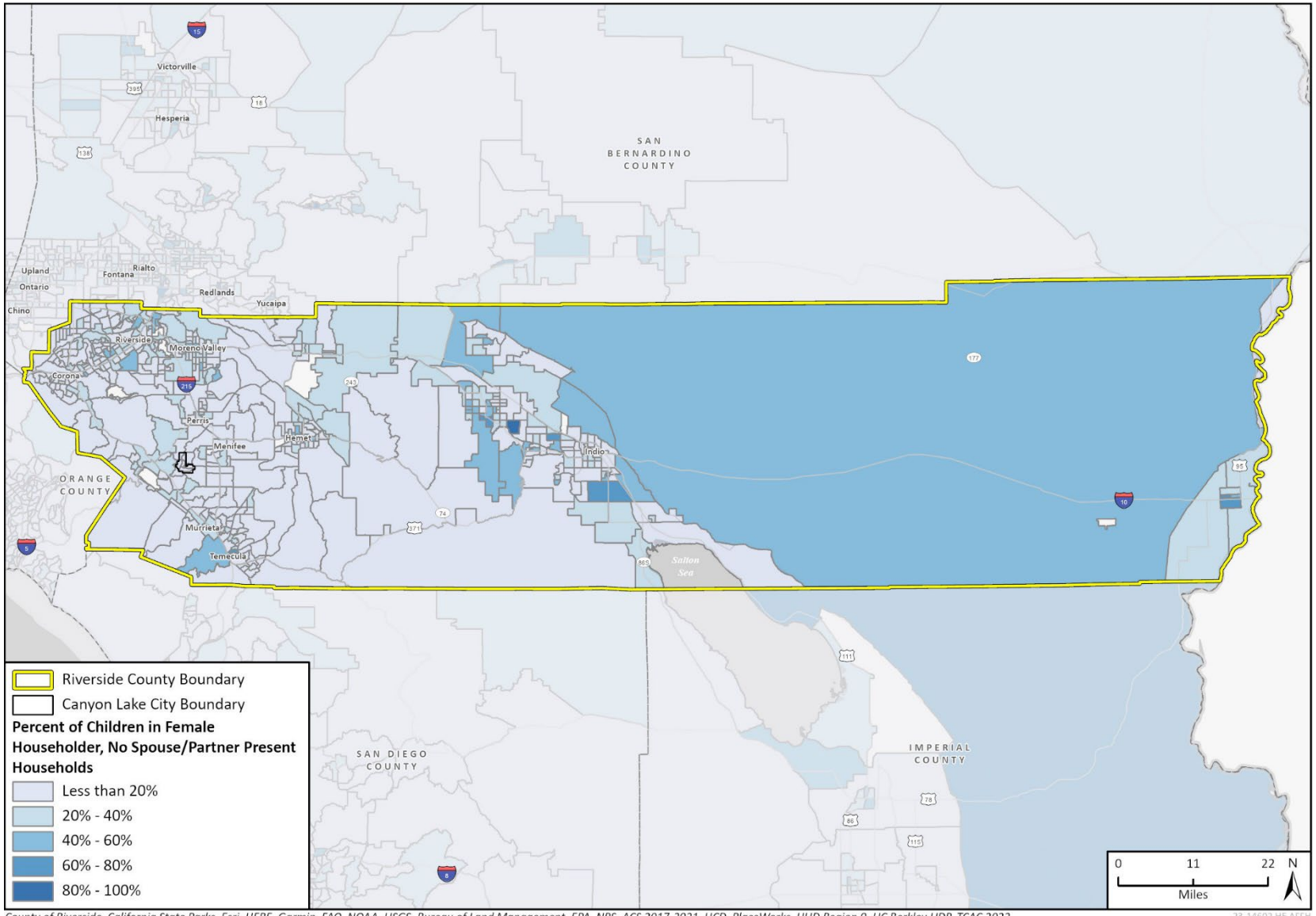
[5] HUD. 2016. https://www.huduser.gov/portal/sites/default/files/pdf/HDSFamiliesFinalReport.pdf.

Table B-7 Households with Children 2010 and 2020 (City of Canyon Lake)

City of Canyon Lake				
	2010		2020	
Selected Households	Number	Percent of Households with Children	Number	Percent of Households with Children
Households with Children	1,185		1,276	
Married-Couple Households with Children	1,029	86.8%	1,063	83.3%
Female-Headed, Single-Parent Households with Children	156	13.2%	203	15.9%
Male-Headed, Single-Parent Households with Children	0	0.0%	10	0.08%
Total Households	**3,769**		**4,151**	
Percent with Children	31.4%		30.7%	
Riverside County				
	2010		2020	
Selected Households	Number	Percent of Households with Children	Number	Percent of Households with Children
Households with Children	253,906		238,175	
Married-Couple Households with Children	185,310	73.0%	173,348	72.8%
Female-Headed, Single-Parent Households with Children	48,434	19.1%	46,350	19.5%
Male-Headed, Single-Parent Households with Children	20,162	7.9%	18,477	7.8%
Total Households	**666,906**		**736,413**	
Percent with Children	38.1%		32.3%	

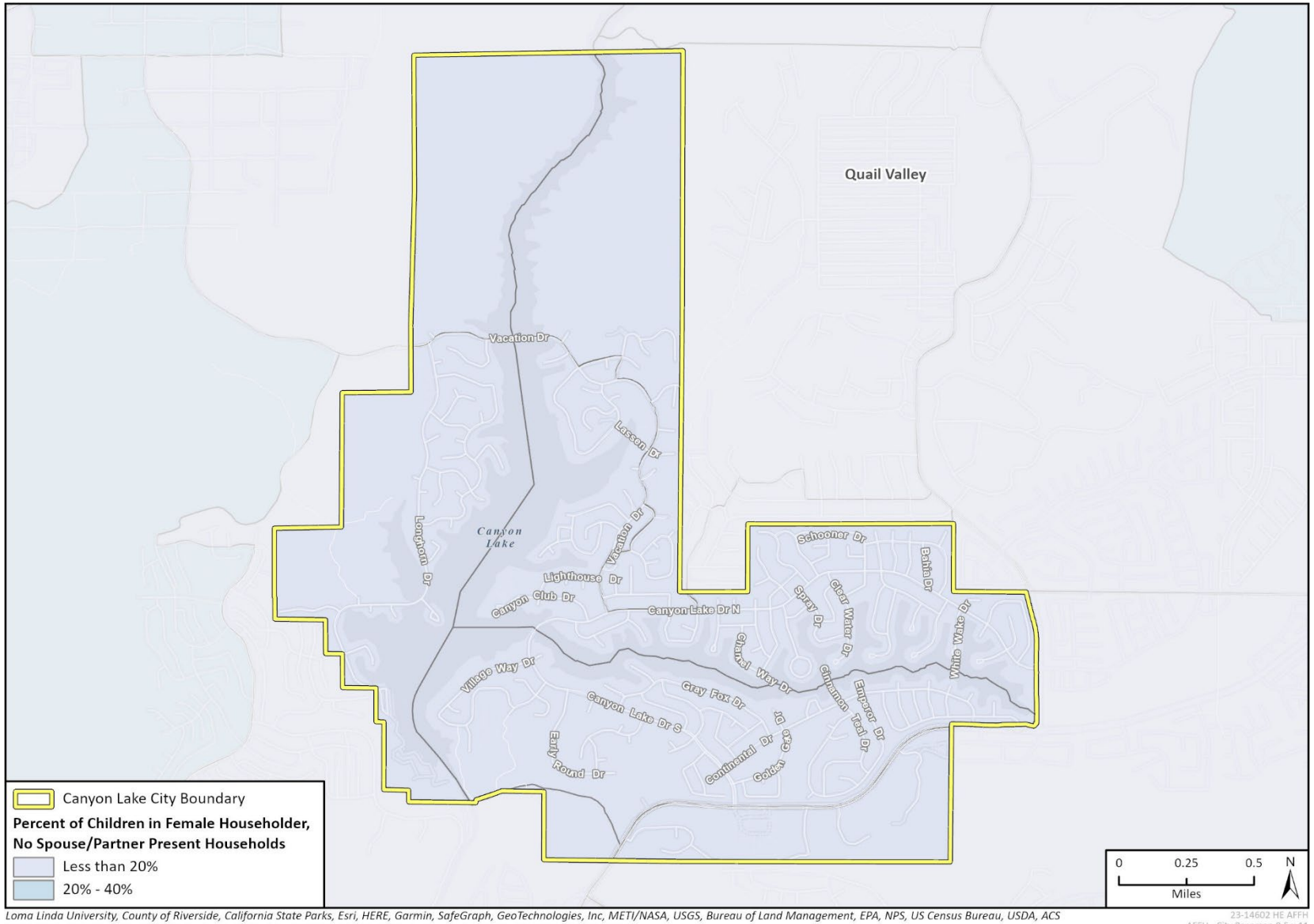
Source: U.S. Census Bureau 2010 and 2020 American Community Survey, Table S1101

Figure B-9 Percent of Children in Female Household (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-10 Percent of Children in Female Household (Canyon Lake)



B.6.6 Racially/Ethnically Concentrated Areas of Poverty

To identify racially and ethnically concentrated areas of poverty, TCAC categorizes census tracts that have both a poverty rate of over 30 percent and that are designated as being racially segregated (overrepresentation of people of color relative to the county) as areas of high segregation and poverty.

Regional Trends

According to 2016-2020 ACS estimates, approximately 13 percent of all households were living below the poverty line in Riverside County. Poverty rates vary throughout the county, but are generally highest in urban areas, particularly in parts of the cities of Riverside, North Palm Springs, Desert Hot Springs, and Coachella (Figure B-11). In portions of these cities more than 40 percent of the population is below the poverty line. Areas in western Riverside County, including areas within cities and unincorporated land, have the lowest poverty rate in the county, less than 10 percent.

Low to moderate income (LMI) populations vary throughout the county,, but are higher near city centers and in the eastern portion of the county. There is a higher LMI population in parts of the cities of riverside, Moreno Valley, Perris, Corona, Hemet, North Palm Springs, and Coachella (Figure B-13). In these areas of the cities, 75 to 100 percent of the population is low to moderate income.

Areas of high segregation and poverty in Riverside County in and near the city of Moreno Valley, Desert Hot Springs, Coachella, and south of Coachella (

Figure B-15). The cities of Riverside, San Jacinto, Hemet, Cathedral City, and Indio also have areas of high segregation and poverty. Areas of high segregation and poverty are predominantly Hispanic/Latino, median household incomes much lower than the region's AMI (ranging from $42,782 to $56,595 per year).

Local Trends

Approximately 7 percent of the population is below the poverty line in Canyon Lake, almost 7 percent lower than the county. The northern and western part of the city has a higher poverty rate, ranging from 11 to 17 percent, compared to the rest of the city, ranging from 4 to 10 percent (Figure B-12).

Most of Canyon Lake has 25 percent or fewer of its population that is LMI, however, there are a few areas of the city that have 25 to 50 percent and 50 to 75 percent of the population that is LMI (Figure B-14). This is a similar pattern to other cities within Riverside County, as most of the cities in the county have a similar distribution of LMI populations.

There are no R/ECAPs located in Canyon Lake. However, the northern part of the city has an overlap of predominantly Hispanic/Latino residents and lower median household incomes (less than $68,000 per year). In addition, the northern part of the city has a higher poverty rate compared to the central and southern part of the city, which is predominantly White. However, the northern part of the city is comprised of two census tracts and is mostly undeveloped, due to the topography of the area (hillside valley along a body of water). These census tracts (Census Tracts 429.07 and 417.17) contain a few existing housing units that are part of the gated community but primarily contain housing in the communities of Meadowbrook and Quail Valley. Only about 18 housing units out of a total of 963 housing units in Census Tract 427.07 are in Canyon Lake and 350 housing units out of 1,664 housing units in Census Tract 427.17 are in Canyon Lake. Areas of the city that are less than 10 percent below the poverty line are contained within gated communities, which are typically more affluent communities. The City has not observed any income disparities between different areas of the city and has instead observed that residents within the gated community, including in the northern part of the city and the two Census Tracts referenced above, have similar socioeconomic demographics. In addition, Meadowbrook (14 percent) has a significantly higher poverty rate compared to Canyon Lake (seven percent), which further indicates that data is skewed by the population outside of the city. Recent census data on poverty rates in Quail Valley is not available, as it consists of a portion of the City of Menifee. However, Census Tract 427.17 which covers the entirety of Quail Valley and a small portion of northeastern Canyon Lake has a poverty rate of 23 percent. Therefore, census data for these census tracts likely do not reflect the

trends in Canyon Lake and it is likely that residents in the northern part Canyon Lake have similar socioeconomic status compared to the rest of the city. Concentrated Areas of Affluence

While racially and ethnically concentrated areas of poverty (R/ECAPs) have long been the focus of fair housing policies, racially concentrated areas of affluence (RCAAs) must also be analyzed to ensure housing is integrated and promote equitable access to opportunity, a key to fair housing choice. HCD defines an RCAA as a census tract in which 80 percent or more of the population is White and has a median income of at least $125,000.[6]

Regional Trends

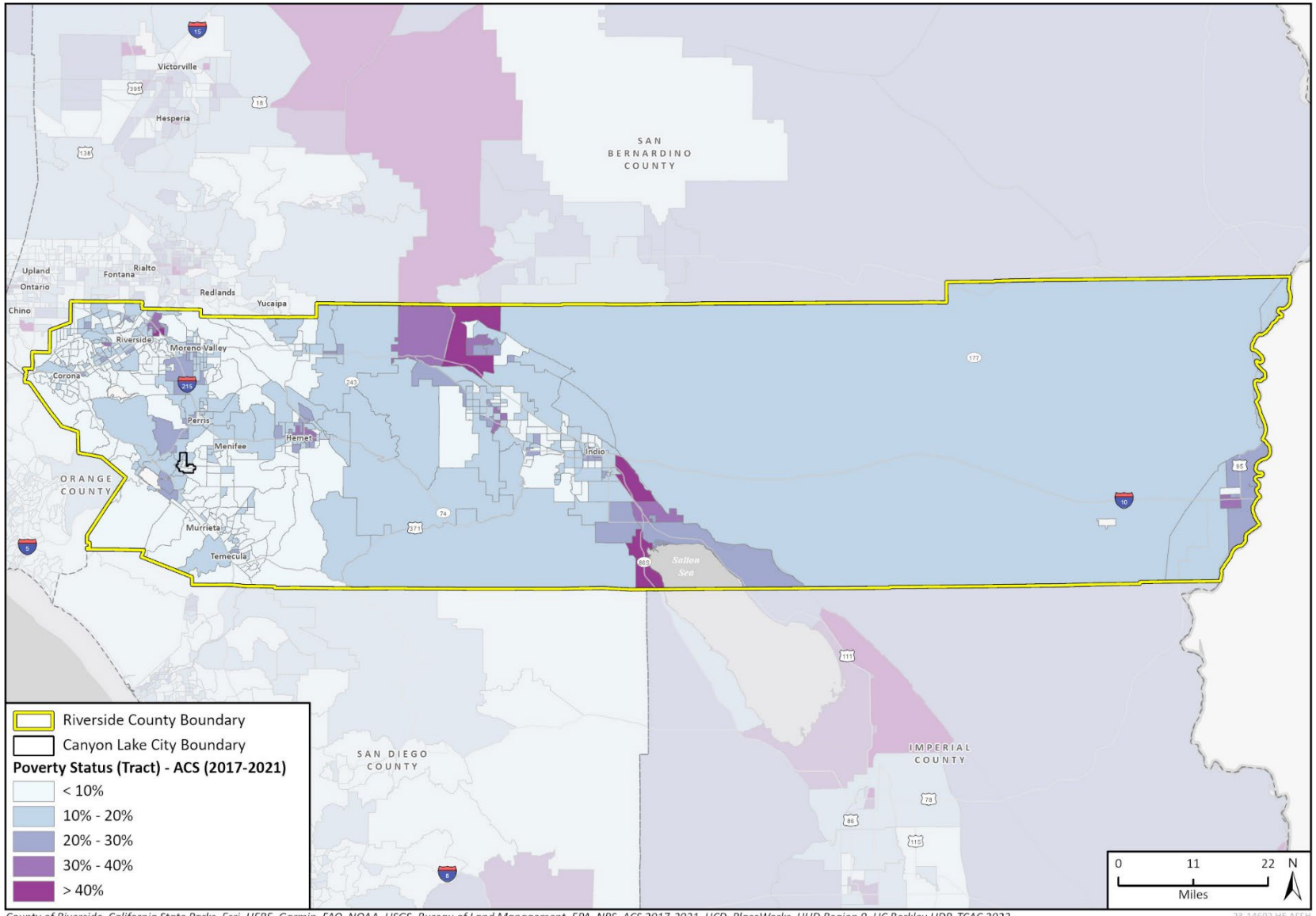
RCAAs in Riverside County are concentrated in the southwestern part of the county, in and near the cities of Murrieta and Temecula, and in the cities of Riverside, Rancho Mirage, Indian Wells, and La Quinta (Figure B-16). These areas are typically predominantly White and have median household incomes greater than $120,000 per year.

Local Trends

There are no RCAAs in Canyon Lake. Almost the entire city is within the gated community, with the exception of the residential lots in the southeastern corner of the city. In addition, the entire city is more affluent than other parts of the county, with a higher median household income and higher percentage of White residents.

[6] HCD. April 2021. AFFH Guidance for all Public Entities and for Housing Elements. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf

Figure B-11 Poverty Status (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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Figure B-12 Poverty Status (Canyon Lake)

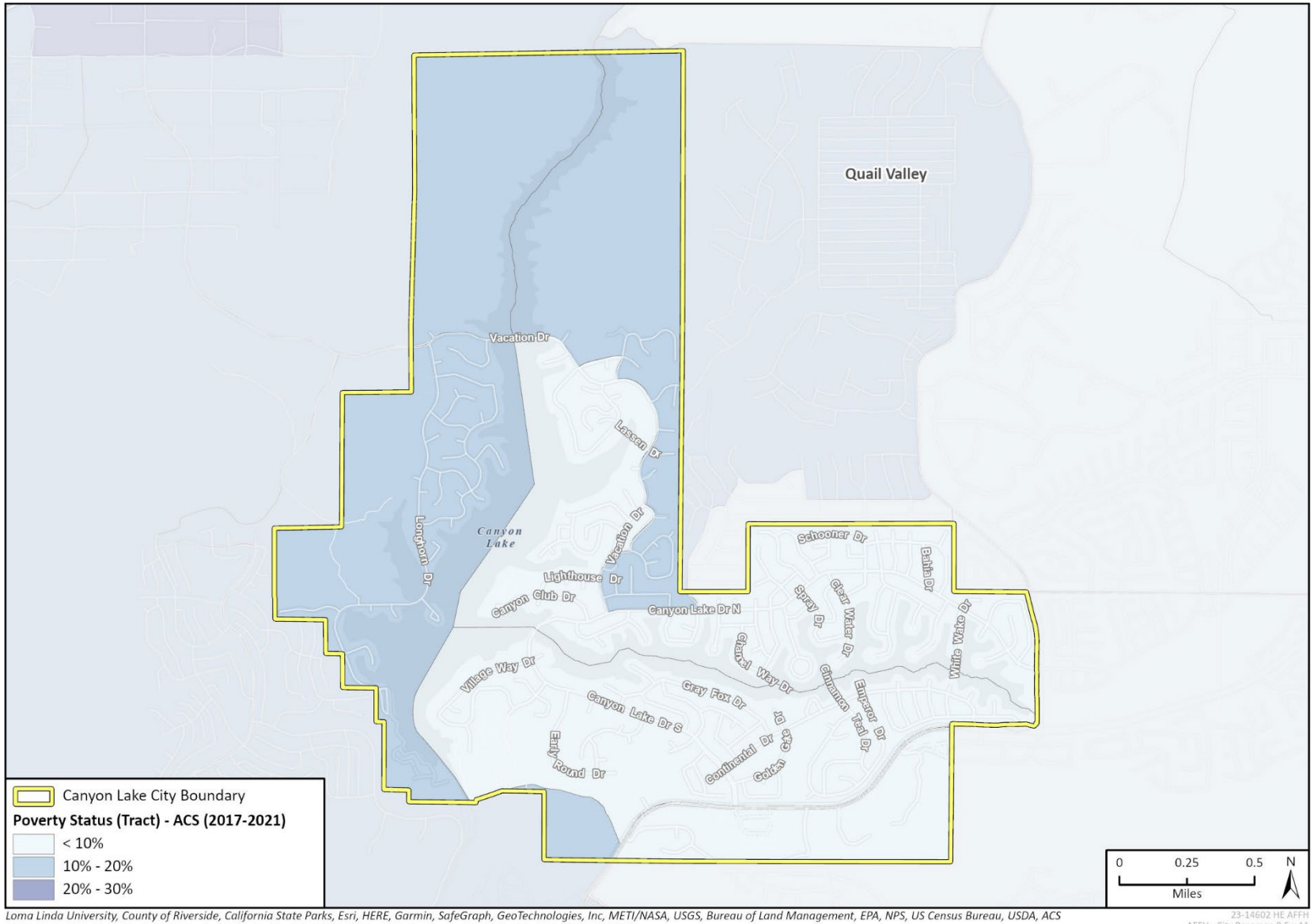
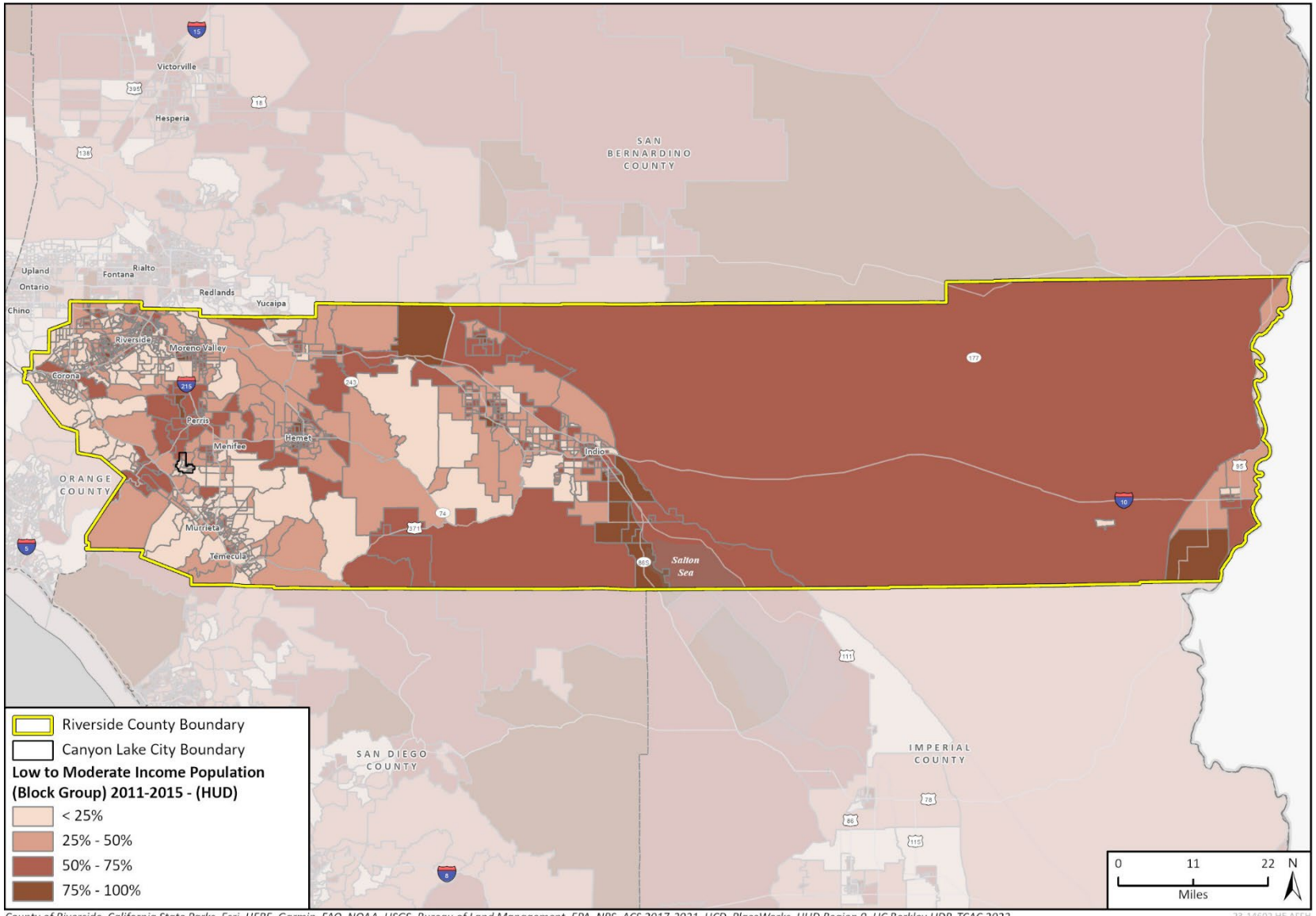


Figure B-13 Low to Moderate Income Population (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-14 Low to Moderate Income Population (Canyon Lake)

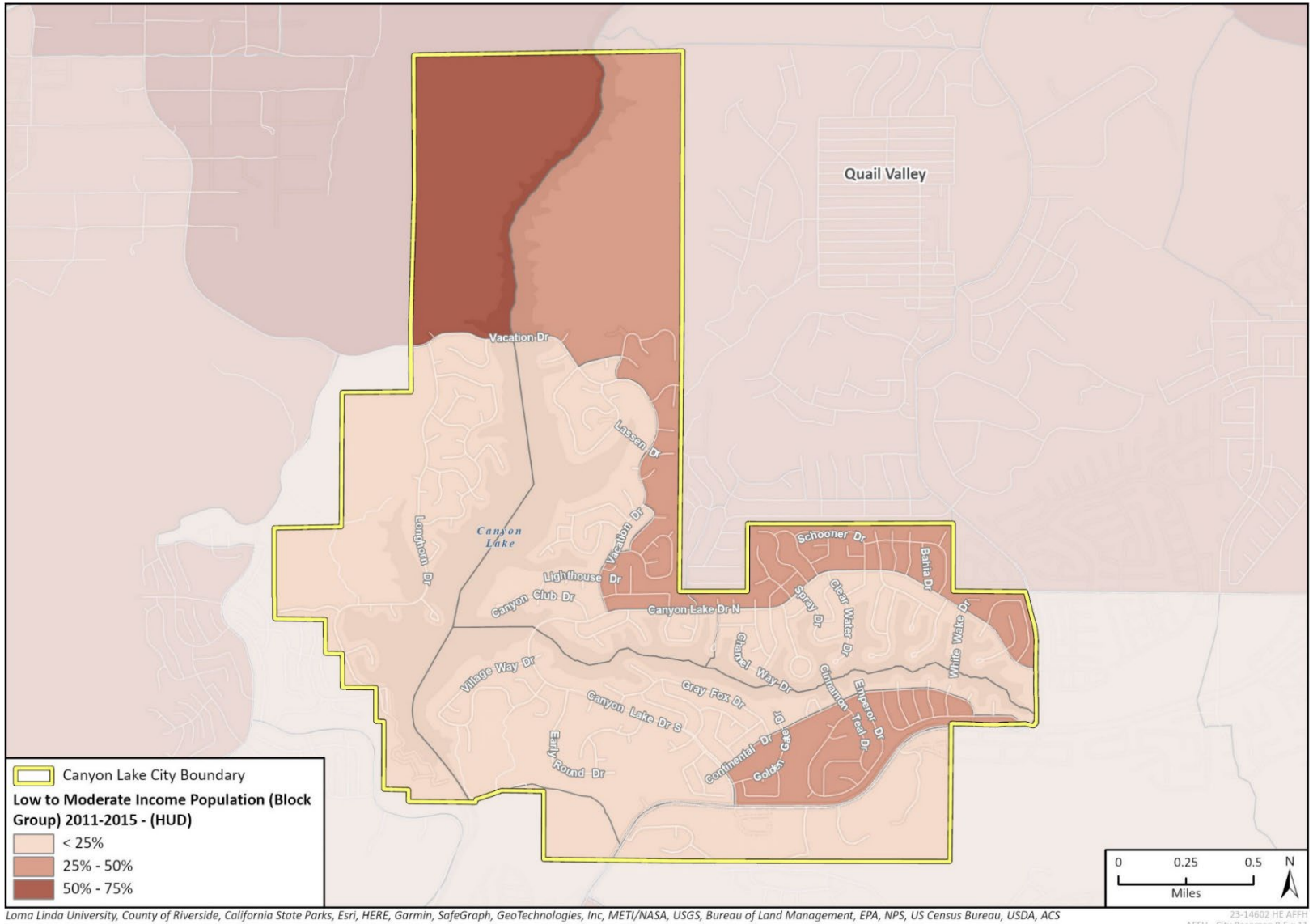
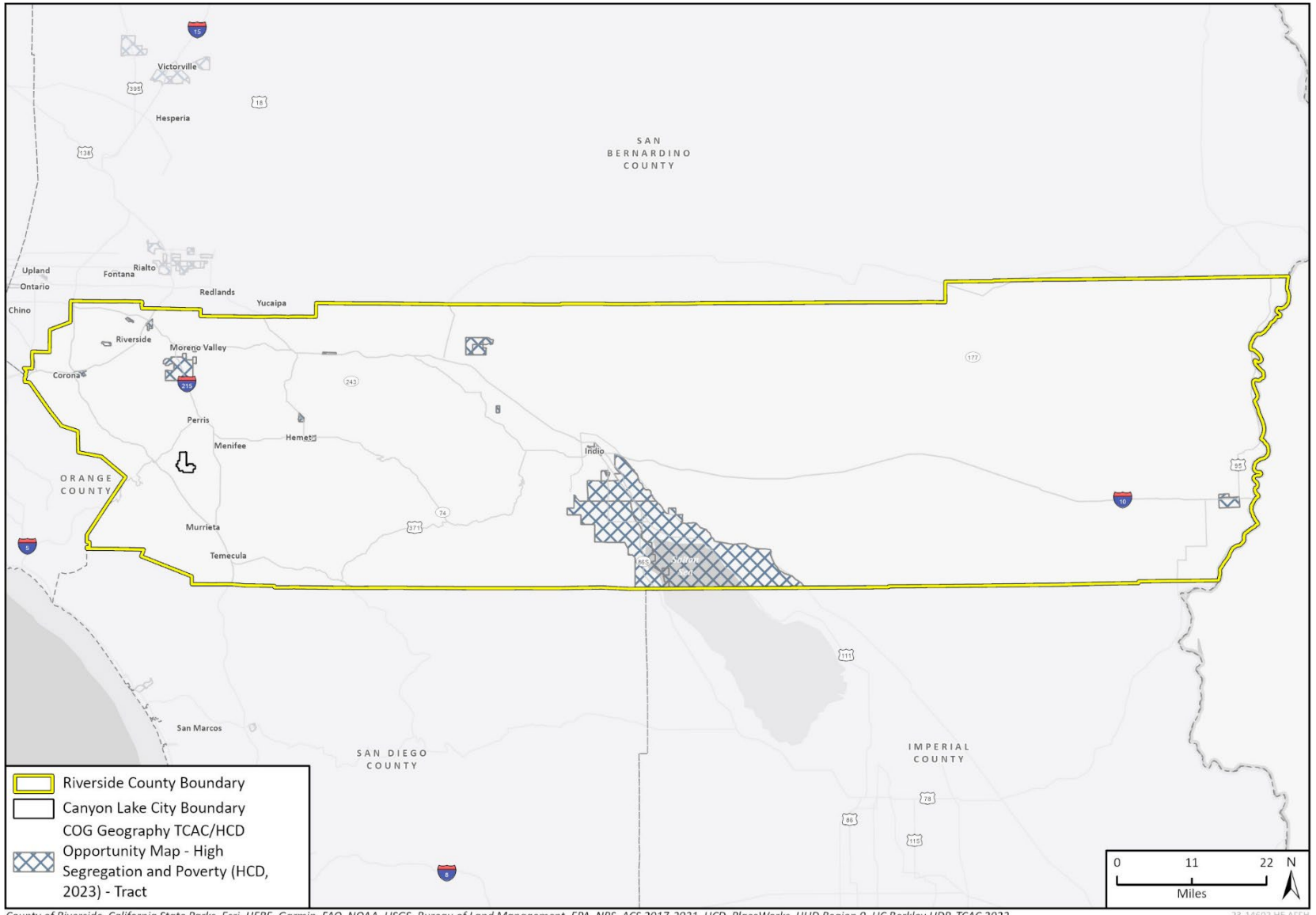
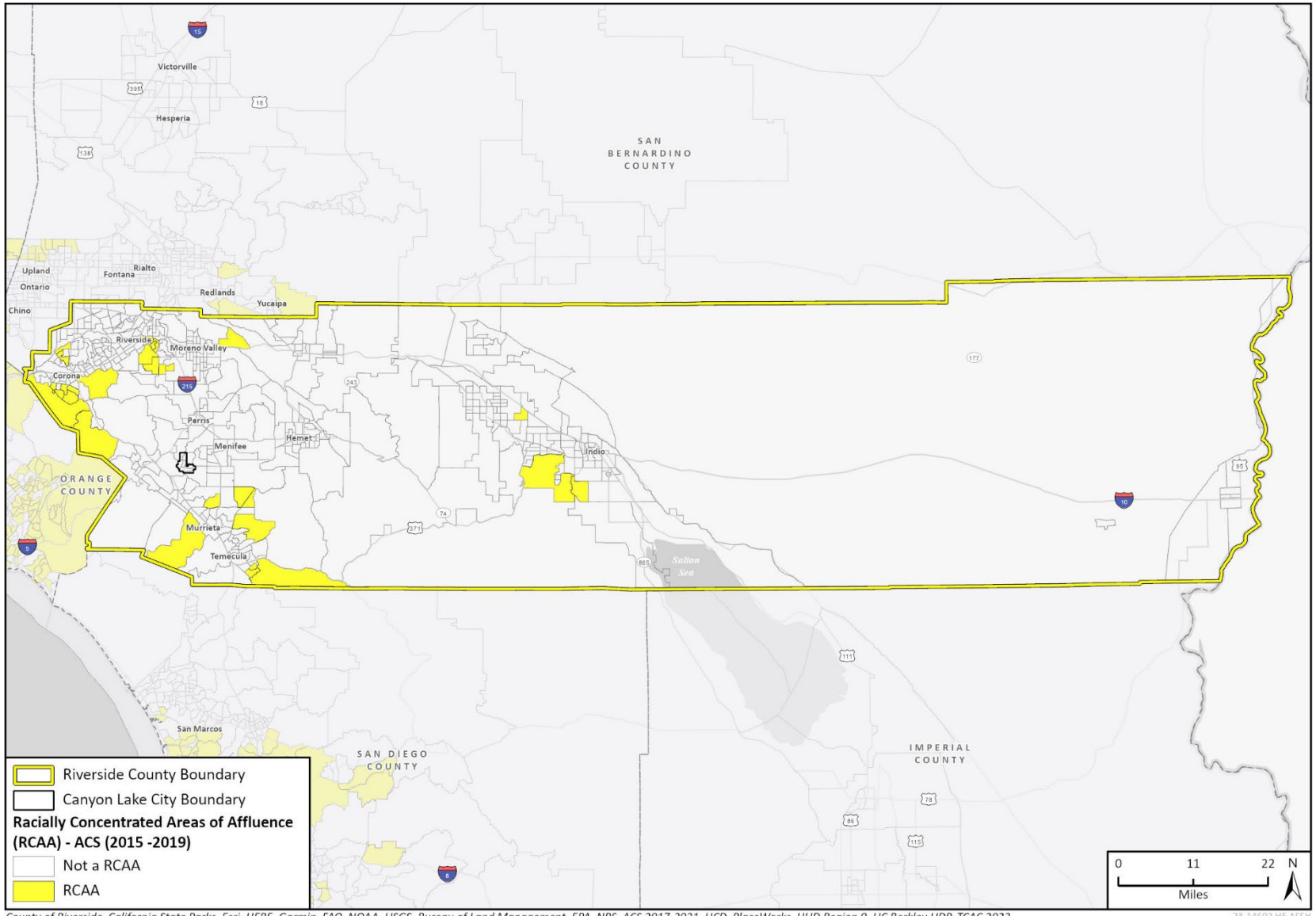


Figure B-15 TCAC Areas of High Segregation and Poverty (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-16 Racially Concentrated Areas of Affluence (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

B.7 Disparities in Access to Opportunity

Land use policies and urban planning impact the ability of residents to access high-opportunity neighborhoods, with high-performing schools, greater availability of jobs that afford entry to the middle class, and convenient access to transit and services. The limits on housing choice and access experienced by people within protected classes, such as race, sexual orientation, or disability, have far-reaching impacts on access to job opportunity, quality education, and mental and physical health. This section analyzes the following place-based characteristics linked to opportunity indicators: Quality education, employment, transportation, and healthy environment. The primary objectives of this analysis and resulting policies and programs are twofold: To support mobility and access to high-resource neighborhoods and to improve the quality of life for the residents of low-resource communities.[7]

B.7.1 TCAC Opportunity Area Composite Score

Within the context of fair housing assessments, access to opportunity approximates place-based characteristics and its influence over critical life outcomes. Access to opportunity often means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to "high-resource" neighborhoods. Specifically, access to opportunity is centered around access to education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, recreation, food, and healthy environment (including clean air and water, safe neighborhoods, safety from environmental hazards, and access to social services and cultural institutions).

The California Fair Housing Task Force provides research and evidence-based policy recommendations and other strategic recommendations to HCD and other state agencies to further fair housing goals. This research includes opportunity mapping. Areas of opportunity are places that provide resources people need to thrive, including education, quality employment, transportation, and low poverty. The TCAC/HCD Opportunity Maps present a composite score which combines all categories of indicators (economic, educational, environmental) and categorizes areas from lowest to highest resource.

Regional Trends

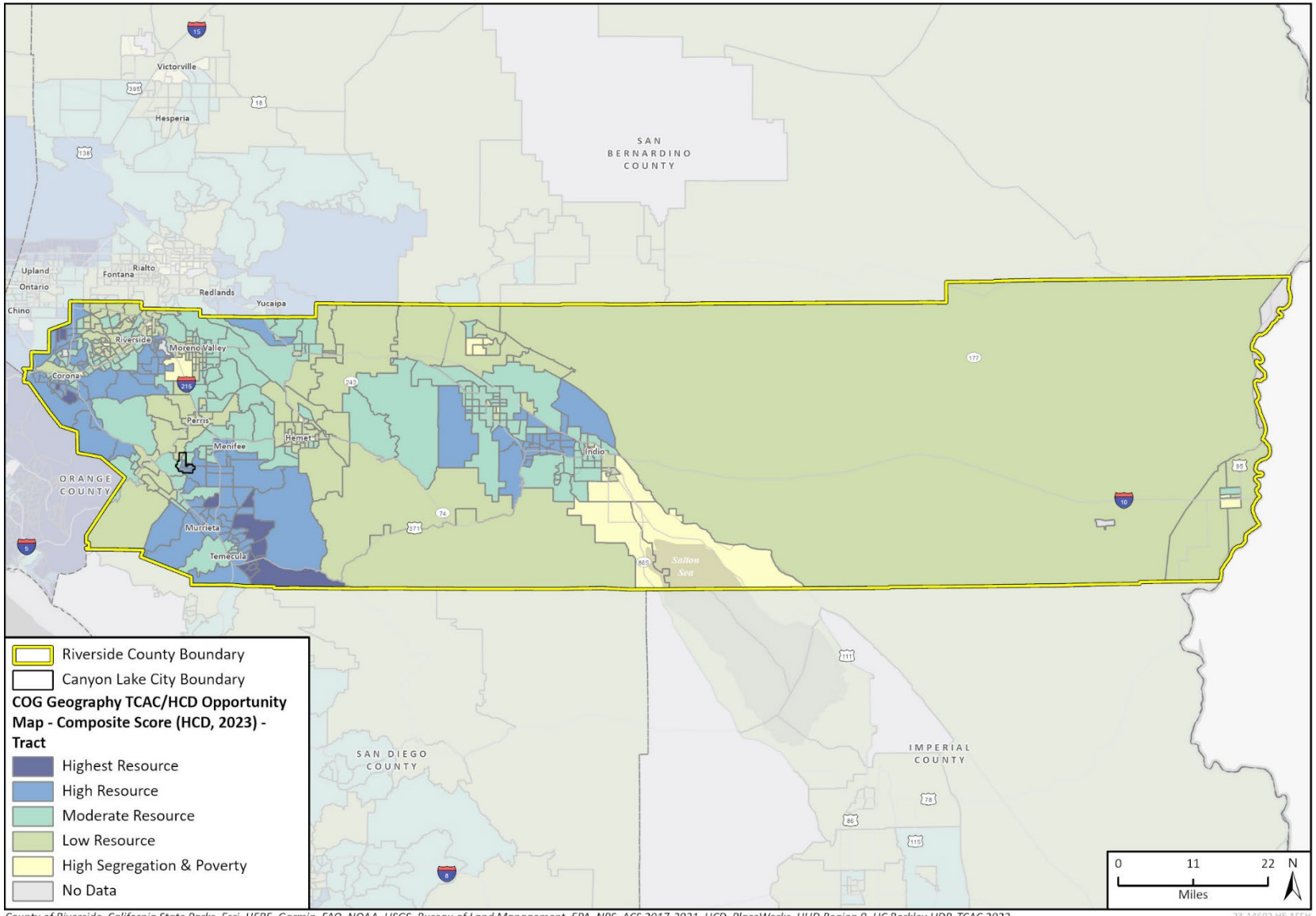
Riverside County consists of a range of resource areas, ranging from areas of high segregation and poverty to highest resource areas. High and highest resource areas are concentrated on the western half of the county, within and surrounding the incorporated cities, particularly in Sun City, Murrieta, Temecula, and Palm Desert (Figure B-17). Low-resource areas and areas of high segregation and poverty are scattered throughout the county, including in the cities of Riverside, Moreno Valley, Perris, Lake Elsinore, Hemet, San Jacinto, Banning, Desert Hot Springs, Coachella, and Blythe.

Local Trends

Similar to the County, Canyon Lake has a range of resource areas from low to high resource (Figure B-18). The northwest corner of the city is a low-resource area, while the central and southern parts of the city are high-resource areas. The rest of the city consists of moderate resource areas. However, the northern corner of the city is in Census Tract 429.07, which overlaps a large portion of the community of Meadowbrook. The Canyon Lake part of Census Tract 429.07 is mostly undeveloped and has only a few housing units which are all part of the gated community in Canyon Lake. It is likely that the Canyon Lake portion of Census Tract 429.07 has similar access opportunities as Census Tract 417.15, directly south of Census Tract 429.07, which is a moderate resource area. The City has not observed any disparities related to access to opportunity within the city, especially not within the northern part of the city since all residents within the gated portion of the community (which includes most of the city, including the northern part of the city within Census Tract 429.07) have access to all the amenities and benefits of the POA. The POA is responsible for roadway, drainage, facility, and infrastructure maintenance and security within the gated community. All residents have access to the lake, parks, and golf course. In addition, the entire city attends the same public elementary, middle, and high schools.

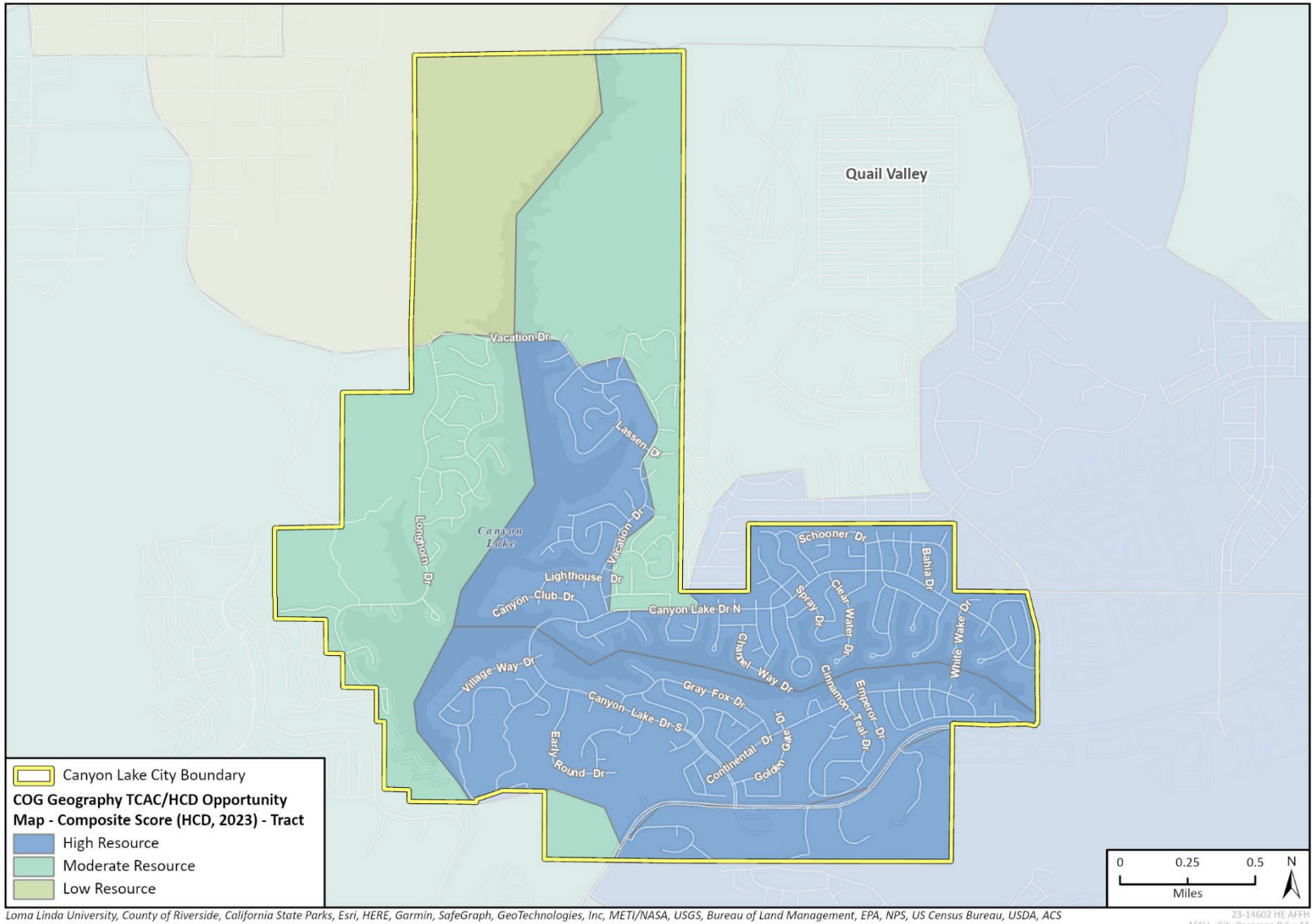
[7] California Fair Housing Task Force. 2020. Methodology for the 2020 TCAC/HCD Opportunity Map. June 2020. https://www.treasurer.ca.gov/ctcac/opportunity/2020-tcaF-hcd-methodology.pdf

Figure B-17 TCAC/HUD Mapping Resources Categories by Census Tract (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-18 TCAC/HUD Mapping Resources Categories by Census Tract (City of Canyon Lake)



Loma Linda University, County of Riverside, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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Table B-8 Percent Below the Poverty Level and Percent with a Bachelor's Degree (City of Canyon Lake and County of Riverside)

Poverty/Education	City	County
Percent Below Poverty Level	6.9%	12.5%
Percent With a Bachelor's Degree	20.7%	6.6%

Sources: ACS 2020 5-Year Estimates, Table S1701: Poverty Status in the Past 12 Months and Table S1501: Educational Attainment.

As can be seen in Table B-8, the countywide poverty level is nearly twice that of Canyon Lake's while the City's percent with a Bachelor's degree is nearly three times higher than that of the county.

B.7.2 Education

Educational attainment is directly linked to income and housing opportunities. To assess educational opportunities by geography, this analysis uses TCAC education domain scores, which incorporate a variety of indicators including math and reading proficiency scores (the percentage of 4th graders who met or exceed math proficiency standards), high school graduation rates (the percentage of high school cohorts that graduate on time), and student poverty rates at the census tract level (the percent of students not receiving free or reduced-priced lunch). The TCAC education domain scores are derived from 2018-2019 Department of Education data. This analysis incorporates demographic and socio-economic measures to spatially evaluate access to educational opportunities at the census tract level.

Regional Trends

Riverside County is served by four elementary school districts, one high school district, and 18 unified school districts, with a total student enrollment of 431,521. The majority of students are Hispanic/Latino (64 percent), followed by White (20 percent), Black/African American (6 percent), two or more races (3 percent), Asian (3 percent), and Filipino (2 percent). Less than one percent of students are American Indian/Alaska Native or Pacific Islander. According to the Riverside County Office of Education, 67 percent of students are socioeconomically disadvantaged, and 17 percent are English learners.[8]

According to kidsdata.org, a data compilation program of the Lucile Packard Foundation for Children's Health, Riverside County has an overall high school graduation rate of 90 percent. Asian and Filipino students have the highest high school graduation rates (96 percent and 95 percent, respectively), while American Indian/Alaska Native students had the lowest high school graduation rates (81 percent).[9]

Education outcomes vary across Riverside County, with more positive education outcomes concentrated in western parts of the County, in and near the cities of Corona, Murrieta, and Menifee and in the area in and surrounding the City of Palm Desert. The rest of the County has less positive education outcomes, including areas in and surrounding the cities of Riverside, Moreno Valley, Perris, Palm Springs, and the entirety of the eastern half of the county (Figure B-19).

Local Trends

Canyon Lake is served by the Lake Elsinore Unified School District. K-6 children attend two elementary schools in the Lake Elsinore School District, both of which are within the top five rated schools in the district. All middle school children attend Canyon Lake Middle School, and high school children attend Temescal Canyon High School. It is unknown how many students attend private schools.

According to kidsdata.org, Lake Elsinore Unified School District has a similar racial/ethnic makeup. Sixty-three percent of students are Hispanic/Latino, 24 percent are White, 4 percent of Black/African American, 5 percent are

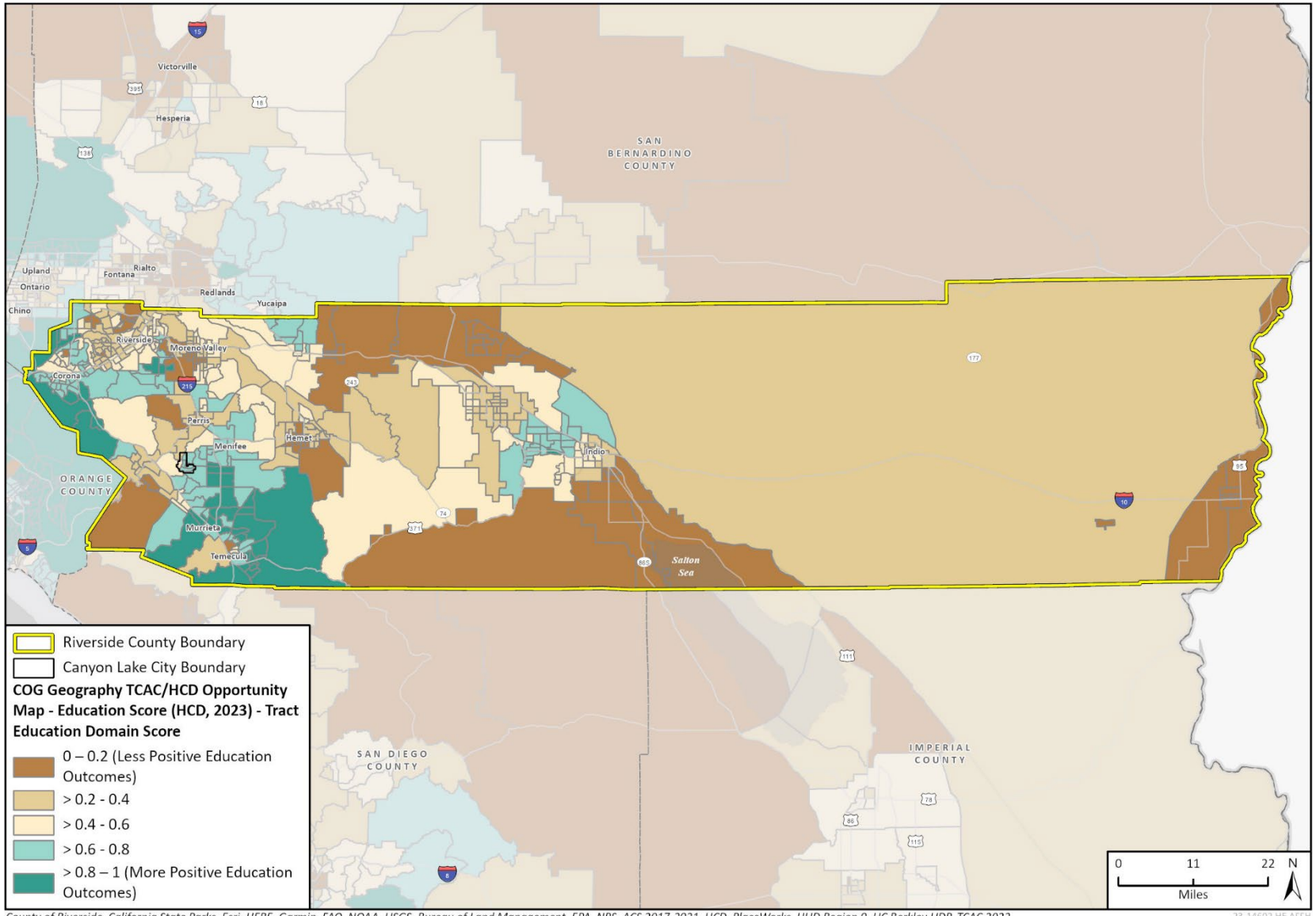
[8] Riverside County of Office of Education. 2023. Riverside County Demographics.
[9] Kidsdata.org. 2023. Riverside County. https://www.kidsdata.org/region/367/riverside-county/results#cat=18

multiracial, 2 percent are Asian, 2 percent are Filipino, and less than one percent are American Indian/Alaskan Native or Native Hawaiian/Pacific Islander. Similar to the overall county, Lake Elsinore Unified School District has a high school graduation rate of 90 percent. Approximately 66 percent of students are eligible for free/reduced price meals, meaning they are low-income, and 10 percent are English learners.[10]

The eastern part of the city has more positive education outcomes and the western part of the city has less positive education outcomes (Figure B-20). The eastern part of Canyon Lake overlaps with a high environmental opportunity score. While the AFFH Data Viewer shows less positive education outcomes in the western part of the city, the entire city is within the same school district, Lake Elsinore Unified School District. The entire city is within the same school boundaries, meaning all children within the city that attend public school attend the same elementary, middle, and high school as other children throughout Canyon Lake. Therefore, data for educational opportunity likely does not reflect the trends in Canyon Lake and it is likely that residents in the western part Canyon Lake have similar socioeconomic status compared to the rest of the city.

[10] Kidsdata.org. 2023. Lake Elsinore Unified. https://www.kidsdata.org/region/1093/lake-elsinore-unified/results#cat=18

Figure B-19 TCAC Education Opportunity Scores (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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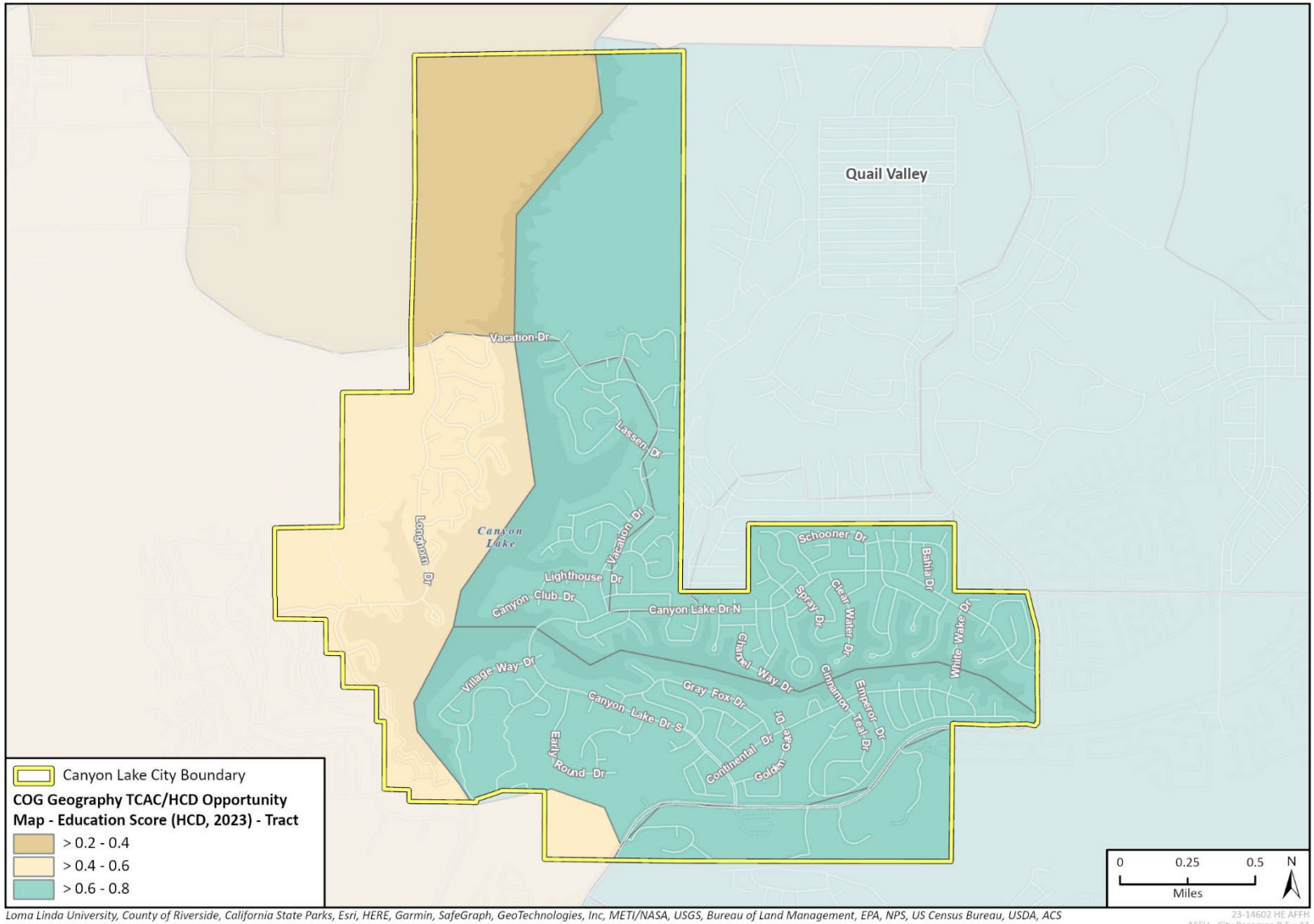
Figure B-20 TCAC Education Opportunity Scores (City of Canyon Lake)



B.7.3 Economic

Housing opportunities are directly related to economic opportunities. Access to high quality employment close to desired and affordable housing results in more housing opportunities and shorter commute times. The analysis for economic opportunities uses TCAC economic indicators, employment participation data from the ACS.

TCAC economic opportunities are measured by census tract. They consider poverty, adult education, employment, job proximity, and median home values. A higher economic index score reflects more positive economic outcomes. The HUD Jobs Proximity Index assesses the accessibility to job opportunities at the census block group level.

Regional Trends

According to 2016-2020 ACS estimates, Riverside County has a labor force participation rate of 60 percent and an unemployment rate of 7 percent.

Economic outcomes in Riverside County are generally low throughout the county (Figure B-21). Several areas have positive economic outcomes, including portions of the cities of Riverside, Corona, and Redlands.

The Smart Locations Database shows that there is a higher number of jobs within a 45-minute drive in the western part of the county (Figure B-23). This data also shows that there are more jobs the closer you are to a city-center.

Local Trends

Canyon Lake is primarily a residential community with few employment opportunities. Residents must commute to job centers outside of the city. According to the 2020 American Community Survey, 70.5 percent of the employed population worked in Riverside County and another 22.1 percent worked outside of the county. Canyon Lake has a labor force participation rate of 61 percent, similar to Riverside County, and an unemployment rate of 4 percent, slightly lower than Riverside County. The number of jobs within a 45-minute drive in Canyon Lake is about the average seen within the County, between 10,001 to 50,000 jobs (Figure B-24). Meaning that there is average access to jobs throughout the city.

Of the 5,175 people commuting in Canyon Lake, 75 percent are non-Hispanic/Latino White, and 55 percent are of Hispanic or Latino origin, whereas in Riverside County 30 percent of commuters are non-Hispanic/Latino White and 54 percent of commuters are of Hispanic or Latino origin. The median earnings of those commuting in the city are $52,552, which is higher than the earnings of those commuting in Riverside County at $36,722.

Estimates of employment status by disability status are provided in Table B-9. About 3.5 percent of the total employed, and 15.1 percent of total unemployed population had a disability, according to 2011-2015 ACS estimates. ACS estimates for 2016-2020 show 16.6 percent of total employed since 2011- 2015 ACS estimates. Despite this increase, the percentage of employed residents with a disability remained around 3 percent, while unemployed residents with a disability increased by 1.5 percent overall. Comparatively, the percentage of employed residents with a disability is about the same when compared to the county, but higher when compared to the percentage of unemployed residents with a disability. This higher rate in Canyon Lake could be due to the fact that there is a higher percentage of residents with a disability amongst seniors (65+) who are likely retired.

Table B-9 Employment Status by Disability Status

Disability Status	Employed 2011-2015 (Percent of Total Employed)	Unemployed 2011 - 2015 (Percent of Total Unemployed)	Employed 2016-2020 (Percent of Total Employed)	Unemployed 2016-2020 (Percent of Total Unemployed)
Canyon Lake				
No Disability	4,690	387	4,738	166
With a Disability	172	69	157	33
Total	**4,862**	**456**	**4,895**	**199**
Riverside County				
No Disability	840,238	117,098	949,005	69,711
With a Disability	38,903	10,935	45,485	7,322
Total	**879,141**	**128,033**	**994,490**	**77,033**

Source: U.S. Bureau of the Census, American Community Survey (ACS), Table C18120 Employment Status by Disability Status, 2011- 2015, 2016-2020 Estimates.

Economic outcomes in Canyon Lake are low throughout the city (Figure B-22). The northern part of the city has the least positive economic outcomes. This area is predominantly Hispanic/Latino and has the lowest median household incomes in the city. The northern part of the city is comprised of Census Tracts 429.07 and 427.15 which contain few housing units in Canyon Lake and mostly consist of areas in the communities of Meadowbrook and Quail Valley. The Canyon Lake portion of these census tracts mostly consists of undeveloped land and a small number of single-family homes that are part of the same gated community as the rest of the city. Economic data for Census Tracts 429.07 and 427.15 is skewed by the population in Meadowbrook and Quail Valley and economic outcomes in the northern part of Canyon Lake are likely similar to the rest of the city.

B.7.4 Environmental Health

Healthy Environment in AFFH addresses disparities in access to environmentally healthy neighborhoods by protected class groups. An assessment of environmentally healthy neighborhoods can include air and water quality, safety, environmental hazards, social services, and cultural institutions. Federal and state regulations require jurisdictions to analyze environmental justice in an effort to ensure people have equal access to safe and healthy housing. The California Office of Environmental Health Hazard Assessment developed CalEnviroScreen, a mapping tool that uses spatial data collected by various regulatory agencies (e.g., air quality indicators from California Air Districts, monitored chemical releases into the air or water table from Environmental Protection Agency, HUD socio-economic indicators, etc.). The dataset uses a methodology to identify communities disproportionately burdened by exposures to pollution, environmental effects of existing pollutants in communities, among other indicators of sensitive populations or socioeconomic factors. Residents in census tracts with high CalEnviroScreen scores as compared to other California census tracts (shown as percentiles) are disproportionately burdened by pollution and are more vulnerable to related effects. CalEnviroScreen identifies communities in the highest 25 percent of census tracts across California and CalEnviroScreen percentile scores of 75 or higher as “disadvantaged communities.”

Regional Trends

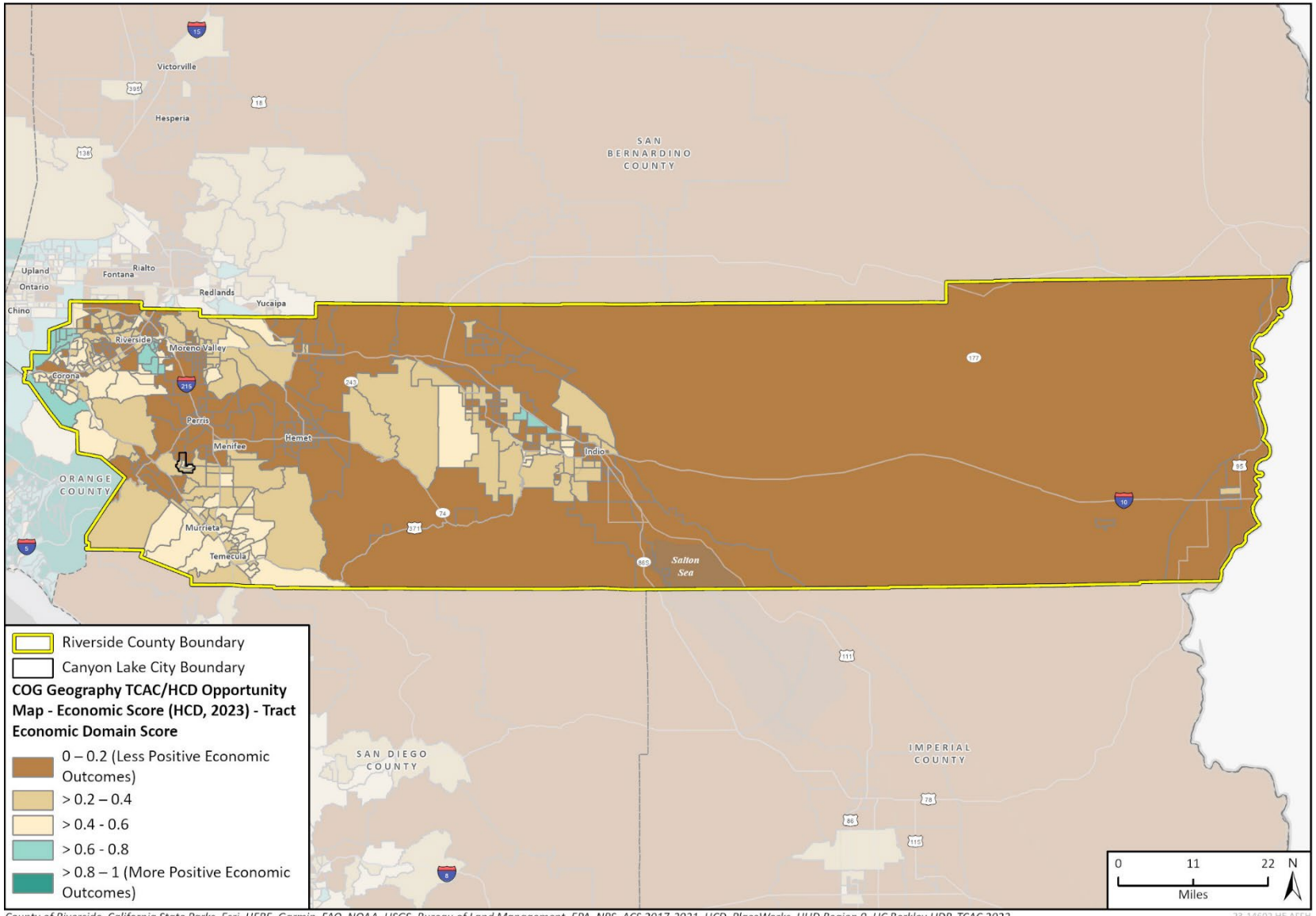
Riverside County has a range of environmental outcomes (TCAC environmental scores equating to areas with low to high pollution burden), with the lowest environmental outcomes in the northwestern corner of the county and higher environmental outcomes in urban areas in the western half of the county (Figure B-25). The cities of Riverside and Moreno Valley have lower environmental outcomes compared to the rest of the county.

Local Trends

The eastern half of Canyon Lake has higher environmental outcomes (high TCAC environmental scores equating to low pollution burden) compared to the western half of the city (Figure B-26). Areas with higher environmental outcomes correspond to parts of the city with higher education outcomes (Figure B-22).

Similar to the TCAC environmental outcome map, the CalEnviroScreen map shows that pollution burden is higher in the western part of the city and lower in the eastern part of the city. Census Tract 429.07 in the northwestern corner of the city has the lowest environmental outcomes. However, it is likely that pollution burden in this part of the city is similar to Census Tract 427.48, directly south of Census Tract 429.07. The western part of the city has a higher pollution burden due to drinking water contaminants, proximity to hazardous waste sites, and proximity to solid waste facilities. However, according to CalEnviroScreen there are no hazardous waste sites or solid waste facilities within Canyon Lake. The contributors to pollution burden include: Elsinore Valley Municipal Water District: Railroad Canyon Dam and Canyon Lake Water Treatment Plant (hazardous waste), Precision Sports (hazardous waste), Erik's Transportation Inc. (hazardous waste), Central Wire Inc. (hazardous waste), Elsinore Sanitary Landfill (solid waste), Perris Transfer Station and MRF (solid waste), and CR & R inc. (hazardous and solid waste). The city will work with these contributors to mitigate the pollution burden through the implementation of Program 5.1. Water quality in Canyon Lake is managed by the Elsinore Valley Municipal Water District and Eastern Municipal Water District. The City and Property Owners Association do not have the authority to regulate pollution burden from these sources as these are all outside their jurisdiction.

Figure B-21 TCAC Economic Opportunity Scores (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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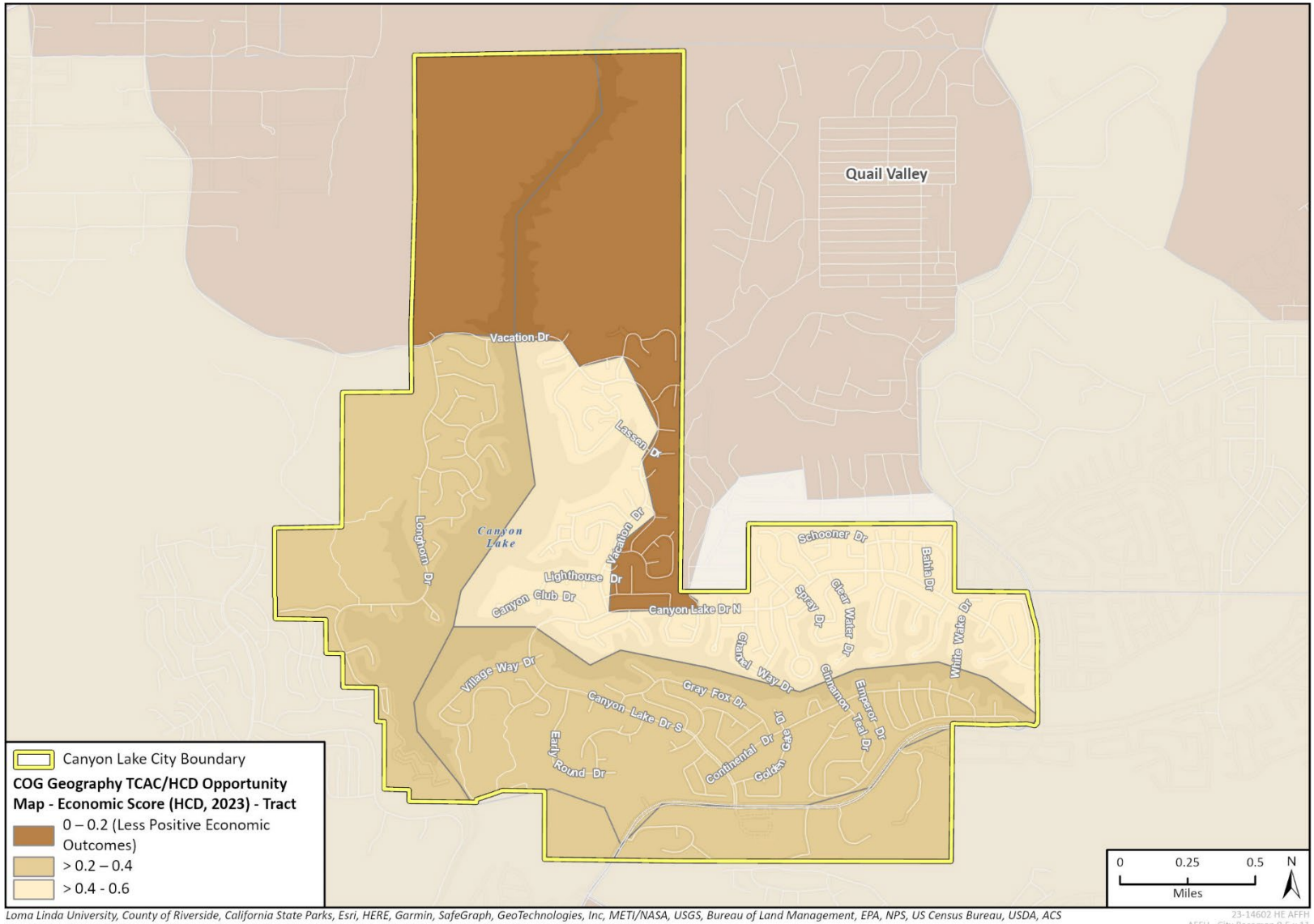
Figure B-22 TCAC Economic Opportunity Scores (City of Canyon Lake)



Loma Linda University, County of Riverside, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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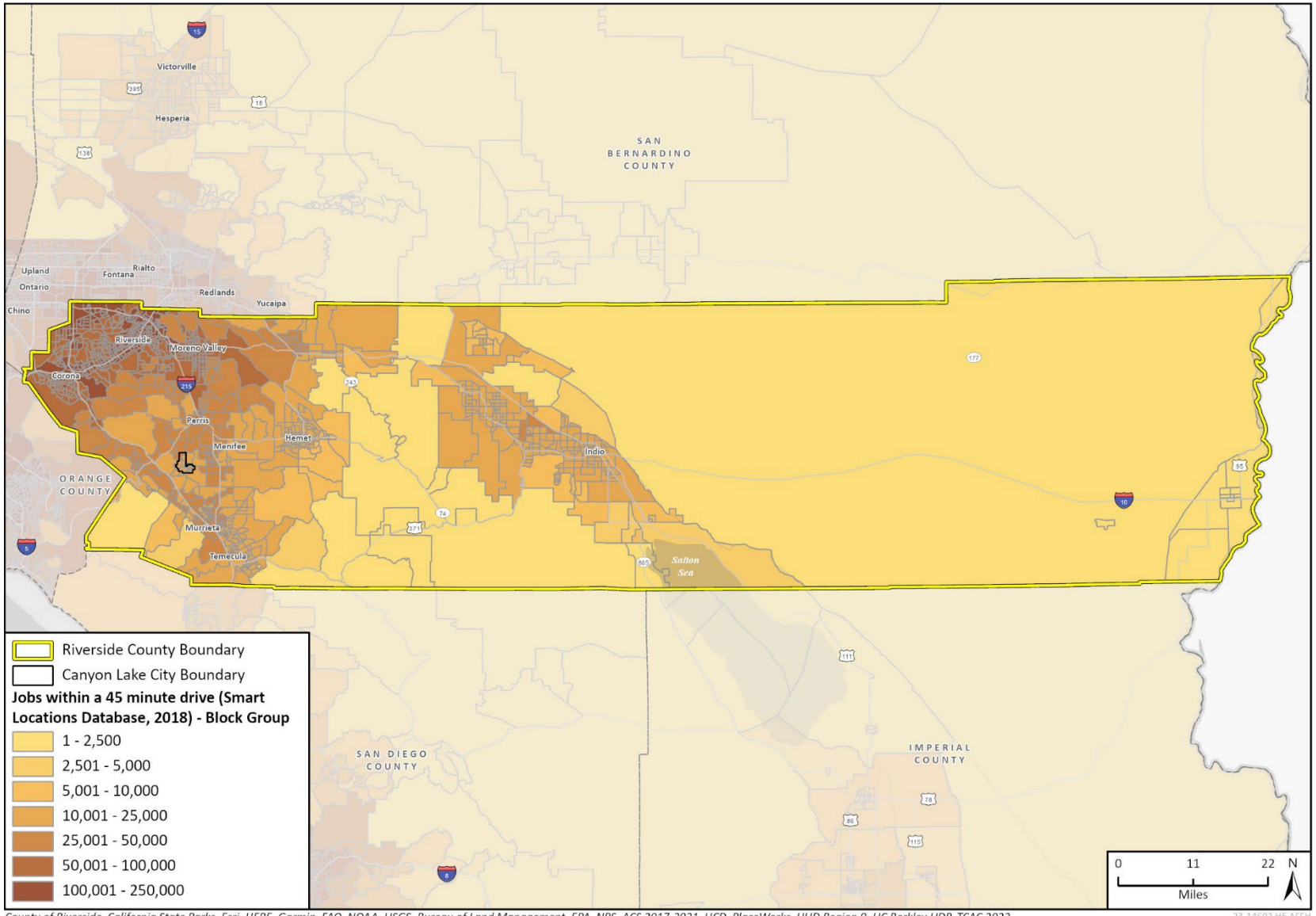
Figure B-23 Jobs within a 45-minute Drive (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-24 Jobs within a 45-minute Drive (City of Canyon Lake)

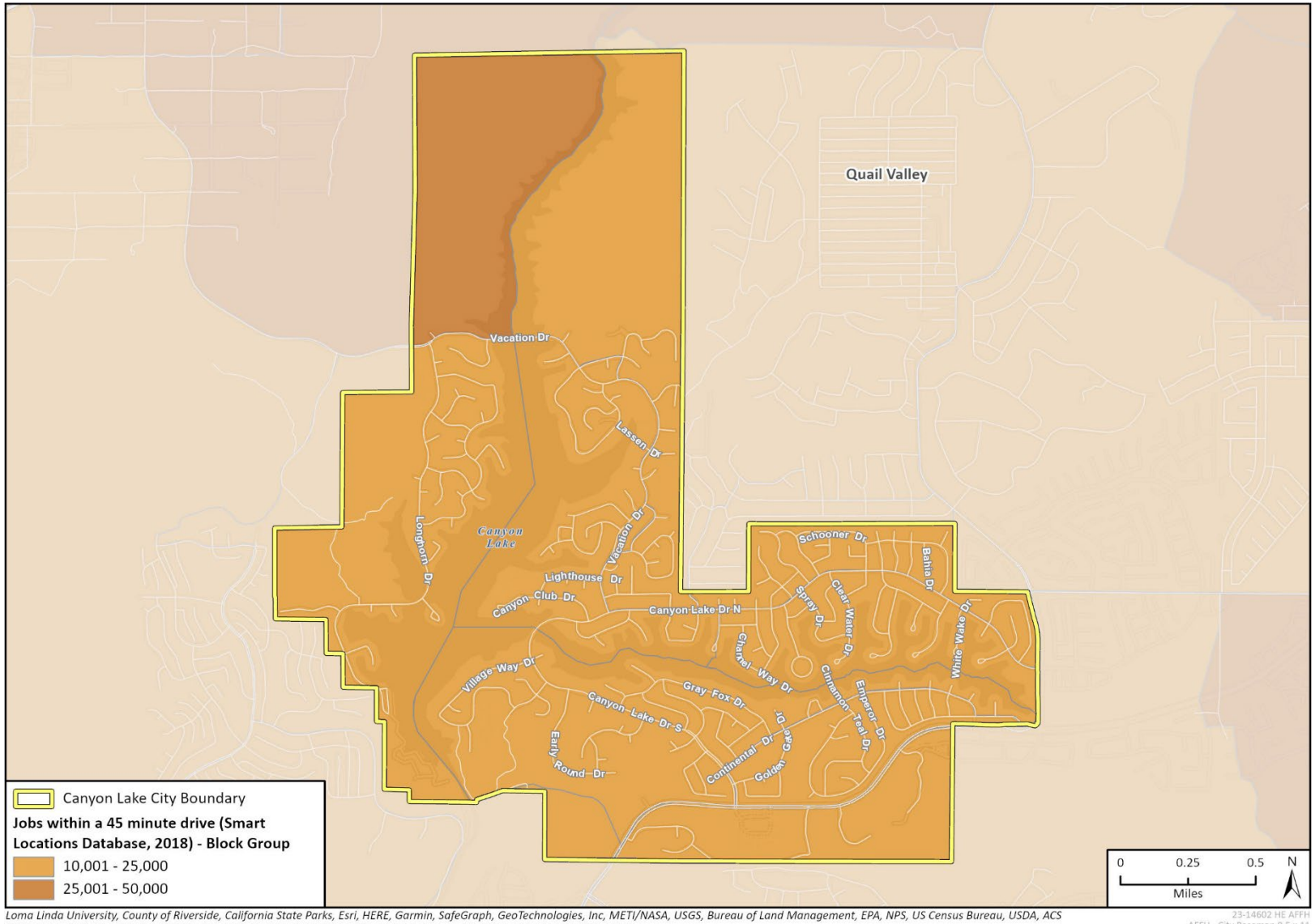
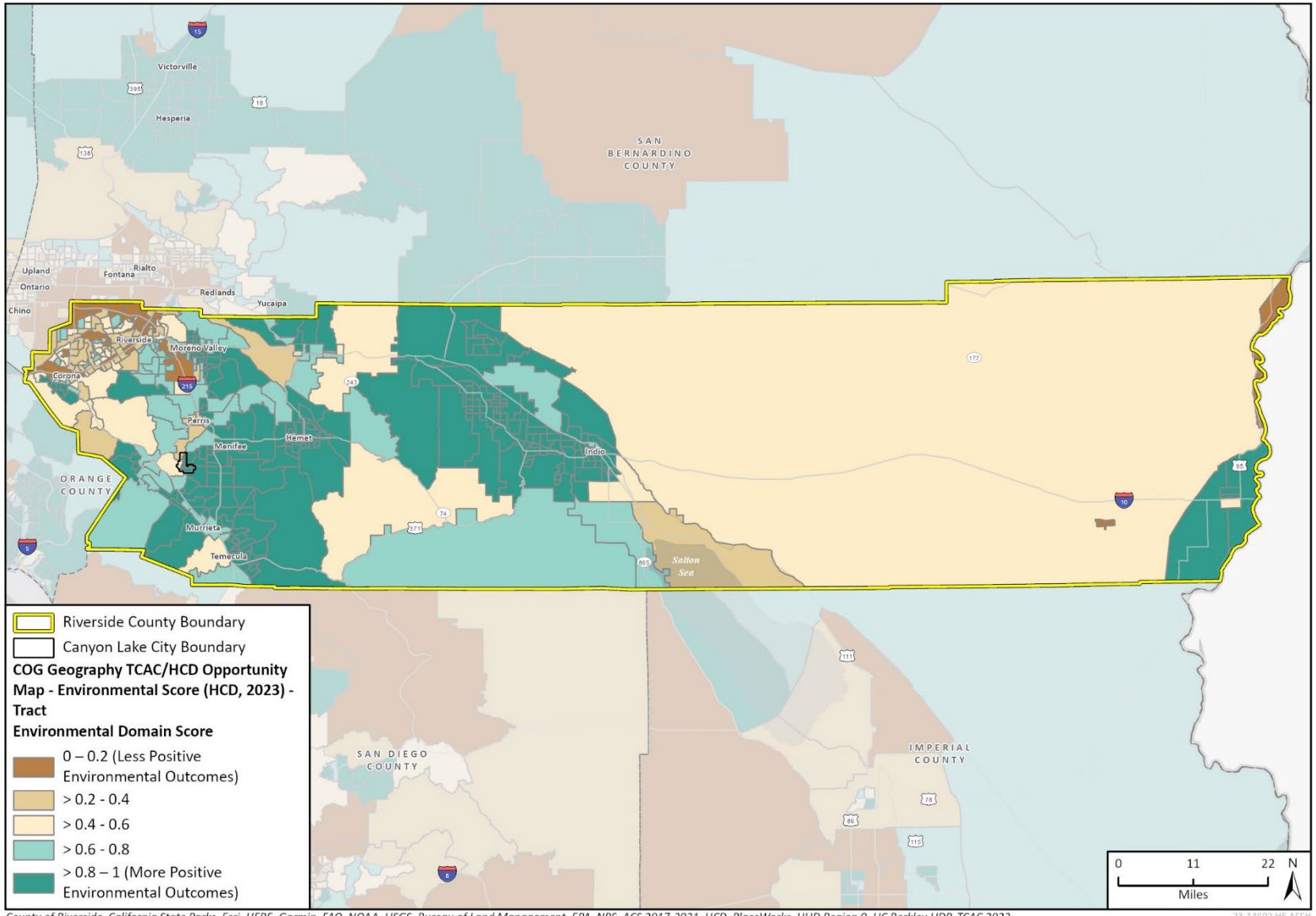


Figure B-25 TCAC Environmental Opportunity Scores (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-26 TCAC Environmental Opportunity Scores (City of Canyon Lake)

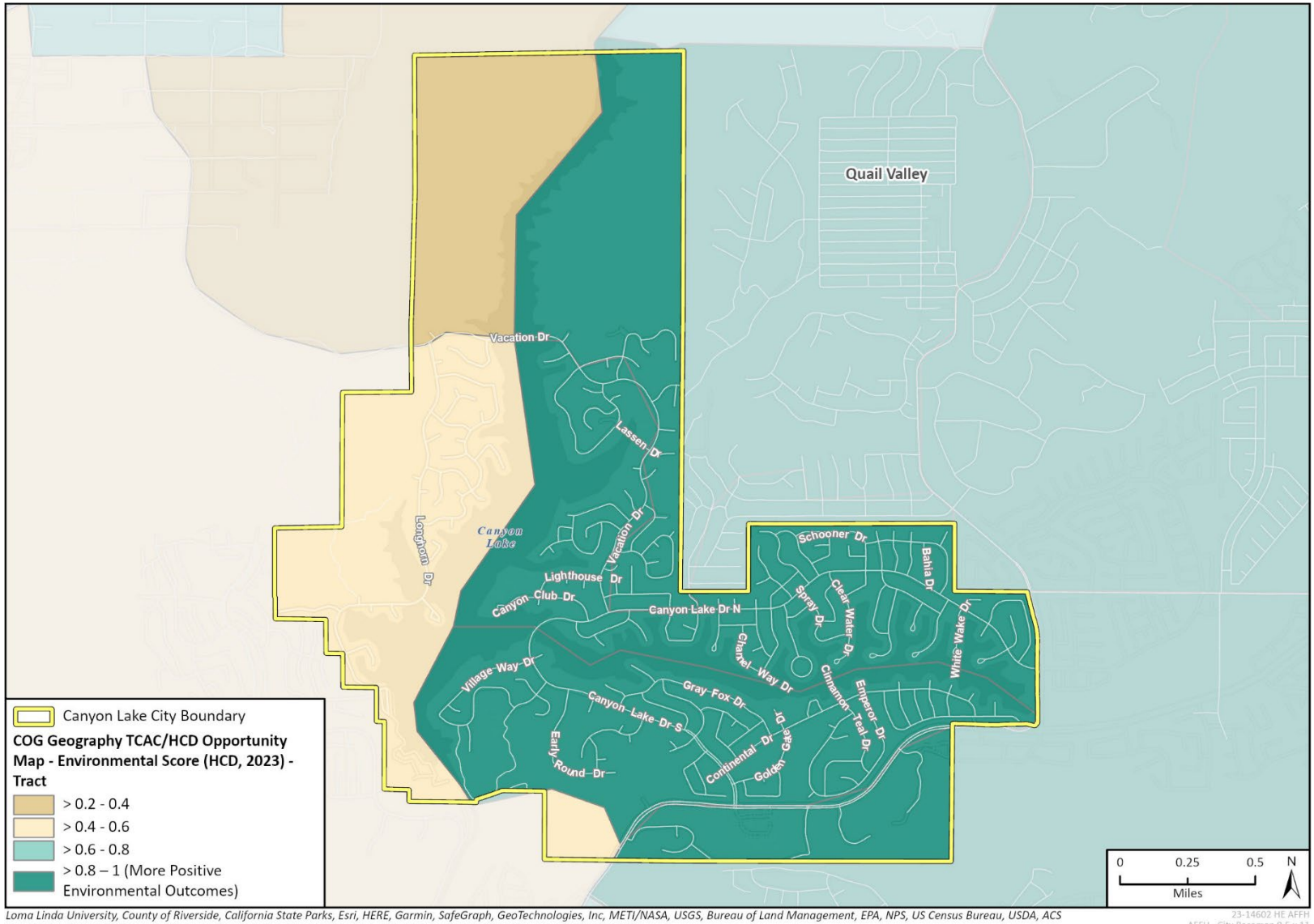
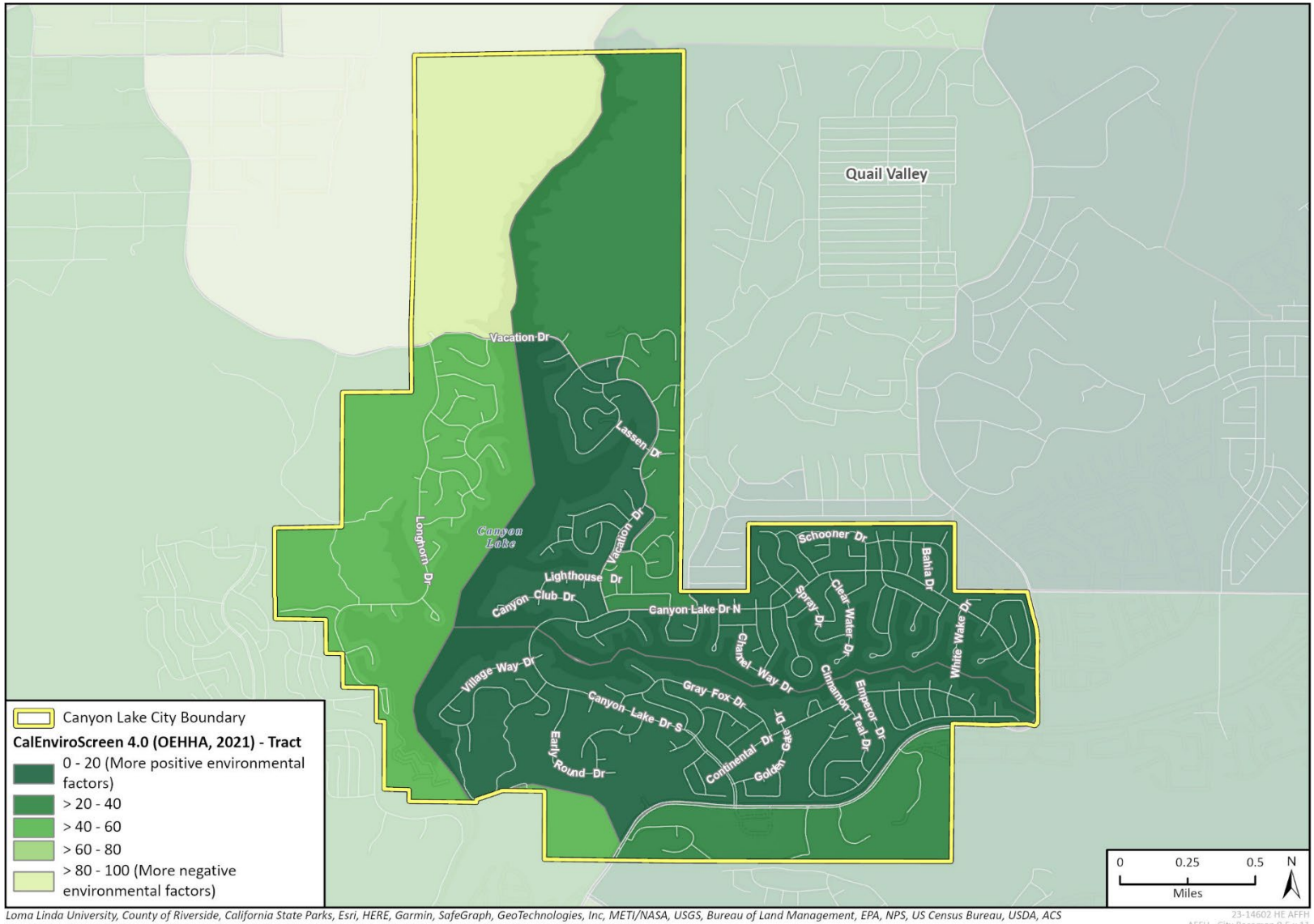


Figure B-27 CalEnviroScreen Percentile Scores (City of Canyon Lake)



Loma Linda University, County of Riverside, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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B.7.5 Transportation

Reliable public transit access and active transportation options (walking and biking) are imperative for low-income residents and/or persons with disabilities to connect to employment opportunities. Access to employment via public transit and active transportation can reduce income burden and increase housing mobility, which enables residents to locate housing in more areas. Lack of transportation options can impede fair housing choice and continue to reinforce barriers for low-income residents in accessing opportunities.

Regional Trends

Transit access in Riverside County varies significantly based on location. Urban areas in the eastern and central parts of the county have the highest access to transit, with the greatest number of transit stops of any type (Figure B-28). Rural areas in most of the county are not in proximity to any transit stops.

AllTransit is an online database that provides details on transit opportunity throughout the United States. The website explores metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. Riverside County received an average AllTransit performance score of 5.3 which equates to a moderate combination of transit trips per week and number of jobs accessible by transit. According to 2016-2020 ACS estimates, approximately one percent of residents use public transportation to get to work.

Local Trends

Transit access in Canyon Lake is very limited. The City of Canyon Lake does not have its own transit system. Canyon Lake is not served within the gated portion by any Riverside Transportation Authority (RTA) buses. However, RTA does provide Dial-A-Ride services in Canyon Lake. Dial-A-Ride is an origin-to-destination advanced reservation transportation service for seniors and persons with disabilities. Dial-A-Ride vehicles travel to areas within three-quarters of a mile of an RTA local fixed route, which encompasses a portion of the eastern area of Canyon Lake. There is a bus stop at the commercial area outside of the gated portion of the city (Figure B-29). There is a Metrolink station in the City of Perris that provides commuter rail service to Riverside and, from there, service to Los Angeles County and Orange County.

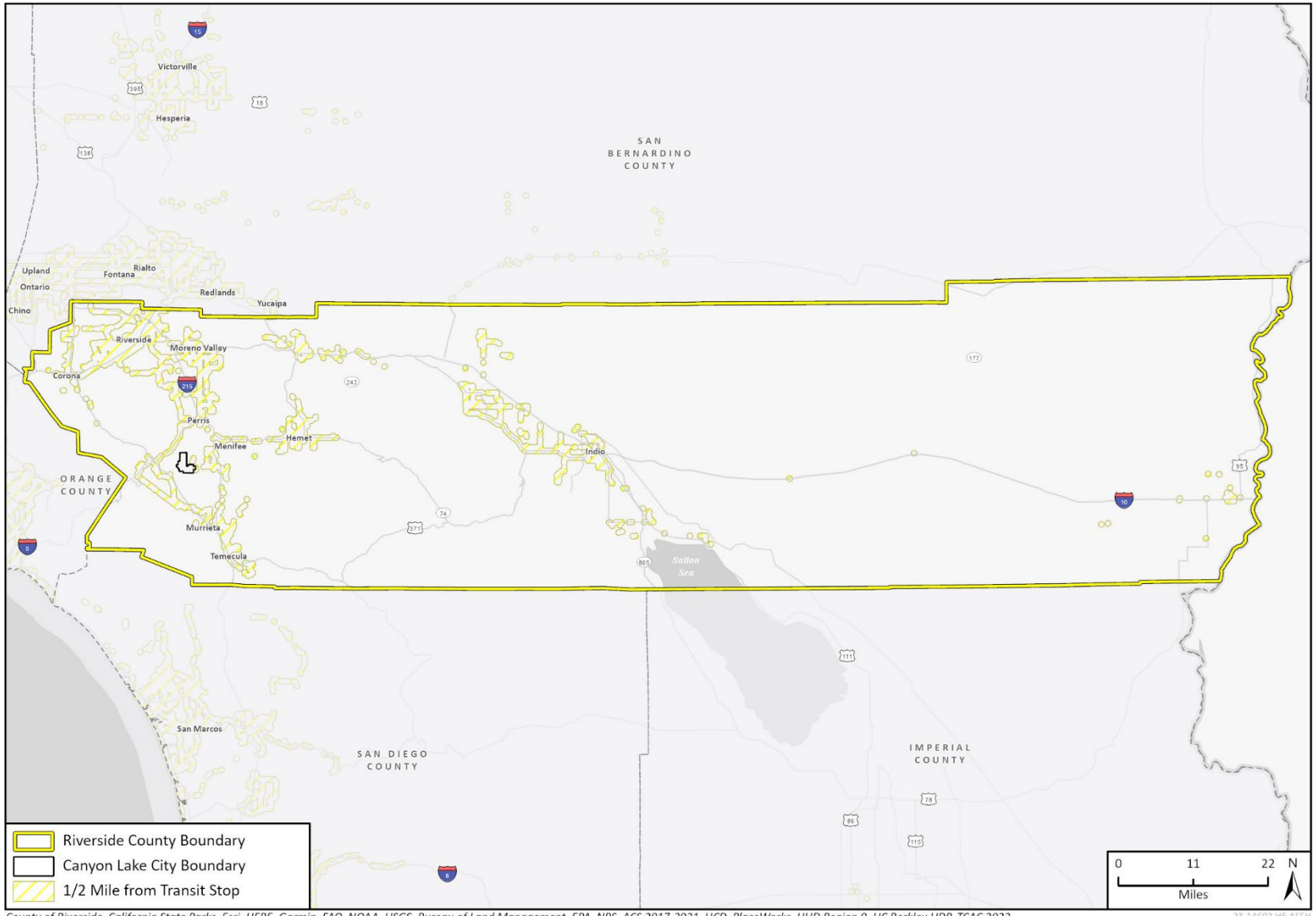
Canyon Lake received an AllTransit performance score of 1.3 out of 10, equating to a very low number of transit trips per week and number of jobs accessible by transit. Less the one percent of the Canyon Lake commuters used public transportation.

Most commuters drive alone to work (70 percent), followed by those who work from home (20 percent), those who carpool (nine percent), and less than one percent walk or bike to work. Those who use public transit to commute identify as Native Hawaiian/Other Pacific Islander or Hispanic/Latino and have an annual income ranging from $25,000 to $34,000. The mean travel time to work for Canyon Lake residents who do not work from home is 46 minutes, indicating most people work outside the city. According to ACS estimates, all residents who use public transit to commute to work depart for work between 8:30 am and 12:00 pm with a travel time of either less than 10 minutes or between 30 and 35 minutes. Less than four percent of employed residents work in Canyon Lake. Working residents work in various jurisdictions throughout the region, including Lake Elsinore, the city of Riverside, Los Angeles, Temecula, and Murrieta. In addition, 25 percent of working residents work outside of Riverside County. Given that most residents commute outside the city to work and there is a general lack of access to public transit, most employed residents likely experience high transportation costs. The Center for Neighborhood Technology (CNT) developed the Housing and Transportation (H+T) Affordability Index which measures affordability by combining housing and transportation costs for households. The CNT sets the benchmark for affordability at no more than 45% of household income for combined housing and transportation costs. According to the CNT, on average households in Canyon Lake spend 68 percent of their income on housing and transportation. Annual transportation costs average $17,570 per year per household and housing costs average $2,239 monthly. The northeastern and southwestern parts of the city have the highest combined housing and transportation costs, at between 50 and 75 percent of total household income. However, as previously discussed, it is likely that census tract data for Canyon

Lake is skewed by households located outside of the city, Therefore, it is likely that this data does not accurately portray household characteristics in Canyon Lake, and instead, residents throughout the city have similar housing and transportation costs. This indicates that households are paying too much for housing and transportation. Greater access to public transit could reduce transportation costs for households that work outside the city.

To address the lack of public transportation within Canyon Lake, Program 5.5 commits the City to working with the Riverside Transportation Authority to expand public transportation options within Canyon Lake.

Figure B-28 Transit Stop Areas (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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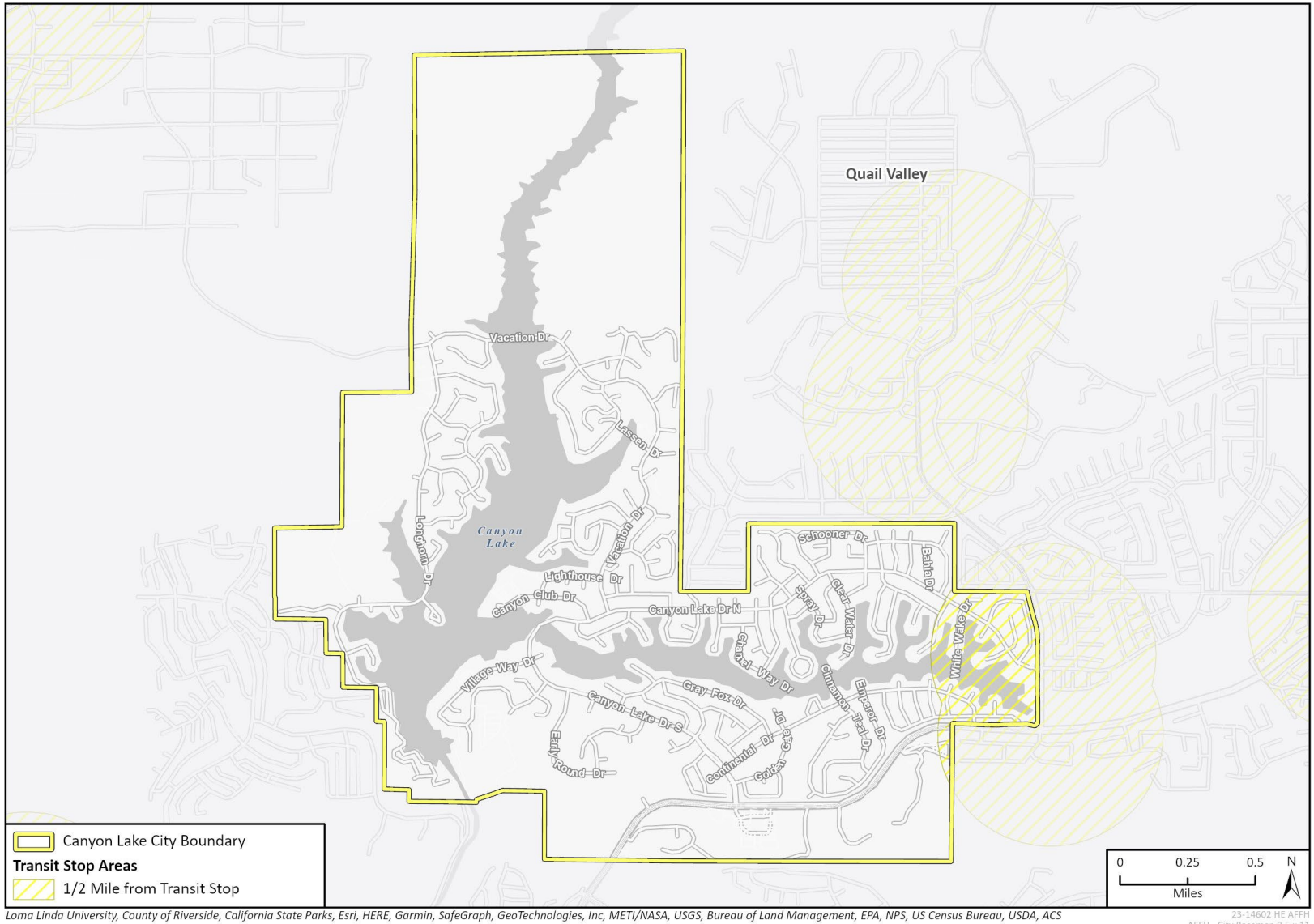
AFFH - County Basemap 8.5 x 11

Figure B-29 Transit Stop Areas (City of Canyon Lake)



Loma Linda University, County of Riverside, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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AFFH - City Basemap 8.5 x 11

B.8 Disproportionate Housing Needs

For purposes of the Assessment of Fair Housing –

> Disproportionate housing needs refers to a condition in which there are *significant disparities* in the proportion of members of *a protected class* experiencing *a category of housing need* when compared to the proportion of members of any other *relevant groups or the total population* experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden, severe cost burden, overcrowding, and substandard housing conditions…. 24 CFR 5.154 [Emphasis added]

"Disproportionate," according to the *Assessment of Fair Housing* federal rules, means that there are significant disparities – within a protected class – of the percentage of people or households experiencing a housing need. No threshold measures are provided in the AFFH Rule to enable jurisdictions to determine what is "significant."

B.8.1 Cost Burden

Housing cost burden is defined as the proportion of a household's total gross income spent on housing costs. Households that spend at least 30 percent of their total gross income on housing costs (rent, mortgage, utilities, and other housing-related costs) are considered cost burdened, and households spending over 50 percent on housing costs are considered severely cost burdened. The higher the housing cost burden, the more likely residents are to live in overcrowded and substandard conditions and are less likely to afford to relocate.

Regional Trends

Cost burden is high among homeowners and renters in Riverside County. In Riverside County, approximately 53 percent of renter households and 31 percent of owner households are cost burdened. Cost burden among homeowners is higher in urban centers compared to unincorporated parts of the county, particularly within parts of the city of Riverside, Hemet, Desert Hot Springs, and Coachella (Figure B-30).Similarly, cost burden among renter households is higher in urban centers, within the cities of Lake Elsinore, Perris, Hemet, Beaumont, Desert Hot Springs, North Palm Springs, Palm Springs, Rancho Mirage, Indian Wells, La Quinta, and Indio (Figure B-31).

Local Trends

The percentage of households experiencing cost burden generally increases as income decreases in Canyon Lake. Extremely low-, very low-, and low-income households experience cost burden at disproportionately high rates compared to moderate- and above moderate-income households for both renter and owner households (Table B-10). In addition, renter households are more likely to be cost burdened than owner households. Approximately 42 percent of all renters are cost burdened and 31 percent of owners are cost burdened. For renters, housing cost is gross rent (contract rent plus utilities). Among extremely low-income renters, 62 percent are cost burdened and 100 percent of very low-income and low-income renters are cost burdened. For owners, housing cost is "selected monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. The data shows that 100 percent of extremely low income owners are cost burdened, 58 percent of very low-income owners are cost burdened, and 55 percent of low-income owners are cost burdened. In contrast, only 18 percent of moderate- and above moderate-income renter and owner households are cost burdened.

Table B-10 Housing Problems by Income Level, 2016-2020 (City of Canyon Lake)

Household by Tenure, Income, and Housing Problem	Renter		Owner		Total Households	
	Total	Percent	Total	Percent	Total	Percent
Extremely low-income (0-30% AMI)	**145**		**160**		**305**	
With any housing problem	90	62.1%	160	100.0%	250	82.0%
With cost burden >30%	90	62.1%	160	100.0%	250	82.0%
With cost burden >50%	90	62.1%	125	78.1%	215	70.5%
Very low-income (31-50% AMI)	**130**		**275**		**405**	
With any housing problem	130	100.0%	160	58.2%	290	71.6%
With cost burden >30%	130	100.0%	160	58.2%	290	71.6%
With cost burden >50%	130	100.0%	125	45.5%	255	63.0%
Low-income (51-80% AMI)	**55**		**430**		**485**	
With any housing problem	55	100.0%	245	57.0%	300	61.9%
With cost burden >30%	55	100.0%	235	54.7%	290	59.8%
With cost burden >50%	35	63.6%	95	22.1%	130	26.8%
Moderate & Above Moderate-Income (>80% AMI)	**630**		**2325**		**2,955**	
With any housing problem	115	18.3%	420	18.1%	535	18.1%
With cost burden >30%	115	18.3%	420	18.1%	535	18.1%
With cost burden >50%	10	1.6%	70	3.0%	80	2.7%
Total Households	**960**		**3,190**		**4,150**	
With any housing problem	390	40.6%	985	30.9%	1,375	33.1%
With cost burden >30%	390	40.6%	975	30.6%	1,365	32.9%
With cost burden >50%	265	27.6%	415	13.0%	680	16.4%

Source: U.S. Housing and Urban Development 2016-2020 Comprehensive Housing Affordability Strategy Data

Similar to Riverside County, rates of cost burden are higher among renters than among homeowners. Approximately 41 percent of renters and 31 percent of homeowners are cost burdened in Canyon Lake. Cost burden among homeowners is highest in the northeastern part of the city, where 49 percent of homeowners are cost burdened (Figure B-32). Throughout the rest of the city, between 20 and 40 percent of owners are cost burdened. Cost burden among renter households is highest in the northern and southeastern parts of the city, where between 70 and 80 percent of renters are cost burdened (Figure B-33). Throughout the rest of the city, between 20 and 60 percent of renters are cost burdened. The northern part of the city is comprised of Census Tracts 429.07 and 427.15 which contain few housing units in Canyon Lake and mostly consist of areas in the communities of Meadowbrook and Quail Valley. The Canyon Lake portion of these census tracts mostly consists of undeveloped land and a small number of single-family homes that are part of the same gated community as the rest of the city. Cost burden data for Census Tracts 429.07 and 427.15 is likely skewed by the population in Meadowbrook and Quail Valley. In Census Tract 429.07 Block Group 2, there are only 18 housing units in the city of Canyon Lake, representing less than five percent of the total housing units in the block group. In Census Tract 427.17 Block Group 2, only about 150 housing units are in the city of Canyon Lake, representing 41 percent of the total housing units in that block group. Therefore, households in the Canyon Lake portion of Census Tracts 429.07 and 427.17 represent a very small percentage of the total households in those block groups/census tracts and the overall trends within those census tracts are not necessarily an indicator for conditions within Canyon Lake.

Therefore, rates of cost burden among homeowners and renters in the northern part of Canyon Lake are likely similar to the rest of the city.

Table B-11 shows that the percentages of extremely low-income Asian and Hispanic households are twice as high as White households. This may indicate that Asian and Hispanic households experience disproportionate housing needs relating to cost burden and severe cost burden when compared to White households. None of the Black households have extremely low incomes.

Table B-11 Extremely Low-Income Households by Race/Ethnicity: 2012-2016 (City of Canyon Lake)

Race and Ethnicity	Total Households	Extremely Low Households	Percent Extremely Low-Income Households
White, Non-Hispanic	3,560	100	2.8%
Black, Non-Hispanic	10	0	0.0%
Asian and Other, Non-Hispanic	175	10	5.7%
Hispanic	425	20	4.7%
Total	**4,170**	**130**	**3.1%**

Source: Southern California Association of Governments, *Pre-Certified Local Housing Data, August 2020*, based on HUD CHAS Data 2012-2016

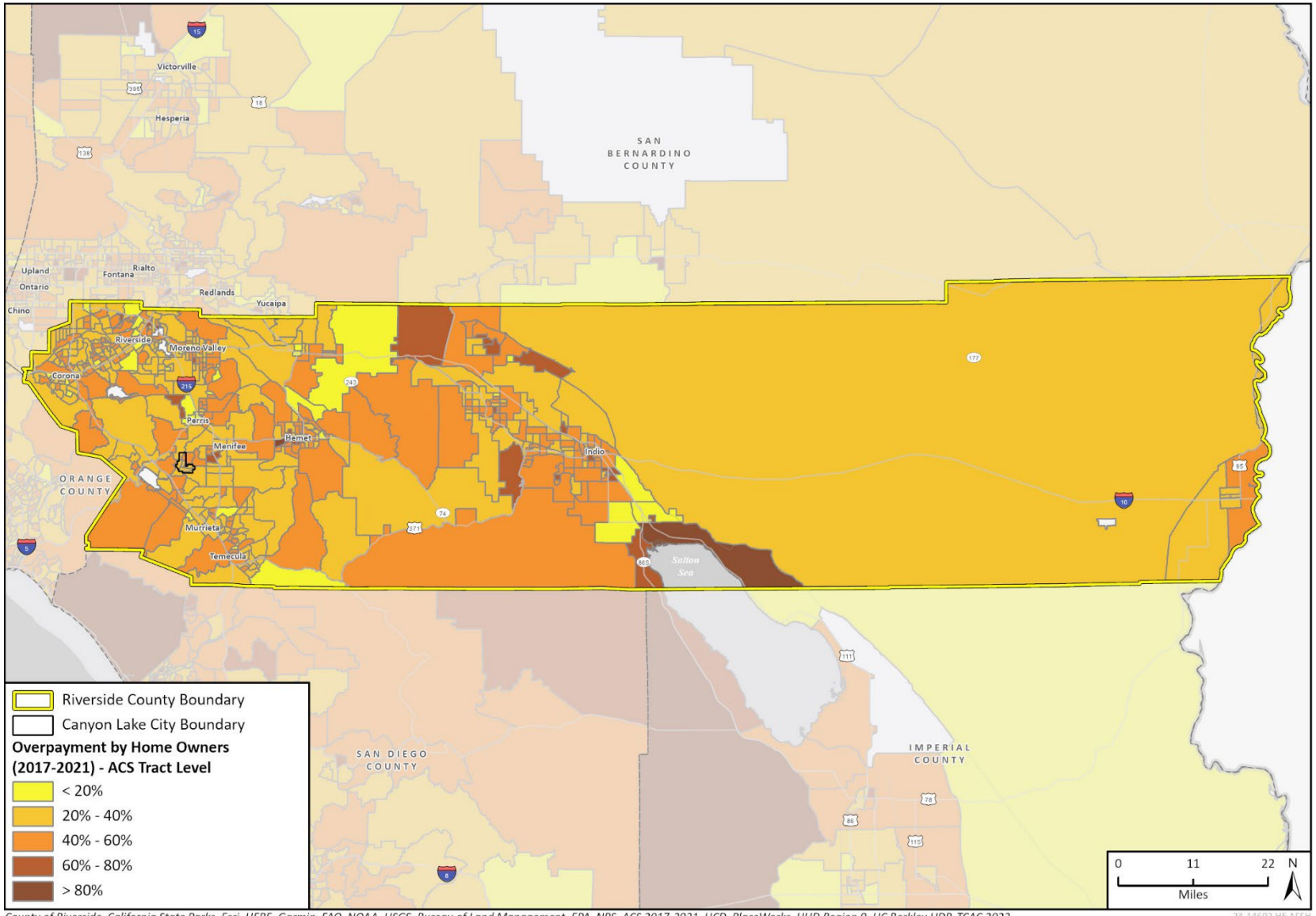
As shown in Table B-12, a higher percentage of renter households are extremely low-income (6 percent) compared to owner households (3 percent).

Table B-12 Extremely Low-Income Households by Tenure: 2012-2016 (City of Canyon Lake)

Race and Ethnicity	Total Households	Extremely Low Households	Percent Extremely Low-Income Households
Renter-occupied	750	45	6.0%
Owner-occupied	3,410	85	2.5%
Total	**4,160**	**130**	**3.1%**

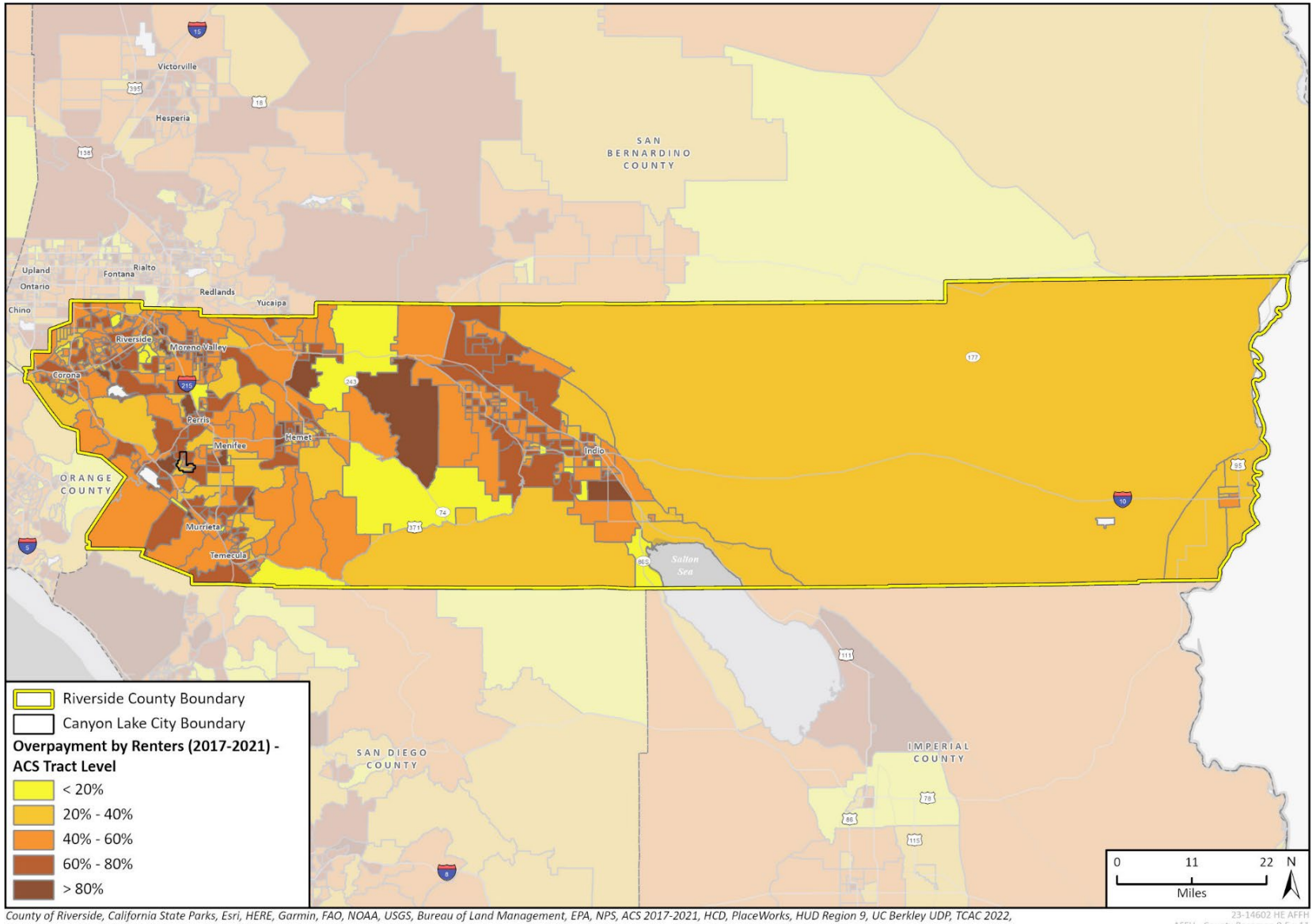
Source: Southern California Association of Governments, *Pre-Certified Local Housing Data, August 2020*, based on HUD CHAS Data 2012-2016

Figure B-30 Cost Burden by Homeowners (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-31 Cost Burden by Renters (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-32 Cost Burden by Homeowners (Canyon Lake)

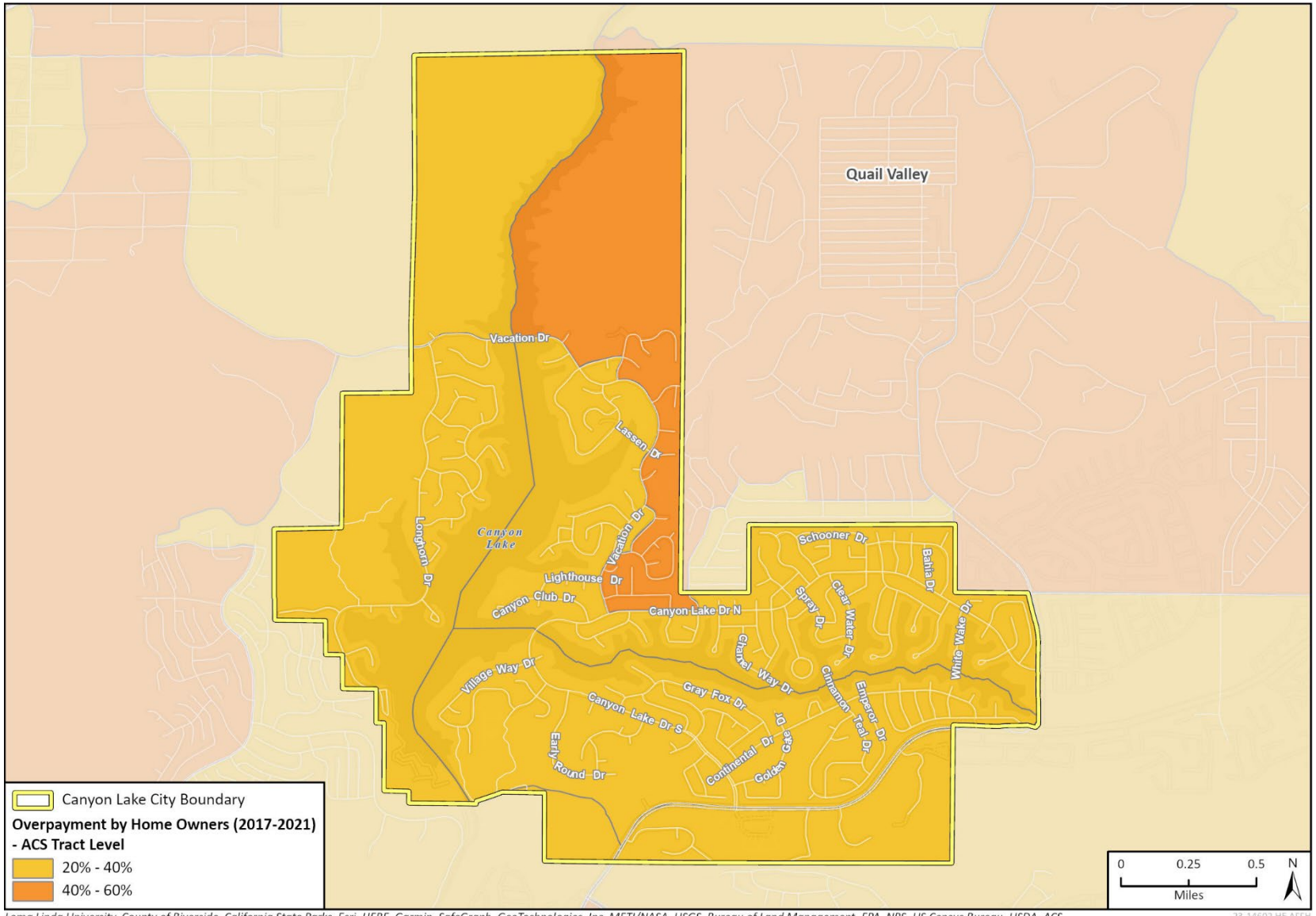
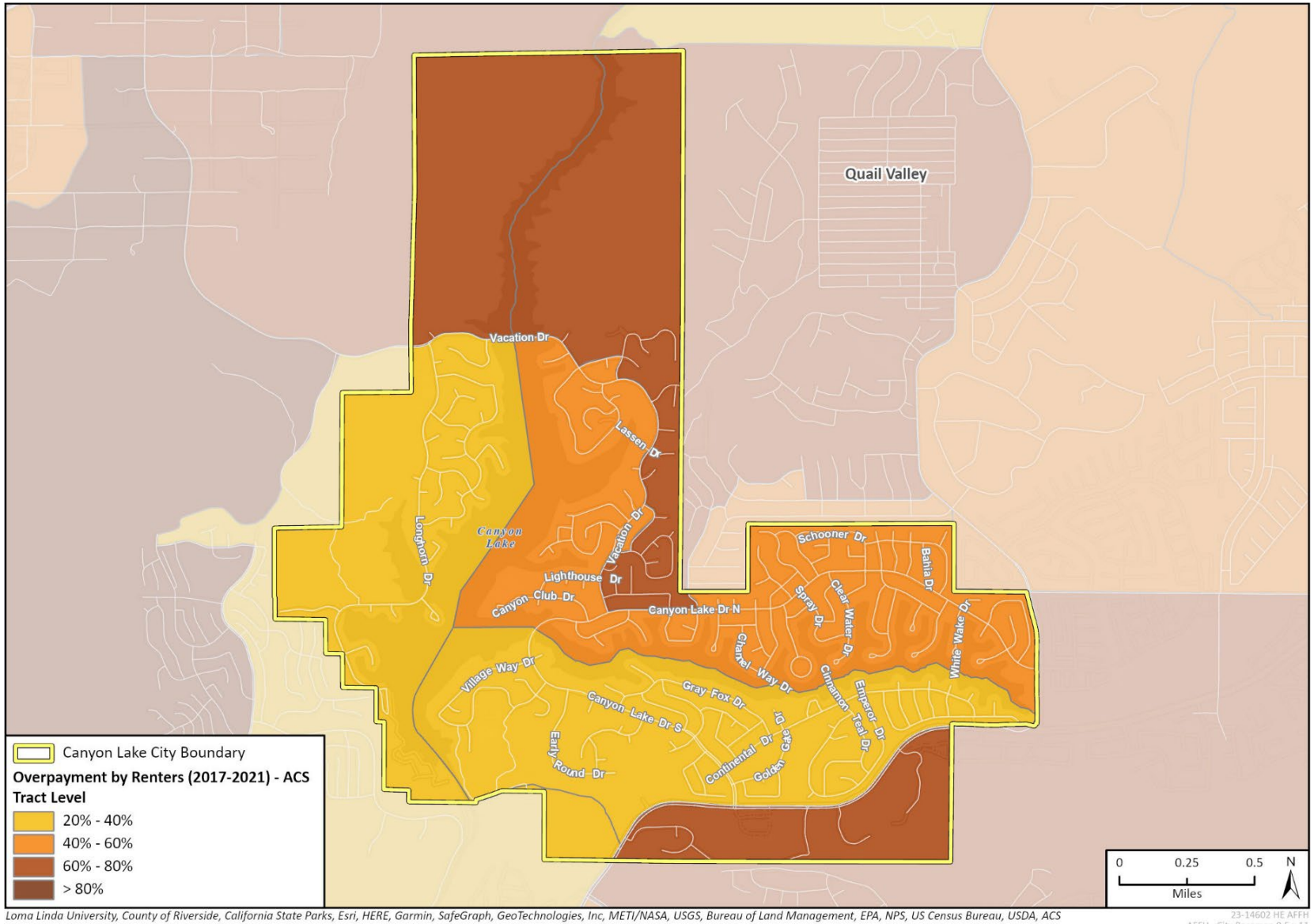


Figure B-33 Cost Burden by Renters (City of Canyon Lake)



B.8.2 Overcrowding

Overcrowding is defined as a condition in which a housing unit is occupied by more than one person per room (including dining and living rooms but excluding bathrooms and kitchen). Severe overcrowding refers to more than 1.5 persons per room. Overcrowding is reflective of various living situations: a housing unit is inadequately sized to meet a household's needs; the necessity or desire to have extended family members reside in an existing household; or unrelated individuals or families share a single housing unit.

Overcrowding is a measure to understand the needs of large families where there are five or more persons per household. Generally, large households have special housing needs due to lower per capita income and the need for housing with three or more bedrooms. Some large households may not be able to accommodate high-cost burdens for housing and accept housing with too few rooms. Potential fair housing issues emerge if non-traditional households are discouraged or denied housing due to a perception of overcrowding.

According to local fair housing service providers and property managers, addressing the issue of large households is complex as there are no set of guidelines for determining the maximum capacity for a unit. Fair housing issues may arise from policies aimed to limit overcrowding that have a disparate impact on specific racial or ethnic groups with different preferences for housing size and/or ability to pay according to the household size standards identified.

Regional Trends

Overcrowding is higher among renter households compared to owner households. Approximately five percent of owner households are overcrowded in Riverside County and 12 percent of renter households are overcrowded.

Local Trends

A very small percentage of households in Canyon Lake are overcrowded. There are a total of 10 overcrowded households in the city and all are homeowner households, which equates to less than one percent of owner households. As shown in Table B-13, all overcrowded households are White Alone, Not Hispanic or Latino.

Table B-13 Overcrowding by Race and Ethnicity (City of Canyon Lake)

Race/Ethnicity	Number of Households	Number Overcrowded	Percent Overcrowded
Hispanic	377	0	0.0%
Some Other Race Alone	177	0	0.0%
Black/African American	30	0	0.0%
Asian	94	0	0.0%
White Alone, Not Hispanic or Latino	3,450	10	0.3%
Two or More Races	187	0	0.0%
American Indian/Alaska Native	15	0	0.0%
Native Hawaiian/Pacific Islander	10	0	0.0%
Total	**4,416**	**10**	**0.2%**

Source: U.S Census Bureau American Community Survey 2016-2020 5-Year Estimates Tables B25014B-B25014I

B.8.3 Persons Experiencing Homelessness

State law (Section 65583(a)(7)) requires municipalities to address the special needs of persons experiencing homelessness within their boundaries. "Homelessness," as defined by HUD, describes the condition of an individual, who is not imprisoned or otherwise detained, who:

- Lacks a fixed, regular, and adequate nighttime residence; and
- Has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
- An institution that provides a temporary residence for individuals intended to be institutionalized; or
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

Regional Trends

The Riverside County Continuum of Care 2023 Point-in-Time (PIT) Count, conducted on January 25, 2023, recorded 3,725 individuals experiencing homelessness in the county, a 12 percent increase from the previous PIT Count conducted in 2022. The primary factors identified as contributing to unsheltered homelessness were family disruption, lack of income, and unemployment. The majority (66 percent) of homeless individuals were unsheltered. Among unsheltered individuals, 20 percent were living in a vehicle, 16 percent in a tent/shed, 7 percent in an abandoned building, 16 percent in an encampment, and 33 percent in the street.[11]

Approximately nine percent of homeless individuals reported a mental health issue and 12 percent reported substance abuse issues. Sixty-eight percent of homeless individuals identified as White, 37 as Hispanic/Latino, 15 percent as Black/African American, 11 percent as multiple races, and 3 percent as American Indian/Alaskan.

Local Trends

According to the Riverside County Continuum of Care 2023 PIT Count, no homeless individuals were identified in Canyon Lake.[12] This is likely due to the fact that almost the entire city is a gated community. There are three gated entrances to the gated portion of the city which are staffed 24/7. Only residents and their guests are permitted entry into the gated community. There are no homeless shelters and no services for homeless individuals in the city. Restricted access to most of the city is likely why there were no homeless individuals identified in Canyon Lake during the 2023 PIT Count. City staff have repeatedly observed one transient homeless individual within the city, near the Canyon Lake Golf and Country Club in the southern portion of the city. However, as there are no services for homeless individuals within the city, no services were provided.

B.8.4 Displacement Risk

Displacement, as defined by HCD, is used to describe any involuntary household move caused by landlord action or market changes. Shifts in neighborhood composition are often framed and perpetuated by established patterns of racial inequity and segregation. Movement of people, public policies, and investments, such as capital improvements and planned transit stops, and flows of private capital can lead to displacement. Displacement is fueled by a combination of rising housing costs, rising income inequality, stagnant wages, and insufficient market-rate housing production. Decades of disinvestment in low-income communities, coupled with investor speculation, can result in a rent gap or a disparity between current rental income of the land, and potentially achievable rental income if the property is converted to its most profitable use. These processes can disproportionally impact people of color, as well as lower income households, persons with disabilities, large households, and persons at-risk or experiencing homelessness.[13]

To analyze displacement risk, the UDP has established categories that reflect varying levels of displacement vulnerability. Communities are designated “sensitive” and vulnerable to displacement if the share of very low-income residents is greater than 20 percent and have any of the two following characteristics: The share of renters is above 40 percent, the share of people of color is above 50 percent, the share of very low-income households that are severely rent burdened is above the county median, or the percent change in rent is above the county median for rent increases. Areas categorized as at-risk of or experiencing gentrification refer to neighborhoods that demonstrate characteristics of increasing housing costs, changes in housing supply, and are located near

[11] Riverside County Continuum of Care. 2023. Homeless Point-In-Time Count. https://drive.google.com/file/d/1mA9xcnGMqNTVZUTrdfksF1WGk-uxCNWj/view
[12] Riverside County Continuum of Care. 2023. Homeless Point-In-Time Count Summary. Riverside County Continuum of Care
[13] HCD 2021. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf

communities that have also experienced increasing housing costs and an increasing risk of displacement in the future. The stable moderate/mixed income category refers to neighborhoods that have moderate- to high-income residents that are not at-risk of becoming neighborhoods that exclude all but wealthy households. The stable/advanced exclusive category refers to neighborhoods that have exhibited characteristics of exclusion for long periods of time.

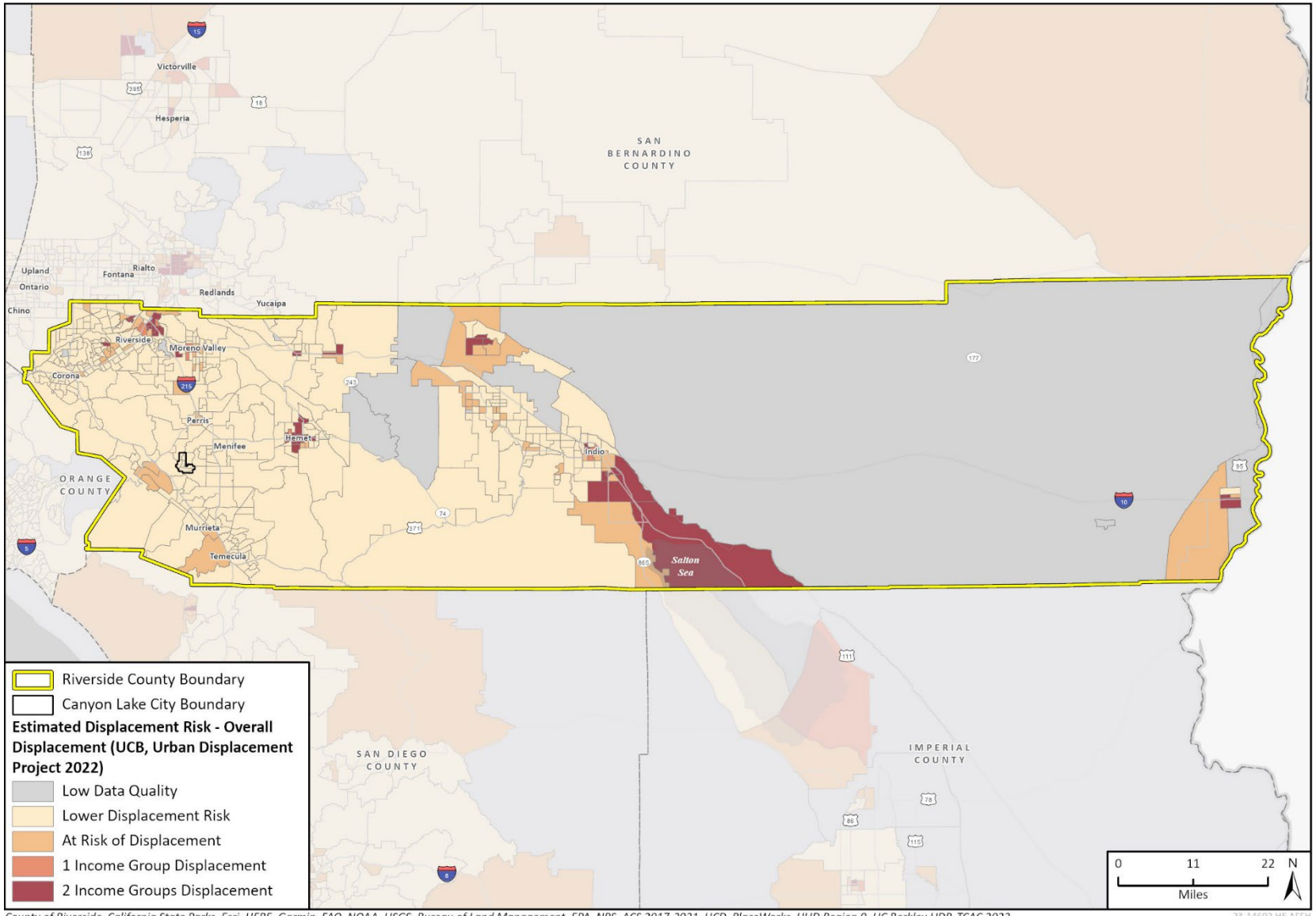
Regional Trends

Low-income residents are at risk of displacement throughout various parts of the county, including in portions of the cities of Riverside, Moreno Valley, Hemet, Beaumont, Banning, Desert Hot Springs, Indio, Coachella, and the unincorporated area south of Coachella (Figure B-34).

Local Trends

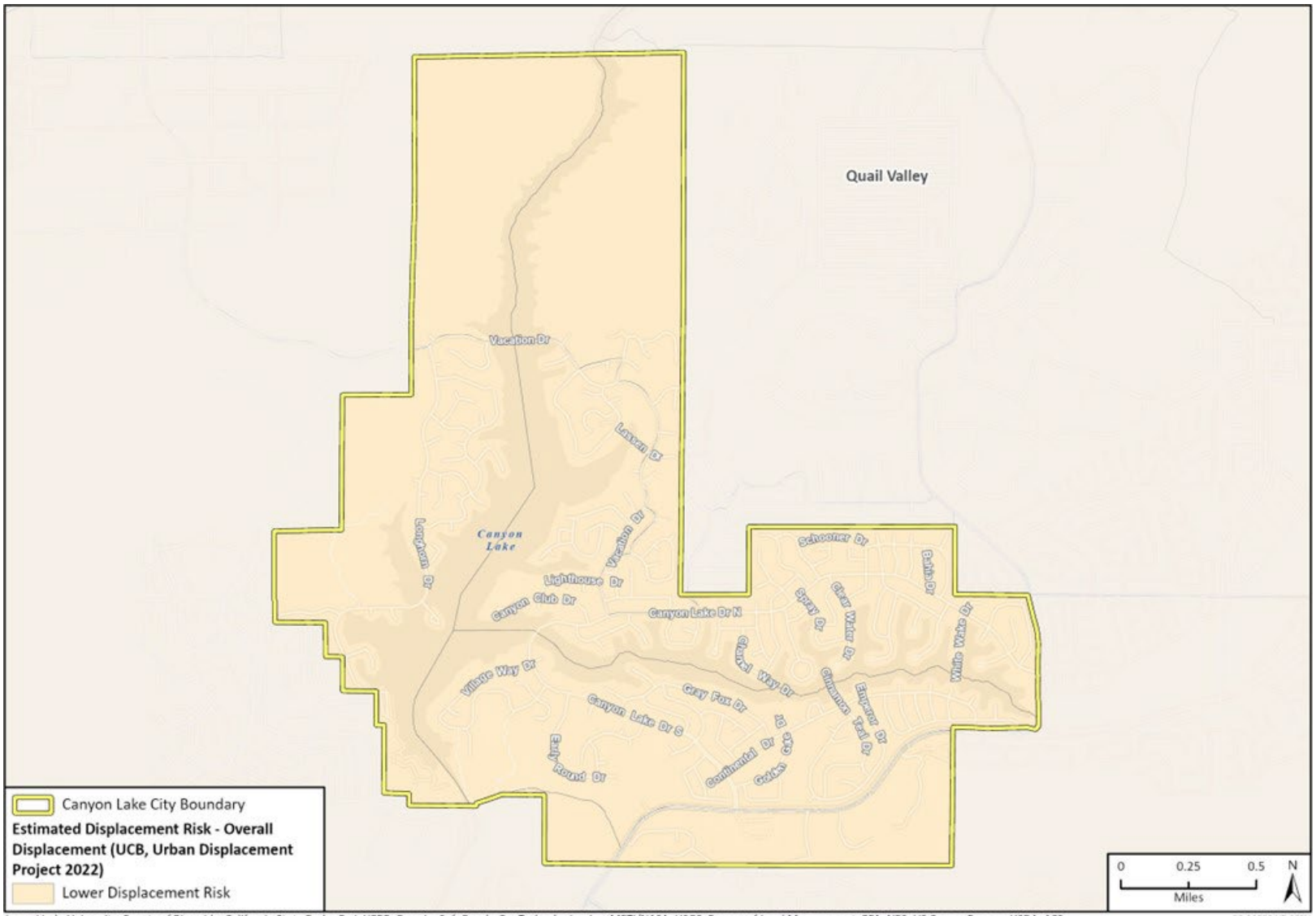
Displacement risk is low throughout Canyon Lake and no areas have been identified as having an elevated risk of displacement (Figure B-35).

Figure B-34 Displacement Risk (Riverside County)



County of Riverside, California State Parks, Esri, HERE, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

Figure B-35 Displacement Risk (City of Canyon Lake)



Loma Linda University, County of Riverside, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

B.9 Housing Sites Inventory Analysis

This portion of the AFFH analyzes the relation between the housing opportunity sites and AFFH-related issues. Government Code Section 65583(c)(10) requires the housing opportunity sites to be analyzed with respect to AFFH to ensure that sites designated for low-income households are dispersed equitably throughout the city rather than concentrated in areas of high segregation and poverty or low-resource areas that have historically been underserved, and conversely, that sites designated for above moderate-income households are not concentrated in areas of high resources. By comparing the sites inventory to the fair housing indicators in this assessment, this section analyzes whether the sites included in the Site Inventory improve or exacerbate fair housing conditions, patterns of segregation, and access to opportunity.

B.9.1 Housing Sites by TCAC Opportunity Area

For purposes of evaluating fair housing, resource levels designated by TCAC/HCD denote access to economic and educational opportunities such as low-cost transportation, jobs, and high-quality schools and the quality of environmental factors in the area such as proximity to hazards and air quality. TCAC has a composite opportunity score for each census tract. Canyon Lake has a mix of resource areas. The northwestern corner of the city is a low resource area, while the southern and southeastern part of the city is a high resource area. The rest of the city consists of moderate resource areas.

The City's Site Inventory can accommodate 357 housing units. Figure B-36 shows the housing opportunity sites by TCAC designated resource area. The housing opportunity sites are designated by income category – whether the sites could accommodate housing appropriate for low-, moderate-, or above moderate-income households. The "appropriateness" of sites for various affordability levels is dictated by State housing element law and HCD guidance and includes allowable density, size of site, realistic capacity, existing use(s), and other factors. More information about the sites and income designations is available in Appendix E, Housing Resources.

Most of the housing opportunity sites are in high resource areas (81 percent of the proposed housing units) and moderate-resource areas (17 percent of proposed housing units). A large portion of housing units in high resource areas of the city (188 housing units) are within the Towne Center Specific Plan (TCSP) area, including all of the proposed low- and moderate-income housing units and 22 percent of the proposed above-moderate income units. The remaining housing units proposed by the Site Inventory are scattered throughout the city on small lots zoned R-1 (169 housing units), with one above moderate housing unit proposed on each lot. A total of 5 housing units are proposed in low resource areas which are located in in the northwest corner of the (Census Tract 429.07).

Because of Canyon Lake's unique development as a private gated community which later incorporated as a city, and due to limited capacity of the gated portion of the community to accommodate lower-income housing, the entirety of income-restricted RHNA requirements are planned to be accommodated within the TCSP. While all these sites are located with a high opportunity census tract, the concentration of all lower-income units within one census tract could potentially exacerbate fair housing conditions. To ensure that the location of these sites does not further segregation or result in inequitable living conditions for occupants of income-restricted apartments, the City will implement Program 5.6 to promote equitable quality of life throughout the city.

Total Units by Resource Area

There are five units planned in areas of high segregation and poverty and low resource, all of which will be above moderate-income units. In contrast, 62 units are planned in areas designated moderate-resource and 290 units are in high-resource areas. All of the units in moderate resource areas will be above moderate-income (62 units). Approximately 20 percent of units in high resource areas (57 units) will be moderate-income units and 80 percent (1,49 units) will be above moderate-income units.

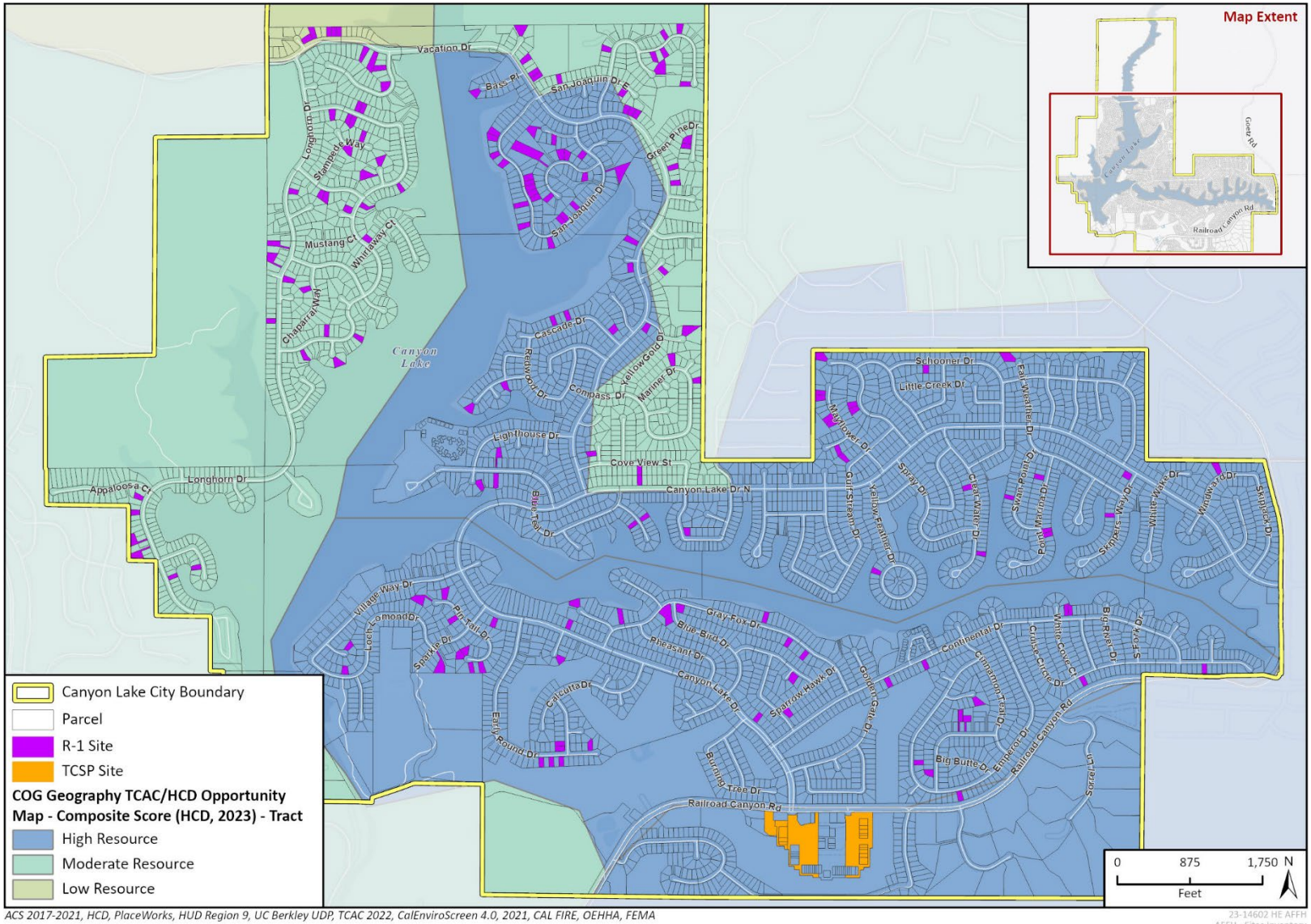
Table B-14 shows the number of proposed housing units by income level in each resource area.

Table B-14 Proposed Housing Units by Resource Area (Housing Opportunity Sties)

Income Level	Lower-Income	Moderate-Income	Above-Moderate Income	Total Units
Areas of High Segregation and Poverty	0 units (0% of lower-income units)	0 units (0% of moderate-income units)	5 units (2% of above moderate-income units)	5 units (1% of total units)
Low-Resource Areas	0 units (0% of lower-income units)	0 units (0% of moderate-income units)	5 units (2% of above moderate-income units)	5 units (1% of total units)
Moderate-Resource Areas	0 units (0% of lower-income units)	0 units (0% of moderate-income units)	62 units (29% of above moderate-income units)	62 units (17% of total units)
High/Highest-Resource Areas	84 units (100% of lower-income units)	57 units (100% of moderate-income units)	149 units (69% of above moderate-income units)	290 units (81% of total units)

The housing opportunity sites, will add all of the proposed lower- and moderate-income units in high-resource areas. These units are all proposed within the TCSP area in Census Tract 427.33 due to the availability of appropriately zoned land within this census tract. This area is the only land within the city that is available for housing development appropriate for lower-income housing, with an allowed density of 20 units per acre or greater. Above moderate-income units are scattered throughout the city. Most of the land within the gated portion of the city is already developed with newer housing units built within the past 20 years. Therefore, these lots are unlikely to be redeveloped during this housing element cycle. Recent market trends show that development on vacant land within the gated portion of Canyon Lake consists solely of single-family homes on lots of at least 7,200 square feet for sale at the above moderate-income level. Therefore, the Site Inventory does not propose any lower- or moderate-income units in these areas. In addition these vacant lots are zoned with a maximum allowable density of 6.05 units per acre, which does not accommodate lower-income units.

Figure B-36 Housing Opportunity Sites by TCAC Resource Area (City of Canyon Lake)



ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

23-14602 HE AFFH
AFFH - Sites Inventory

B.9.2 Sites by Income Population

Census tracts with more than 50 percent low- and moderate-income (LMI) households are located in the northern and northeastern part of the city. Figure B-37 shows the housing opportunity sites by percentage of LMI populations. Thirty-two of the total housing units included in the opportunity sites are located in census tracts with more than 50 percent LMI households, equal to approximately 15 percent of the total proposed above moderate-income housing units and nine percent of the total proposed housing units. Of the opportunity sites in these areas, all are appropriate for above moderate-income households. The Site Inventory will improve the mixture of housing opportunities by income level in the city and will not exacerbate segregation by income between neighborhoods.

B.9.3 Sites by Overcrowded Households

Overcrowding is highest in the northwestern corner of the city, where approximately nine percent of housing units are overcrowded. However, this part of the city is part of Census Tract 429.07 (data skewed by housing and population in Meadowbrook) and contains a total of 20 housing units in Canyon Lake. Figure B-38 show the housing opportunity sites by levels of overcrowded housing across the city. The Site Inventory assumes that sites in areas with higher rates of overcrowding could accommodate a total of 5 above moderate-income housing units, equal to approximately two percent of the total above moderate-income housing units proposed in the Site Inventory. This part of the city consists primarily of undeveloped land zoned Natural Recreation Area and has little land available for housing development. Sites to accommodate the remaining 352 housing units are located throughout the rest of the city. The Site Inventory will not exacerbate overcrowding conditions but will add new housing opportunities throughout the city.

B.9.4 Sites by Cost Burden by Renters

The percentage of overpayment by renters is highest in the northern and southeastern parts of the city, where between 70 and 79 percent of renters are experiencing cost burden. Figure B-39 show the housing opportunity sites by overpayment by renters. The housing opportunity sites will provide housing opportunities for a mix of income levels in areas with high rates of cost burden among renters, including 84 units appropriate for lower-income households, 57 units appropriate for moderate-income households, and 79 units appropriate for above moderate-income households. These housing units will likely be a mix of rental units and owned units, based on trends in planning entitlements and developer interest. The Site Inventory will not exacerbate overpayment by renters but will add new housing opportunities in areas that need them.

According to the UDP, new market-rate construction in gentrifying areas neither worsens nor eases rates of people moving out of the area. It increases rates of people moving to an area across all socio-economic groups, particularly high-socio-economic residents. The UDP recommends subsidized housing construction and housing preservation to help existing residents stay in their neighborhood. The mix of lower, moderate, and above moderate-income housing units in southern Canyon Lake will provide affordable housing options for existing lower-income residents as well as encourage higher-income households to move into the area.

Figure B-37 Housing Opportunity Sites by Income Population (City of Canyon Lake)

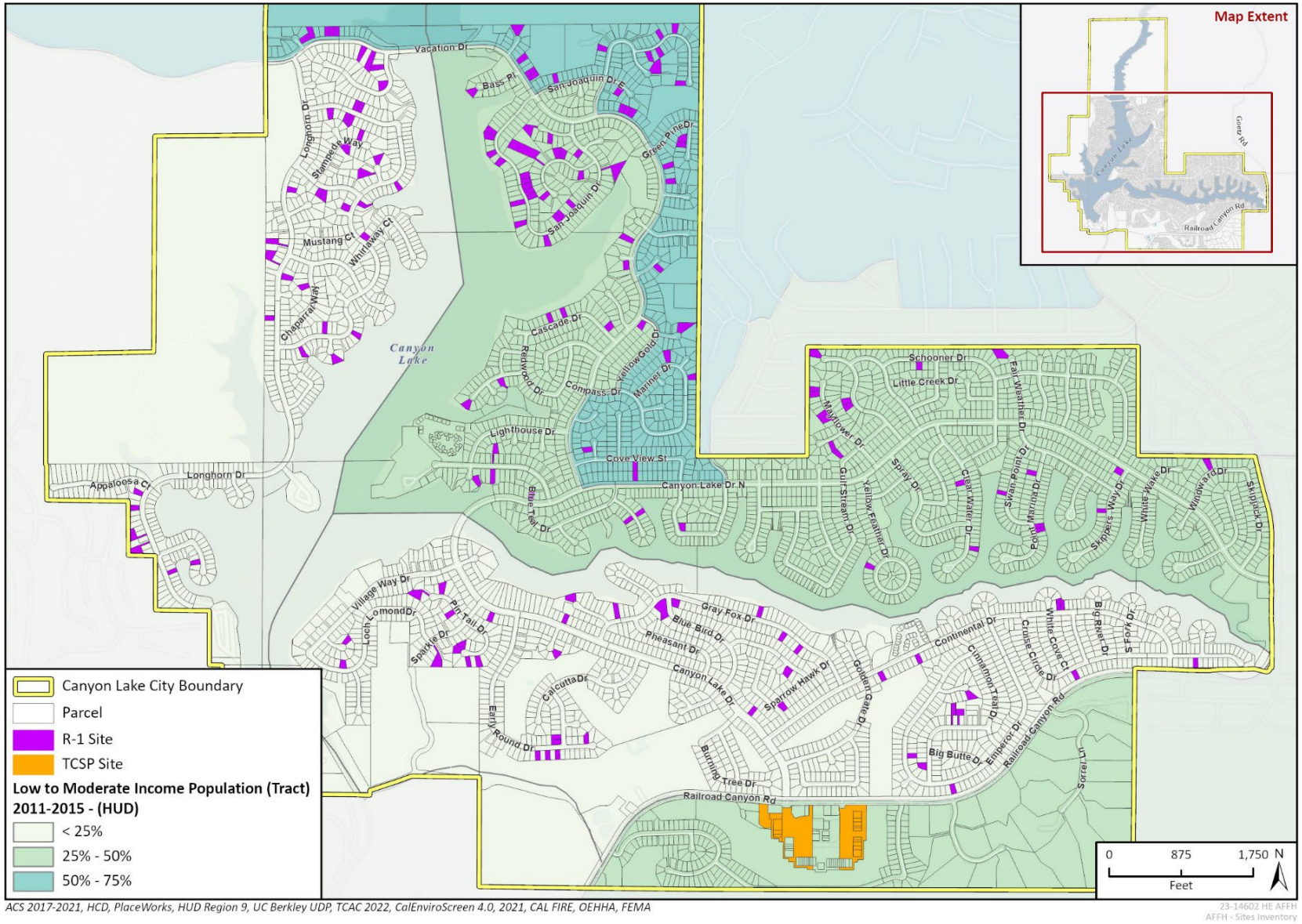
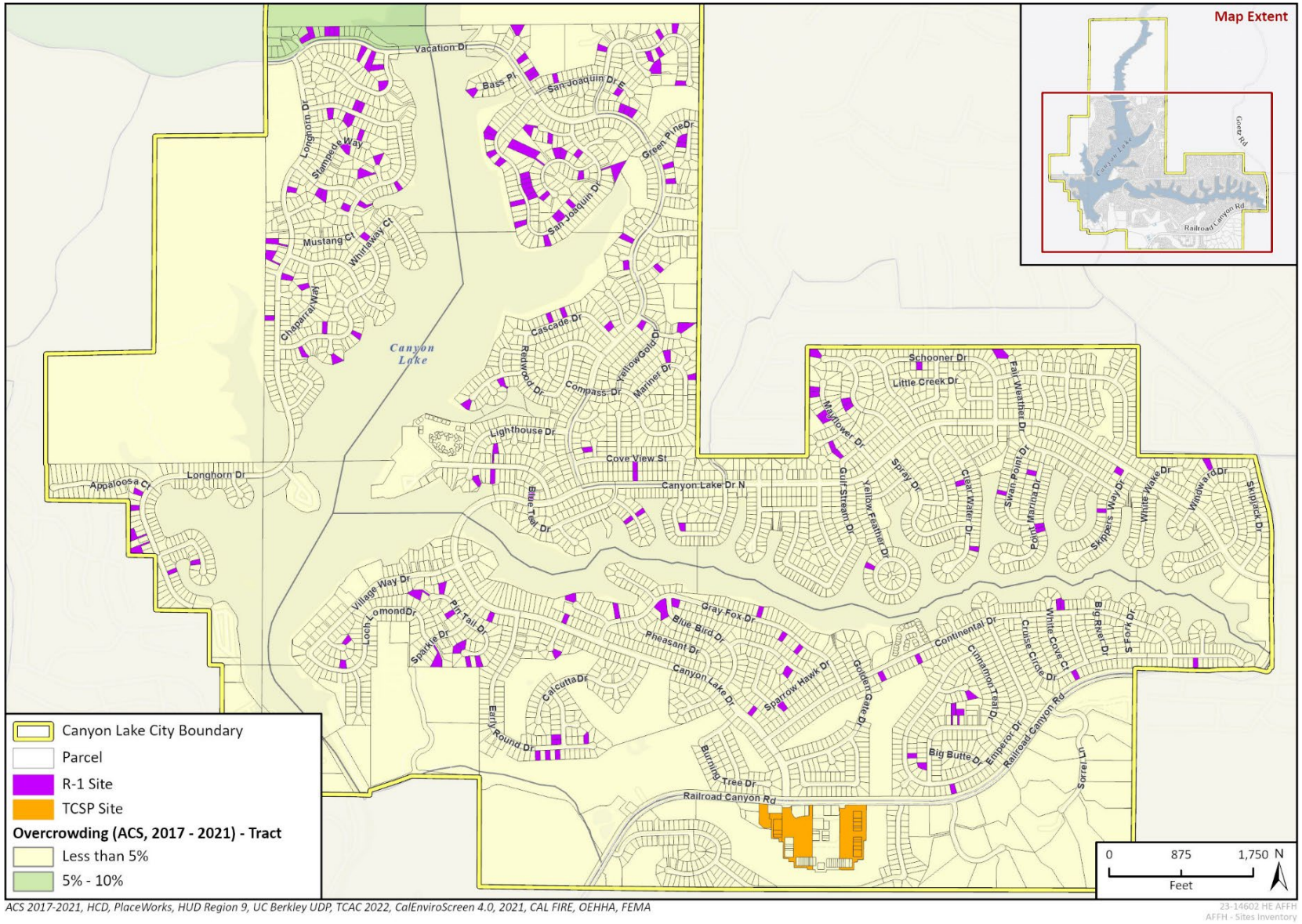


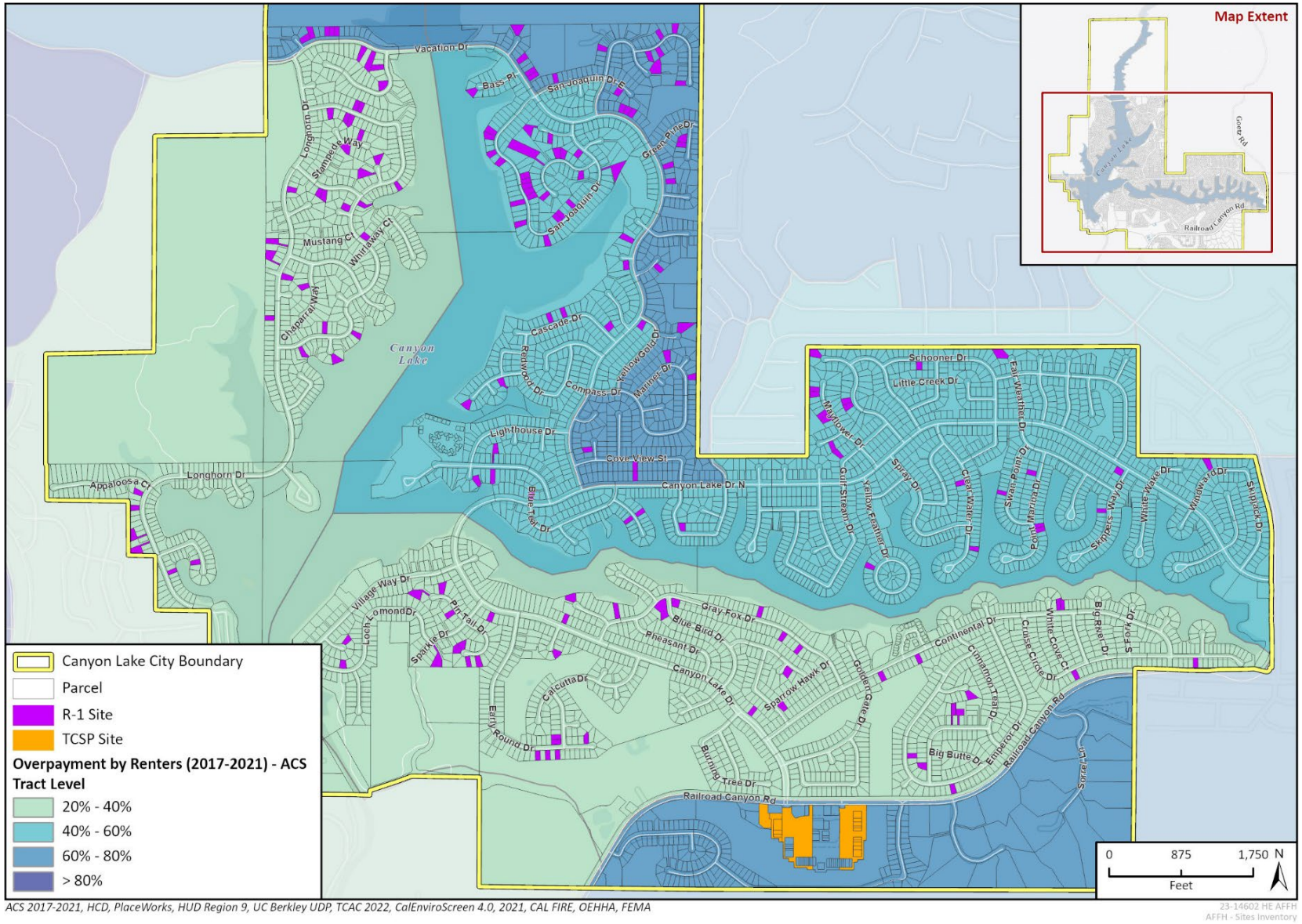
Figure B-38 Housing Opportunity Sites by Overcrowding (City of Canyon Lake)



ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

23-14602 HE AFFH
AFFH - Sites Inventory

Figure B-39 Housing Opportunity Sites by Overpayment by Renters (City of Canyon Lake)



ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

23-14602 HE AFFH
AFFH - Sites Inventory

B.9.5 Sites by Areas of Integration and Segregation

Areas of Canyon Lake in the northwestern, western, and southeastern parts of the city have the highest percentage of non-White residents (between 48 and 61 percent). Housing opportunity sites in these parts of the city accommodate a mix of income levels in areas that already have a diverse mix of ethnic and racial groups. Figure B-40 shows the housing opportunity sites by percent non-White residents. The Sites Inventory will not contribute to segregation based on race/ethnicity or income level.

As discussed in Appendix B, Housing Needs Assessment, approximately 12 percent of the population has one or more disabilities. For persons with disabilities who live independently or with other family members, independent living can be supported with special housing features, financial support, and in-home supportive services. The location of housing is also an important factor for people with mobility restrictions who rely on public transportation for travel. Areas with a higher percentage of residents with a disability are in the center of the city. Housing opportunity sites in these areas would add a total of 164 units appropriate for above moderate-income households.

B.9.6 Sites by Communities Vulnerable to Displacement

The entire city has a low risk of displacement. Figure B-41 shows the housing opportunity sites in relation to the location of displacement risk. The Site Inventory includes capacity for 84 units appropriate for lower-income households. These units will provide affordable housing options for existing very low- and low-income residents at risk of displacement.

B.9.7 Sites by CalEnviroScreen Score

The northwestern corner of the city has the highest CalEnviroScreen scores, 82nd percentile, as well as the western part of the city, 49th percentile. The rest of the city has a CalEnviroScreen percentile score of 32 or lower. Housing units proposed by the Site Inventory in census tracts with a CalEnviroScreen score greater than 49 can accommodate 40 above moderate-income housing units (approximately 11 percent of total proposed housing units). Figure B-42 shows the housing opportunity sites by CalEnviroScreen score. The Site Inventory would not concentrate lower-income units in areas of higher pollution burden.

Figure B-40 Housing Opportunity Sites by Total Non-White Population (City of Canyon Lake)

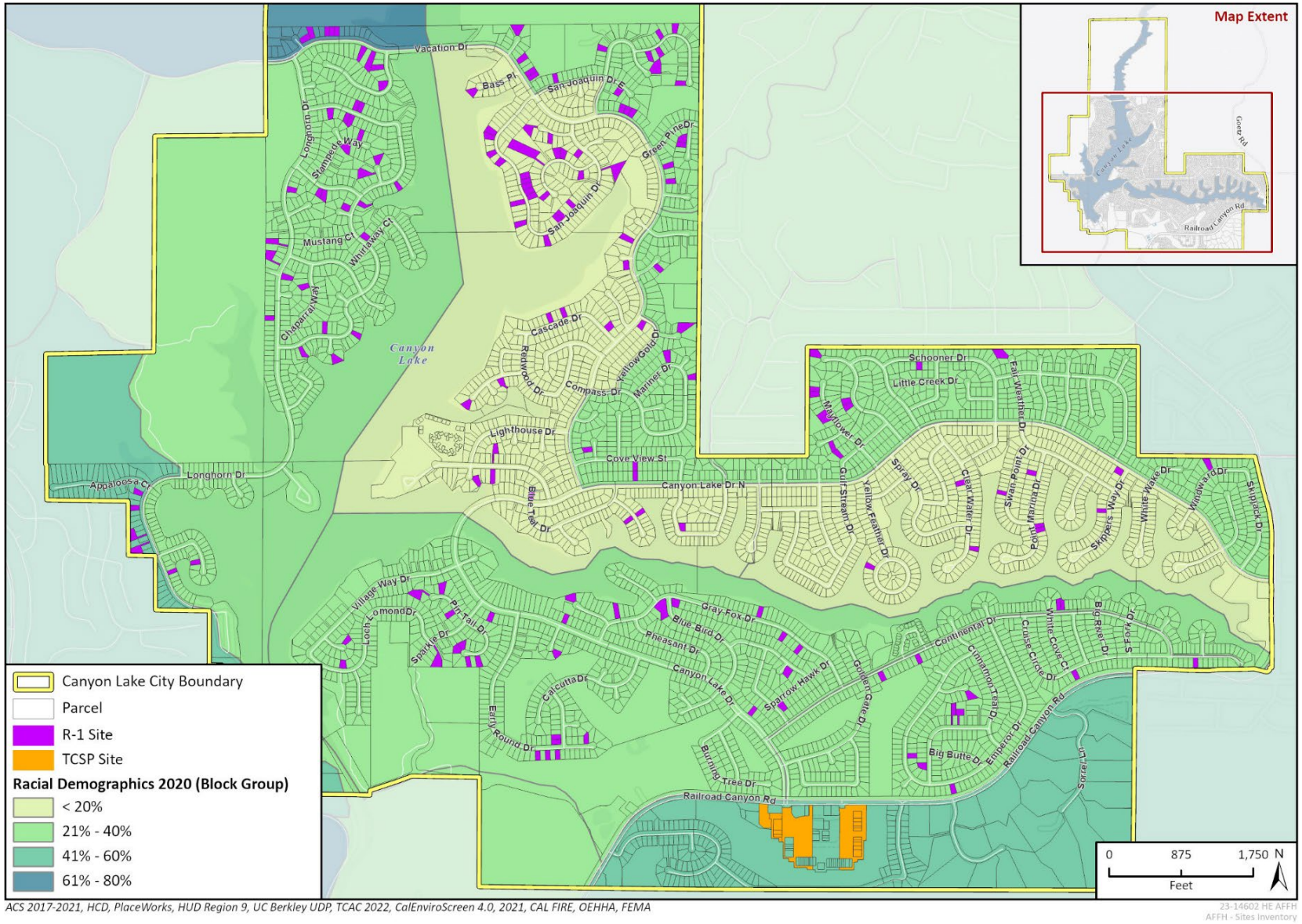


Figure B-41 Housing Opportunity Sites by Displacement Risk (City of Canyon Lake)

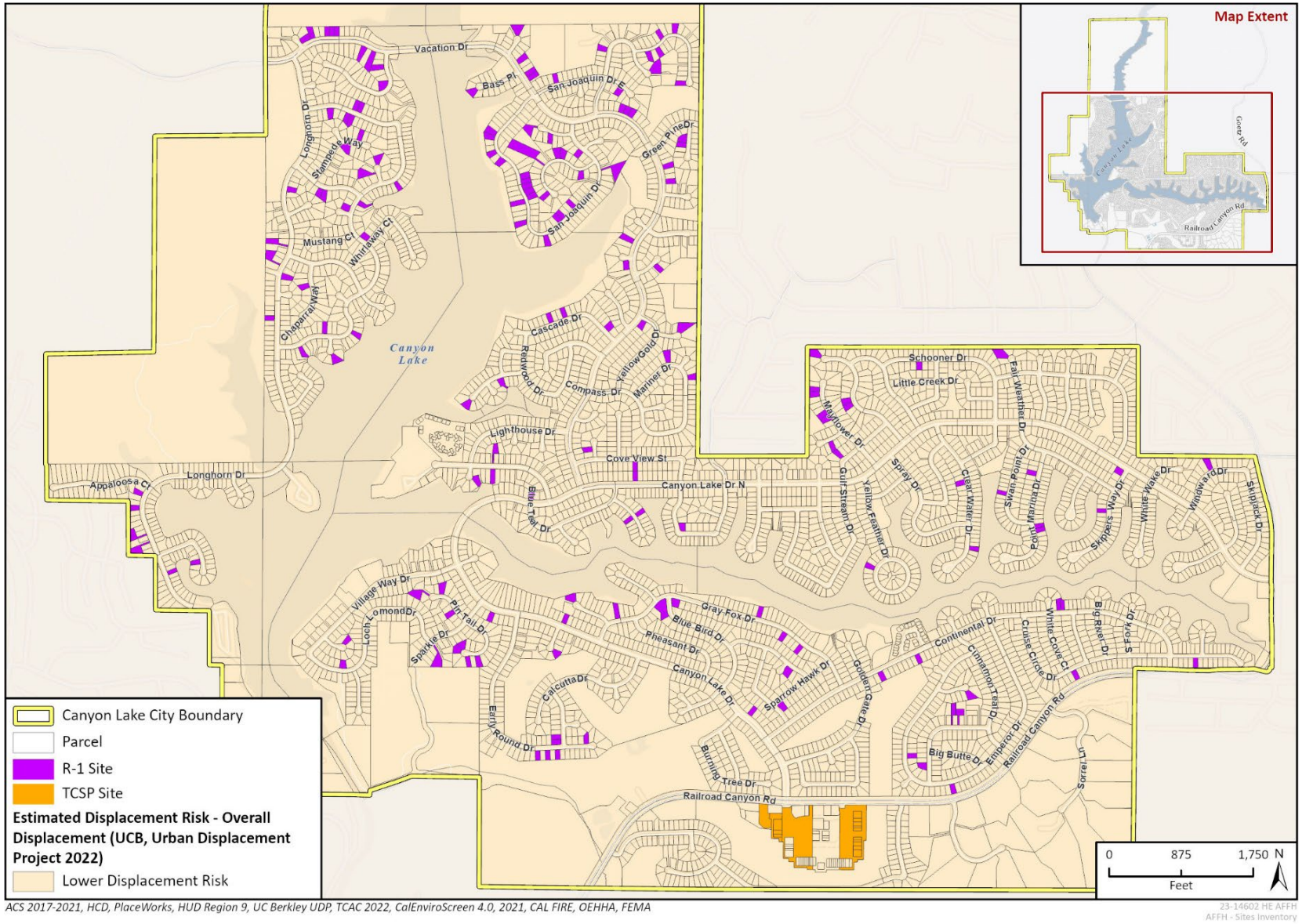
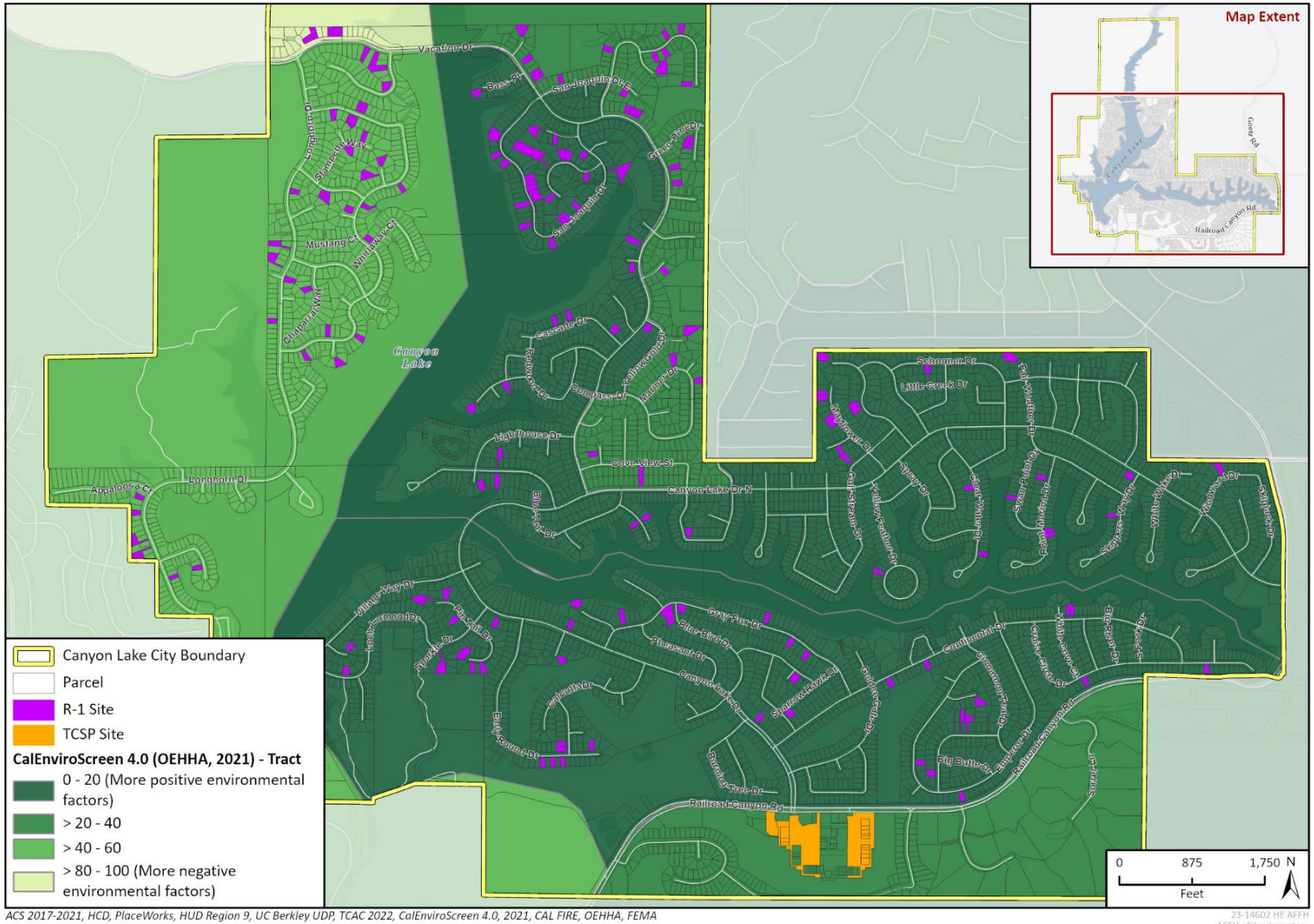


Figure B-42 Housing Opportunity Sites by CalEnviroScreen Percentile Score (City of Canyon Lake)



ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

23-14602 HE AFFH
AFFH - Sites Inventory

Table B-15 Sites Inventory by Census Tract Characteristics

					AFFH Indicators										
		Sites Inventory Capacity (Units)			Segregation and Integration					Access to Opportunity		Disproportionate Housing Needs			
Census Tract Number	Number of Existing Households	Low-Income	Moderate-Income	Above Moderate-Income	Median Income	Poverty Rate	Percent LMI Households	Percent Non-White Population	Percent Disability	TCAC Resource Designation	CalEnviroScreen Percentile	Overcrowding (Percent)	Overpayment by Renters (Percent)	Overpayment by Owners (Percent)	Displacement Risk
6065042714	1,141	0	0	41	$131,042	7.1%	20.6%	20.5%	10.1%	High Resource	11.6	0.7%	38.2%	23.2%	Lower Displacement Risk
6065042716	1,929	0	0	61	$99,911	3.5%	28.6%	30.0%	12.4%	High Resource	12.2	0.6%	40.2%	38.5%	Lower Displacement Risk
6065042717	1,607	0	0	27	$67,673	16.7%	53.5%	37.1%	10.3%	Moderate Resource	31.5	3.2%	69.9%	48.8%	Lower Displacement Risk
6065042733	3,636	84	57	47	$106,477	9.6%	40.0%	48.3%	8.5%	High Resource	31.6	2.2%	74.5%	36.2%	Lower Displacement Risk
6065042748	1,696	0	0	35	$123,750	14.7%	20.7%	41.2%	10.1%	Moderate Resource	48. 9	0.8%	38.6%	31.3%	Lower Displacement Risk
6065042907	928	0	0	5	$64,500	11.3%	69.9%	61.1%	7.9%	Low Resource	81.9	9.5%	78.7%	34.0%	Lower Displacement Risk
Total		**84**	**57**	**216**	357										

B.10 Local Knowledge

B.10.1 Canyon Lake History

Canyon Lake was formed by a dam built by the Temescal Water Company of Corona, completed in 1929. The Temescal Water Company of Corona granted concession rights to George and Leeta Evans. The Evans family built a small concession stand, which grew into a popular fishing camp.[16]

The lake was drained in 1949 to allow for repairs to the floodgates on the dam and heavy rains in 1952 refilled the lake. In 1955, the Elsinore Valley Municipal Water District and Temescal Water Company reached a settlement to store 3,000 acre-feet of water in the lake for domestic use. Subsequently, a treatment plant was built, and later fish screens were installed over the floodgates so that all the fish would not travel downstream to Lake Elsinore. Several subsidiary companies were formed from the original Temescal Water Company, one of which became the Corona Land Company.[16]

In 1968, the Corona Land Company began the development of 5,000 lots around Canyon Lake.[16] The Canyon Lake Property Owners Association was incorporated in 1968. It is a not-for-profit corporation that is responsible for the operation and maintenance of the common areas in Canyon Lake.[14] The single-family subdivision maps were recorded in the 1960s, before the incorporation of the city. The original intent of the development was a master plan for senior living located around the reservoir. This development was similar to several planned retirement communities made popular in Southern California and other places around the country at this time. Leisure World Seal Beach opened in 1962, which was the first mass-marketed housing project for seniors and a gated community.[15] Nearby, in what is now the City of Menifee, an area identified as Sun City, began in the early 1960s as the concept of an active retirement community. In the 1960s and 70s, population growth increased in Riverside County, generally in a sprawl of new houses and businesses, particularly in western Riverside County.

In December 1990, Canyon Lake became an incorporated city, and all of the areas outside the gates are under the jurisdiction of the city council.[16] The residents wanted to establish their own direction and control their own future, which could only occur through incorporation. According to the City's General Plan Land Use Element, "incorporation of the city was not a result of dissatisfaction with [the existing land use and zoning] patterns, designations or community design, but may have been a result of the means by which those codes had been [implemented and enforced]."[17]

Although the community was originally envisioned as a retirement and weekend-getaway destination, the community is currently populated by a mix of residents, including retirees and young families.[16] The city's population has become more racially diverse in the past decade and has also had an increase in the share of the population that is young adult (20-34 years). However, the city's population is more White and older than Riverside County as a whole.

Due to the limited area of vacant land for new housing development and the City's desire for mixed-use development consistent with the State's desire to reduce vehicle miles traveled and diminish resulting air quality and greenhouse gas emissions, the City took steps to adopt a Specific Plan for the Towne Center to meet the City's housing needs. The City hired a consultant to provide a design concept and the City discussed development with an interested developer. New multi-family housing in the city will reduce financial barriers to entry for new residents and may provide optional lifestyle and housing choices for a wider variety of income groups.

[14] Canyon Lake Property Owners Association. 2023. About Canyon Lake. https://www.canyonlakepoa.com/about-canyon-lake#:~:text=Canyon%20Lake%20was%20formed%20by,stable%20supply%20to%20the%20reservoir.

[15] OC Seniors. 2024. https://www.orangecounty.net/html/seniors-article1.html#:~:text=Leisure%20World%2C%20Laguna%20Hills%2C%20California,last%20manor%20in%20September%201980.

[16] City of Canyon Lake. 2023. The History of Canyon Lake. https://www.canyonlakeca.gov/history

[17] City of Canyon Lake. 2009. Chapter Three Land Use Element (page III-3). https://www.canyonlakeca.gov/vertical/Sites/%7B914485A7-E93B-4BFA-A369-593050FBB784%7D/uploads/Land_Use_Element.pdf

Gated Community

Almost the entire city of Canyon Lake is a private gated community with staffed security gates that restrict access to non-residents. All residential property owners within the gated community, including the gated Fairway Estates Mobile Home Park, and areas outside of the gates, are members of the Canyon Lake Property Owners Association. All land use and community activities within the gated community are subject to covenants, conditions, and restrictions. Commercial areas are located outside of the gated community and serve the residents of Canyon Lake and the general public.

B.10.2 Community Feedback

The City conducted outreach to update the community on the Housing Element update process and garner feedback from the community. Participation from community members was very limited. The City hosted a workshop on July 1, 2021 for the Housing Element which was advertised through the Property Owners Association and local newspaper and invitations were sent to local organizations, including the Canyon Lake Community Church and Canyon Lake Chamber of Commerce. There were no participants at the workshop (in-person or virtual). A video of the workshop was posted on the City's website following the event. The City held a City Council hearing on the Draft Housing Element, on September 1, 2021, and no comments or questions were received. The Draft Housing Element was also posted on the City's website for public review, however, no comments were received.

B.10.3 Other Relevant Factors

Land Use and Zoning Laws

Canyon Lake was developed as a master planned community with predetermined density and zoning at the time of development. Residential land uses within the City are subject to the covenants, conditions, and restrictions set forth by the Canyon Lake Property Owners Association and are largely a result of the land use and zoning policies set forth by the original master plan. Most of Canyon Lake is zoned for single-family residences. According to 2016-2020 ACS estimates, approximately 92 percent of housing units in Canyon Lake consist of single-family residences, 7 percent consists of multi-family housing units, and 2 percent consists of mobile homes. The single-family subdivision pattern of Canyon Lake is substantially built out, with only 186 vacant lots as of the date of the last survey. All but 17 of those lots are less than 0.5 acre, too small to be ideal for the density required for lower-income housing. The rest of the vacant lots are located in areas with steep slopes or irregular configurations, and not ideal for housing development. The initial criteria adopted by the Canyon Lake Property Owners Association, that attempted to restrict the number of floors in a residential structure with the intent to make housing design amenable for seniors and reflect their greater potential for disabilities, has been modified, thereby permitting a wider variety of residents not originally envisioned when first adopted. Most households in the city are owner households (77 percent) and a smaller share of households are renters (23 percent).

B.11 Fair Housing Issues and Contributing Factors

This section lists contributing factors that create, perpetuate, or increase the severity of one or more fair housing issues that were identified in the AI, community outreach, and the analysis in this document.

B.11.1 Enforcement and Outreach

The City's website does not have information on fair housing or fair housing rights and responsibilities for tenants and landlords. In addition, information on the City's website is limited to English.

Contributing factors to insufficient enforcement and outreach in Canyon Lake include:

- Lack of language access (low priority): The City's website and fair housing informational materials are not provided in multiple languages.

- Limited distribution of fair housing information (medium priority): The City's website has no information on fair housing and there are very few community outreach events dedicated to fair housing.
- Limited community participation in outreach efforts: As experienced throughout the Housing Element update process, the City has difficulty engaging the community in housing related issues.

B.11.2 Segregation and Integration

Canyon Lake does not have significant patterns of segregation based on race, income, disability status, or familial status within the city. The city almost entirely consists of a private gated community, and is primarily zoned for single-family housing. There is little variety in the types of housing available in the city and limited resources for low-income households. The City has observed that the sociodemographic characteristics of the community are somewhat homogeneous and there are no patterns of segregation by neighborhood within the city.

Contributing factors to segregation and integration patterns and trends in in Canyon Lake include:

- Land use and zoning laws (medium priority): Most of the city consists of a gated community that contains lots primarily zoned for single-family homes.
- Lack of sufficient affordable housing (high priority): The city does not contain any subsidized or public housing.
- Limited access to financial assistance for low-income households: While Riverside County and the Housing Authority of the County of Riverside provide financial assistance programs for low-income renters and low-income homebuyers, there is limited education/marketing for these programs.
- Concentration of rental units and low- and moderate-income units within Census Tract 427.33, outside the gated community (high priority): The Site Inventory proposes all lower- and moderate-income households in Census Tract 427.33. All proposed units within the gated portion of the city are above moderate-income units.

B.11.3 Disproportionate Housing Needs

Cost burden among renters is highest in the northern and southeastern parts of the city. Cost burden among homeowners is in the northeastern corner of the city. Overcrowding is highest in the northwestern corner of the city. However, the northwest corner of the city is part of Census Tract 429.07 which also includes large areas within the community of Meadowbrook. Therefore, census data is likely skewed by the population in Meadowbrook and does not accurately reflect trends experienced in Canyon Lake. Northern parts of the city are likely experiencing similar rates of cost burden and overcrowding as the rest of the city. The southerly part of the city is outside of the main gated community and contains a mobile home park. Renters in the larger hillside lots located in the southeastern corner of the city are likely experiencing cost burden at a higher rate than the rest of the city. While there were no homeless individuals identified in the PIT Count, this may be due to the lack of resources for homeless individuals in the city. In addition, the security gates prevent non-residents from entering most areas in the city which prevents access to homeless individuals. The entire city has a low displacement risk.

Contributing factors to disproportionate housing needs in Canyon Lake include:

Rising home values (medium priority): The median home value in Canyon Lake has increased significantly over the past couple years, from $381,238 in 2015 to $677,488 in 2023.

- High rental costs (medium priority): As analyzed in Appendix A Housing Needs Assessment, rental costs in Canyon Lake are 17 percent higher than the regional average and are the highest out of cities analyzed in Riverside County. The monthly rent for a one-bedroom apartment in Canyon Lake is $2,100, while the regional average is $1,960.

Lack of housing in a range of sizes and types (high priority): Most housing in Canyon Lake consists of single-family homes in the gated part of the city. In addition, there are very few rental units in the city. The City has observed that most housing units within the city consist of well-maintained single-family homes that are owned by affluent households, including the few housing units outside the gated community in the southeastern corner of the city. These housing units also consist of single-family homes, in good condition, and are on large lots.

- Lack of sufficient affordable housing (high priority): The city does not contain any subsidized or public housing.
- Lack of services for homeless individuals (medium priority): The city does not have any homeless shelters or services for persons experiencing homelessness.

B.11.4 Disparities in Access to Opportunities

Canyon Lake has a mix of resource areas. However, most developed areas of the city are high resource. The northern part of the city has the least positive economic, education, and environmental outcome scores. However, this part of the city is comprised of Census Tracts 429.07 and 427.15 which mostly consists of areas in the communities of Meadowbrook and Quail Valley. The Canyon Lake portion of these census tracts mostly consists of undeveloped land and a small number of single-family homes that are part of the same gated community as the rest of the city. Residents within these census tracts and the rest of the gated community have the same access to public facilities, open space, parks and recreational activities, and services provided by the POA. In addition, the entire city is located within the same school district and attends the same public elementary, middle, and high school. Therefore, access to opportunities in the northern part of the city is likely similar to the rest of the city. However, the entire city has low access to public transit which disproportionately affects low-income residents and non-white residents, as a higher percentage of low-income and non-white residents rely on transit to commute to work.

Contributing factors to disparities in access to opportunities in Canyon Lake include:

- Limited access to transit and regional connection (medium priority): Most of the city does not have access to a transit stop. Low-income households rely on public transit to commute to work more than any other income level, however most of the city does not have access to public transit services. In addition, most employed residents work outside of the city, with a large portion working outside of Riverside County (25 percent) but there is little to no regional connection via public transit.
- Higher pollution burden in the western part of the city: The western part of the city has a higher pollution burden than the eastern part due to drinking water contaminants and proximity to solid waste facilities and hazardous waste sites.

B.12 Fair Housing Priorities, Goals And Strategies

The fair housing priorities, goals and strategies are set forth in the context of the following:

- Findings and conclusions drawn from the research and analysis conducted to prepare the *Assessment of Fair Housing*.
- Findings and conclusions drawn from completion of the *Assessment of Housing Needs* (Appendix A), especially in regard to cost burdens, severe cost burdens, overcrowding and the special needs of the elderly, families with children, female householders, and large families.
- City's share of the regional housing need (129 housing units)
- Fair housing services available from the Fair Housing Council of Riverside County, Inc.

B.12.1 Priorities

- Addressing disproportionate housing needs
- Addressing the housing needs of fair housing protected groups by the development of a diversity of housing types. (e.g., Towne Center Specific Plan)
- Increasing the community's awareness of fair housing (e.g., POA, City staff, local groups)

B.12.2 Goals

- Continue to seek ways to enhance the City's ability to affirmatively further fair housing.
- Create new affordable housing that addresses racial and ethnic inclusive patterns of housing occupancy.
- Create new affordable housing that addresses economic inclusive patterns of housing occupancy.

B.12.3 Meaningful Actions

Based on the analysis conducted in this AFFH document, Table B-16 highlights the prominent fair housing issues and contributing factors that impede access to safe, affordable, and vibrant housing in Canyon Lake. Furthermore, the findings of this analysis were used to develop meaningful actions, metrics and milestones that promote inclusive communities, increase housing opportunities, and address racial/ethnic and economic disparities in the city. The contributing factors were prioritized to better formulate policies and programs and carry out meaningful actions to further fair housing. Meaningful actions to address fair housing issues are included in the housing programs located in Section II, Housing Plan.

Table B-16 Meaningful Actions to Address Fair Housing Issues

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline
Fair housing enforcement and outreach	▪ Lack of language access (low priority) ▪ Limited distribution of fair housing information (medium priority)	▪ Coordinate with the Fair Housing Council of Riverside County/other fair housing nonprofit organizations to provide fair housing and tenant/landlord services, including investigation of discrimination complaints, fair housing counseling and education, fair housing testing, and tenant/landlord counseling and mediation. ▪ Become a member of the Fair Housing Council of Riverside County to receive quarterly data and analysis of fair housing complaints. ▪ Partner with local organizations to distribute information on fair housing services and homebuyer education programs by distributing flyers, attending local events, social media campaigns, and educational workshops in both English and Spanish. ▪ Coordinate with non-profit organizations, local community groups, and service organizations to increase awareness of and access to housing resources and fair housing assistance by distributing flyers, attending local events, social media campaigns, and educational workshops. ▪ Coordinate with the Fair Housing Council of Riverside County to investigate all formal housing discrimination complaints received and make appropriate referrals to enforcement agencies. ▪ Update the City's website to include fair housing rights and responsibilities for landlords and lenders. Add a language translation feature to the City's website.	▪ Publicly post fair housing resources within six months of adoption of the 2021-2019 Housing Element. ▪ Schedule and complete an initial Fair Housing Workshop with Fair Housing Council of Riverside County/other fair housing nonprofit organizations by the end of 2024. Conduct additional workshops annually. ▪ Conduct annual meetings with the following agencies to discuss and determine best practices for AFFH within Canyon Lake: ▫ Fair Housing Council of Riverside County, Inc. (FHCRC) ▫ California Department of Fair Employment and Housing (DFEH) ▫ U.S. Department of Housing and Urban Development (HUD) Complete initial round of meetings by the end of 2024; conduct follow-up meetings annually.
		▪ Provide annual trainings to City staff on how to refer residents for fair housing complaints.	▪ Research and conduct initial City staff training by the end of 2026.
Lack of Variety of Housing/Affordable Housing	▪ Land use and zoning laws (medium priority) ▪ Rising home values (medium priority) ▪ High rental costs (medium priority)	▪ Develop a web-based Housing Development Toolkit that outlines a step-by-step process for residential development, including identifying steps in the entitlement and building permit process, detailed information on development incentives, and funding programs and resources for affordable housing development.	▪ Develop concessions and incentives beyond State standards for housing developments which designate at least 10 percent of their units for extremely low-income households or 15 percent of their units for lower-income households by the end of 2026.
		▪ Review the General Plan, applicable Specific Plans, and Zoning Code and Zoning Map to evaluate opportunities for	▪ Adopt applicable zoning ordinance amendments pertaining to emergency shelters, low barrier

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline
	▪ Lack of housing in a range of sizes and types (high priority) ▪ Lack of sufficient affordable housing (high priority)	removing barriers to housing production such as adding housing capacity and accommodating a greater mix of dwelling types and sizes, prioritizing areas designated as high resource by TCAC. Recommend amendments, as feasible, to accommodate added housing capacity in these areas. Additionally, review the Zoning Code to identify opportunities to increase and encourage a greater mix of dwelling types and sizes, specifically housing types that may accommodate moderate-income households (e.g., duplexes, triplexes, fourplexes, townhouses, courtyard buildings), in lower-density residential areas and mixed-use zones citywide.	navigation centers, permanent supportive housing, single-room occupancy units, employee housing, accessory dwelling units, and large family daycare homes pursuant to State Law by the end of 2026.
		▪ Partner with the Housing Authority of the County of Riverside to expand the Housing Choice Voucher Program in Canyon Lake. Publish information and links to the Housing Choice Voucher Program on the City's website. Conduct an annual workshop for community members and landlords to spread awareness of the program.	▪ Promote Housing Choice Vouchers to tenants by posting to the website by the end of 2024. ▪ Promote Housing Choice Vouchers to owners of rental properties through conducting a workshop with the Housing Authority by the end of 2024. ▪ Provide assistance to at least five extremely low- and very low-income households by the end of 2029.
		▪ Expand awareness and participation in the County's First-Time Homebuyer Program, Mortgage Credit Certificate Program (reduced federal income tax liability) and the Neighborhood Stabilization Program (silent second mortgage purchase price assistance). Publish information and links to the County's homebuyer assistance programs on the City's website. Host an annual workshop on available assistance programs, specifically targeting existing renters in the city and realtors. Develop a fact sheet for each assistance program and distribute it to realtors, rental housing developments, and by attending local events.	▪ Post information on the program on its website annually throughout the planning period. Annually conduct a FTHB Workshop hosted by the City and Fair Housing Council of Riverside County (FHCRC). ▪ Facilitate First Time Homebuyer Assistance to five buyers purchasing homes in Canyon Lake by the end of 2029.

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline
		▪ Determine and implement strategy to promote ADUs for moderate- and lower-income households. Prepare a report on potential strategies to encourage affordability of ADUs for moderate- and lower-income households, including but not limited to, promoting the use of Section 8 vouchers or development of cost incentive programs or no-interest loan program for ADU developers in exchange for income restrictions. Prepare report by January 2026 and present to City Council for adoption of a pilot program by August 2026. If adopted, implement pilot program by January 2027. ▪ Develop an ADU policy consistent with state law. Update the Municipal Code to comply with state ADU law by January 2026.	▪ By the end of 2024: ▫ Post on the City's website examples of design features and methods to construct attached ADUs ▫ Provide owners with a brochure and/or online material describing ADU opportunities. ▫ Provide owners with strategies on how to reduce ADU construction costs, including information about outside funding sources. ▫ Research and promote awareness of available fee waivers and reductions from City, school district and special district fees. ▫ Provide owners with examples of ADUs of various sizes. ▫ Inform owners of the Section 8 Housing Choice Voucher Program and County of Riverside Housing Authority contacts. ▫ Implement incentives to produce lower cost ADUs.
Limited access to transit	▪ Limited access to transit and regional connection (medium priority):	▪ Collaborate with the Riverside Transit Agency to prepare a study on transit and active transportation needs for Canyon Lake residents and identify actions to address those needs, focusing on connecting residents to job centers. ▪ Work with the Riverside Transit Agency to offer reduced fares for low-income households	▪ By the end of 2025: ▫ Conduct a community survey on transit needs. ▫ Meet with the Riverside Transit Agency to discuss options for providing reduced ridership bus and Dial-A-Ride fare to low-income households. ▪ By the end of 2026: ▫ Prepare a transit and active transportation needs study and identify actions to address those needs. ▪ Implement at least three of the actions identified in the study by the end of the planning period.

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline
Pollution burden	▪ Higher pollution burden in the western part of the city due to drinking water contaminants, hazardous waste sites, and solid waste sites.	▪ Work with the Elsinore Valley Municipal Water District (EVMWD) to address potential drinking water contamination issues. ▪ Communicate with property owners of hazardous waste sites and solid waste facilities to ensure the safety and health of residents.	▪ Meet annually with the EVMWD to discuss issues related to drinking water contaminants. ▪ Publish the annual Water Quality Consumer Confidence Report on the City's website. ▪ In partnership with the EVMWD, host an annual workshop to educate residents on water quality in the community. ▪ Conduct annual communication with nearby solid waste facilities and property owners of active hazardous waste sites to identify potential safety/health issues and ensure proper safety measures are in effect.
Segregation by income level	▪ Concentration of single-family and above moderate-income units in the gated portion of the city ▪ Concentration of lower- and moderate-income in Census Tract 427.33	▪ Encourage the production of ADUs and work to provide affordable units for lower income households through permit streamlining, providing resources on ADU development, and promote the use of ADUs for low- and moderate-income households. ▪ Ensure all areas of the city have adequate infrastructure to support existing and proposed development. ▪ Implement place-based strategies to foster a sense of community within the TCSP area. ▪ Host citywide community events.	▪ By the end of 2025: ▫ Update the Zoning Code to comply with State ADU law and Senate Bill 9. ▫ Develop an ADU application checklist and publish the checklist on the City's website. ▫ Add information on the ADU and Senate Bill 9 permitting processes, as well as available resources and incentives. ▫ Offer free consultation meetings with planning staff for property owners interested in developing ADUs or SB 9 units. ▫ Adopt pre-approved ADU plans, in compliance with AB 1332. ▪ By the end of 2026: ▫ Prepare a report on potential strategies to encourage affordability of ADUs for moderate and lower-income households. ▫ Review the City's Capital Improvement Projects (CIP) to ensure public facilities and infrastructure are supportive of the needs of planned housing development throughout the city. ▪ Support community building efforts through funding and dedicating staff resources. Annually

Identified Fair Housing Issue	Contributing Factors	Meaningful Actions	Metrics and Timeline
			allocate resources and funds to support community building efforts that include all residents within the city such as an annual fair/festival. ▪ Prepare a report that identifies community building strategies for the TCSP area that outlines specific projects for the City to implement, such as an annual community event/street fair, community gardens, community spaces (parks, community center, library, etc.). Complete at least two of these actions within the planning period.

Attachment A

City of Canyon Lake

2021-2029 Housing Element

Fair Housing Resources

Fair Housing Enforcement Agencies

- U.S. Department of Housing and Urban Development
- hud.gov

  Los Angeles Field Office

  United States Department of Housing & Urban Development (HUD)
  Los Angeles Field Office
  300 North Los Angeles Street, Suite 4054
  Los Angeles, CA 90012

  Phone**:** (213) 894-8000
  Email: Customer Service
  Fax**:** (213) 894-8107
  TTY: (213) 894-8133 or (800) 877-8339 or dial 7-1-1 (Not available in all areas.)

- California Department of Fair Employment and Housing

  https://www.dfeh.ca.gov/

  Los Angeles Office
  320 West 4th Street, 10th Floor
  Los Angeles, CA 90013
  Monday to Friday: 8am to 5pm
  Phone: (213) 439-6799

- Fair Housing Council of Riverside County, Inc.

  https://fairhousing.net/

  Email: fhcrc@fairhousing.net
  Main Office:
  4164 Brockton Avenue
  Riverside, CA 92501
  (951) 682-6581
  Fax: (951) 682-0262
  Hours: Monday to Friday: 8 am to 5 pm

  Phone: 1-951-682-6581

Independent Living Center

Community Access Center
6848 Magnolia Ave. Suite 150
Riverside, CA 92506

https://www.ilcac.org/about.html

Executive Director:
Paul Van Doren; 951-274-0358 ext. 107
E-Mail: execdir@ilcac.org

Programs Director:
Faustino Alvarez; 951-274-0358 ext. 123
E-Mail: pmgr1@ilcac.org

Disability Advocates

Disability Rights California

https://www.disabilityrightsca.org/

Ontario Office
3602 Inland Empire Blvd Suite C-110
Ontario, CA 91764

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Canyon Lake Housing Element (2021-2029)

Appendix C – Sites Inventory and Analysis

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C Sites Inventory and Analysis

State law requires every jurisdiction to undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate regional housing needs.[1] A jurisdiction must demonstrate in its Housing Element that its land inventory is adequate to accommodate its share of the region's projected growth. This section details the Sites Inventory process for the City of Canyon Lake.

C.1 Regional Housing Needs Allocation (RHNA)

This Housing Element covers the planning period of October 2021 through October 2029 (also referred to as the 6th cycle). The Western Riverside Council of Governments (WRCOG) is responsible for distributing the RHNA among jurisdictions in the region based on recent growth trends, income distribution, and capacity for future growth. This methodology must align with State objectives, including but not limited to:

- Promoting infill, equity, and environmental protection
- Ensuring jobs-housing balance
- Affirmatively furthering fair housing

The process to allocate WRCOG's regional housing needs was completed in March 2021 with the adoption of the Southern California Association of Governments (SCAG) 6th Cycle Final RHNA Allocation Plan.[2] Each jurisdiction's share of the regional housing need is allocated based on recent growth trends, income distribution, and capacity for future growth. The RHNA methodology uses weighted indicators such as access to opportunity and job proximity to allocate housing units affordable to households of different income categories. WRCOG is required to allocate units across income categories with the goal of reducing the concentration of lower-income households in historically lower-income communities. The RHNA for each jurisdiction is distributed into four income categories based on the Area Median Income (AMI)[3]:

- Very low-income (less than 50 percent of AMI)
- Low-income (50-80 percent of AMI)
- Moderate-income (80-120 percent of AMI)
- Above moderate-income (more than 120 percent of the AMI)

As part of the Housing Element Update, each jurisdiction must identify adequate land with appropriate zoning and development standards to accommodate its assigned share of the region's housing needs. Canyon Lake's 6th cycle RHNA is 129 units. These units are distributed across five income categories within each jurisdiction, as shown below in Table C-1.

[1] Government Code section 65100 – 65763, Article 10.6. Housing Elements
[2] SCAG. 2021. 6th Cycle Final RHNA Allocation Plan
https://scag.ca.gov/sites/main/files/file-attachments/6th-cycle-rhna-final-allocation-plan.pdf?1616462966
[3] The Area Median Income of Riverside County is $76,066 for a household in 2021.

Table C-1 Canyon Lake 6th Cycle Regional Housing Needs Allocation

	Total RHNA Allocation	Very Low-Income Allocation		Low-Income Allocation		Moderate-Income Allocation		Above Moderate-Income Allocation	
Jurisdiction	Units	Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA
Canyon Lake	129	43	33%	24	19%	24	19%	38	29%

Source: SCAG. 2021. 6th Cycle Final RHNA Allocation Plan

C.2 Meeting the RHNA

Each jurisdiction must identify adequate land with appropriate zoning and development standards to fulfill its required RHNA. Once the City demonstrates that it has the development capacity to accommodate the RHNA, it has two obligations:

- Maintain a "no net loss" policy of its residential development capacity over the housing element planning period, meaning that sites listed in the adopted Housing Element land inventory may not be down-zoned to a lower-density residential zone or rezoned to a nonresidential zone, unless the City up-zones or rezones alternative sites prior to the density reduction or rezone on the inventoried site.
- Continue to allocate available funding resources to and facilitate the development of affordable housing, as it has done frequently in the past. The City is not obligated to ensure construction of lower-income housing on any particular site within its city limits.

C.2.1 RHNA Credits

Residential developments approved and permitted, but not yet built ("pipeline projects") can be credited towards the City's RHNA for the 6th cycle Housing Element provided it can be demonstrated that the units can be built by the end of the 6th cycle's planning period. Similarly, units that have received a certificate of occupancy as of June 30, 2021 can also be credited towards the RHNA. Accessory dwelling units (ADUs) anticipated to be built between 2023 and 2029 can also be credited towards the City's RHNA.

However, due to a slow housing construction market in Canyon Lake, no pipeline projects have been applied to the Sites Inventory. Furthermore, only one ADU has been approved for construction in Canyon Lake, indicating there is not a trend of ADU development in the city. The City does not rely on future ADU development to meet the RHNA.

C.3 Site Selection Methodology

According to the California Department of Housing and Community Development's (HCD's) Housing Element Site Inventory Guidebook, the purpose of the Sites Inventory is to identify and analyze specific land (sites) that is available and suitable for residential development to accommodate the jurisdiction's anticipated growth. The Sites Inventory enables the jurisdiction to determine whether there are sufficient adequate sites to accommodate the RHNA for each income category. Sites used in Canyon Lake's Sites Inventory include individual parcels or groups of parcels that meet the following criteria:

- Vacant sites zoned for low density residential use (e.g., R-1 lots)
- Nonvacant sites zoned for mixed-use that can be redeveloped for high density residential use (e.g., Towne Center Specific Plan)

Sites are suitable for residential development if zoned appropriately and available for residential use during the planning period. If the inventory demonstrates that there are insufficient sites to accommodate the RHNA, the

inventory must identify sites for rezoning to identify and make available additional sites to accommodate the shortfall of housing units within the planning period.

C.3.1 Density and Parcel Size Requirements for Lower-Income Housing

State law has established "default" density standards for the purpose of estimating potential units by income range. In Canyon Lake, a density standard of 30 or more units per acre (primarily for higher density multi-family developments) would facilitate the development of housing in the low- and very low-income category.

In addition to default density standards, HCD established that parcels intended to support the development of units appropriate for lower-income households should be between 0.5 and 10 acres. Parcels smaller than 0.5 acres, even when zoned for high densities, may not facilitate the scale of development required to access the competitive funding resources that facilitate affordable housing projects. Conversely, affordable housing developers may be unable to finance the scale of project necessitated by parcels greater than 10 acres.

C.3.2 Sites to Affirmatively Further Fair Housing

Pursuant to Government Code Section 65583(c)(10) sites must be identified throughout a community in a manner that affirmatively furthers fair housing opportunities. For purposes of the Site Inventory, this means that sites identified to accommodate the lower-income need are not concentrated in low-resourced areas (lack of access to high performing schools, proximity to jobs, locations disproportionately exposed to pollution or other health impacts) or areas of segregation and concentrations of poverty.

When determining sites to include in the Sites Inventory to meet the lower-income housing need, HCD recommends that a jurisdiction identify development potential in high opportunity neighborhoods. This will assist the local government in meeting its requirements to affirmatively further fair housing and ensure developments are more competitive for development financing.

According to the 2023 Opportunity Map published by the California Tax Credit Allocation Committee (CTCAC) and the HCD, all of Canyon Lake is located within either High Resource or Highest Resources areas[4]. Generally, the west and south sides of the Lake are within Highest Resource Areas, including the Towne Center Specific Plan, and the east side of the lake is located within a High Resource area.

C.3.3 No Net Loss Law

Senate Bill (SB) 166, also referred to as "No Net Loss", encourages cities to identify sites with a total housing unit capacity that exceeds the RHNA allocation for each income group. To comply with the No Net Loss law as jurisdictions make decisions regarding zoning and land use or development occurs, jurisdictions must assess their ability to accommodate new housing in each income category on the remaining inventoried sites. A jurisdiction must add additional sites to its inventory if land use decisions or development results in a shortfall of sufficient sites to accommodate its remaining RHNA.

To ensure that sufficient capacity exists in the housing element to accommodate the RHNA throughout the planning period, HCD recommends the jurisdiction include a buffer of at least 15 to 30 percent more capacity than required in its Site Inventory, especially for the lower-income RHNA. Jurisdictions can also create a buffer by projecting site capacity at less than the maximum density to allow for some reductions in density at a project level.[5]

[4] Othering & Belonging Institute. 2023. "California Adopts OBI's Latest Opportunity Maps." Othering & Belonging Institute. January 19, 2023. https://belonging.berkeley.edu/california-adopts-obis-latest-opportunity-maps (Accessed November, 2023)

[5] California Department of Housing and Community Development, Housing Element Site Inventory Guidebook, June 10, 2020, page 22

C.3.4 Sites Used in Previous Planning Periods

In accordance with Government Code Section 65583, vacant parcels from both the 4th and 5th cycles and non-vacant parcels from the 5th cycle may be reused in this Housing Element to accommodate lower-income housing, provided they are rezoned to allow projects that have at least 20 percent of the units set aside to be affordable for lower-income households to be allowed by right (i.e., can be approved administratively without requiring Planning Commission or City Council approval). No sites on the Sites Inventory are subject to this by-right requirement.

C.4 Regional Development Trends

Establishing development trends provides an understanding of the type of housing development that is feasible during the planning period, by estimating the density (dwelling units per acre) that could be assumed on individual sites. The following analysis identifies regional projects with similar predevelopment characteristics as parcels identified in the Sites Inventory.

Since its incorporation in 1968, Canyon Lake's housing development has occurred within the gated portion of the community and development trends have consistently resulted in one single-family home per parcel. Due to limited parcels remaining within the gated community that are suitable for single-family homes, the City is now planning for multi-family housing outside of the gated portion of the community, beginning with the development of the Towne Center Specific Plan (TCSP), which was adopted in 2022 and is intended to revitalize the marginally used Towne Center commercial area.

The TCSP is unique for Canyon Lake as it represents the City's first experience with the development of multi-family housing. Furthermore, the repurposing of retail and commercial areas into mixed-use developments is also unique for the region, as the vast majority of land in Southern California and Western Riverside County is reserved for single uses. Because of this, there are no comparable projects to the TCSP in Canyon Lake, and few comparable projects regionally. Eight recently developed or planned residential developments comparable to the TCSP in the wider region are discussed further in this section to establish that repurposing of commercial and retail centers into mixed-use is emerging as an important development trend for many jurisdictions in California.

Table C-2 provides a breakdown of each project, specifying the type of redevelopment involved. The analysis shows that redevelopment in these types of projects often begins with constructing new residential buildings on available parking lots, followed by phased demolition or repurposing of existing buildings to introduce mixed-use development. These eight projects were selected due to their similarity to the TCSP existing commercial and retail centers approved for the addition of residential uses, either by replacing existing retail buildings with mixed-use buildings or by adding new residential or mixed-use buildings to the existing property.

The framework of the TCSP accommodates flexibility in its redevelopment strategy, allowing for mixed-use or residential buildings to either be constructed on existing parking lots or within the footprints of demolished structures. Examples from Table C-2 demonstrate how similar projects in the region have supported the construction of affordable housing. The history of this type of redevelopment, particularly for affordable housing, shows that it is feasible to incorporate residential uses while maintaining existing business operations, minimizing or fully mitigating impacts to existing leases. Furthermore, the TCSP's flexible approach allows the potential for additional residential units within the existing structures. This approach enables flexibility for future residential development to adapt to changing market demands.

Table C-2 Regional Redevelopment Trends of Residential Uses in Existing Retail Centers

Project Name	Location	Development Type	Size (Acres)	Units	Density (dwelling units per acres)	Income-Restricted Units Included?	Stage of Development	Estimated Completion
Mainplace Mall[6]	Santa Ana	New residential building on a former parking lot[7]	49	1,900	39	Yes, per City requirements	309 units completed in October 2023[8]	In phases from 2023-2040
Moreno Valley Mall[9]	Moreno Valley	New residential buildings on former parking lots	87	1,627	19	N/A	Approved June 2023	Groundbreaking in 2024
Panorama Mall[10]	Panorama City	New residential buildings; early phases are built on former parking lots. Later phases will demolish and replace existing retail buildings.[11]	20	3,544	177	N/A	~20% of units completed	N/A
Tyler Galleria[12]	Riverside	Housing built on site of former retail building	60	450	8	N/A	Unknown	N/A
The Village[13]	Santa Ana	N/A	42	3,750	89	Yes, per City requirements	Unknown	N/A
Village at Buena Park[14]	Buena Park	Housing built on surface lots and partial demolition of existing mall	23	1,302	58	N/A	City Council approved June 2023, groundbreaking Summer, 2024	N/A
Village at Montclair[15]	Montclair	New residential building on a former parking lot	6.3	350	57	In development		

[6] City wins Orange County Business Council award for MainPlace Mall plan. (2022, November 18). City of Santa Ana. https://www.santa-ana.org/city-wins-orange-county-business-council-award-for-mainplace-mall-plan

[7] Roughly $8B Invested to Reshape Orange County's Malls. (2023, November 6). Orange County Business Journal. https://www.ocbj.com/retail/roughly-8b-invested-to-reshape-orange-countys-malls

[8] Lowe and Centennial open the new Paloma apartments at MainPlace. (2023, October 31). News Santa Ana. https://newsantaana.com/lowe-and-centennial-open-the-new-paloma-apartments-at-mainplace

[9] City Council Unanimously Approves Moreno Valley Mall Revitalization Plan. (2023, June 7). City of Moreno Valley. https://moval.gov/news/news_23/060723-mall-project.html

[10] "Notice of Preparation for the Panorama City Center Project." n.d. Accessed March 12, 2024. https://planning.lacity.gov/odocument/aa3c6942-a8c3-416f-a58f-93101602476f/PanoramaCityCenter__NOP.pdf.

[11] Primestor plans high-rise complex at Panorama Mall. (May 12, 2022). Urbanize Los Angeles. https://la.urbanize.city/post/primestor-plans-high-rise-complex-panorama-mall

[12] Magnolia Flats near Tyler Galleria to emerge from land bought by Newport Beach-based Realm Group. (2021, August 11). Orange County Register. https://www.ocregister.com/2021/08/11/450-apartments-coming-to-riverside-near-tyler-galleria

[13] Review of The Village Santa Ana Specific Plan. n.d. https://storage.googleapis.com/proudcity/santaanaca/uploads/2023/08/23.08.07-The-Village-Santa-Ana-Specific-Plan-City-of-Santa-Ana-Compressed.pdf.

[14] City of Buena Park. Village at Buena Park Development Plans (Combined). Accessed March 12, 2024. https://cms7files1.revize.com/buenaparkca/Document_center/City%20Departments/Community%20development/Planning%20Division/Keynote%20Projects/Village%20at%20Buena%20Park/Development%20Plans%20_Combined.pdf

[15] Village Partners. "Montclair Real Estate." Village Partners, n.d. https://www.villagepartners.com/montclair/

Project Name	Location	Development Type	Size (Acres)	Units	Density (dwelling units per acres)	Income-Restricted Units Included?	Stage of Development	Estimated Completion
Westminster Mall Specific Plan[16]	Westminster	Housing replacing underutilized retail spaces[17]	100	3,000	30	Yes, 10% total	Approved by City Council December, 2022	N/A
TCSP	Canyon Lake	Housing addition to retail center, development type may vary	19.6	188	9.9	Yes	SP approved; project in development	N/A
Averages			**42**	**1,639**	**52**			

C.4.1 Development Trends in Nonresidential Zones

There are no examples of nonresidential land being converted into residential uses in Canyon Lake due to its unique history and development patterns. However, the neighboring city of Menifee cites two redevelopment projects in its most current Housing Element. Both these nonresidential redevelopment projects converted existing uses to single-family homes. These projects are shown in Table C-3 below.

Table C-3 Development in Nonresidential Zones in City of Menifee

Project APNs	Units	Acres	Density	Zoning	Use prior to development	Project Analysis
372050041, 372050042, 37205040, 37205038, 37205037, 37205039	327	29	11	EDD-CC (Economic Development Corridor-Community Core)	Electrical facility on the northeast corner and a golf driving range operation along Antelope Road	Prior to the golf driving range, a recreational facility available since 1991, the site had a single-family home (built circa 1910). The site is now being redeveloped to accommodate 327 condominiums.
364190004, 364190005	305	79.68	4	Rockport Ranch Specific Plan	Dairy Farm with a single-family residence and accessory structures	The site is under construction to accommodate 305 single-family homes.
Averages	**316**	**54**	**8**			

The first project transitioned from a former electrical facility and golf driving range into a 327-unit development. This site previously hosted a recreational facility and a single-family home built around 1910, emphasizing how older nonresidential land can be repurposed for higher-density housing.

The second project converted a dairy farm with an associated single-family residence and accessory structures into 305 single-family homes. This redevelopment, part of the Rockport Ranch Specific Plan, demonstrates how agricultural lands are being transformed to meet residential demands.

The average density across both projects is relatively low, with eight dwelling units per acre. This suggests that while nonresidential redevelopment is happening, it does not always result in high-density housing, which may reflect local zoning constraints, community preferences, or market conditions. To address this, the City has implemented the TCSP which is zoned for high-density mixed uses.

[16] City of Westminster, California. "City Council Agenda Item: Approval of the Minutes of the Regular Meeting of February 22, 2022." City of Westminster. Accessed March 12, 2024. https://www.westminster-ca.gov/home/showpublisheddocument/5829/638100904105270000

[17] Westminster Mall's redevelopment plans include 1,100 homes, new retail, food hall. (2023, April 24). Spectrum 1 News. https://spectrumnews1.com/ca/southern-california/business/2023/04/24/westminster-mall-s-redevelopment-plans-include-1-100-homes--new-retail--food-hall

These trends illustrate how nearby cities like Menifee are leveraging underutilized or obsolete nonresidential lands for residential use, which could serve as a model for Canyon Lake if similar opportunities arise in the future. This type of redevelopment aligns with broader state goals of increasing housing supply, particularly in areas where nonresidential uses are no longer viable or in demand.

C.4.2 Summary of Development Trends

Development characteristics in the region indicate that most residential projects developed, or will develop, on land that was designated for commercial uses. Development statistics indicate an estimated density range from a low of eight dwelling units per acre to a high of 177 dwelling units per acre and an average of 52 dwelling units per acre. Parcel sizes range from a low of 6.5 acres to a high of 100 acres and an average of 42 acres. Housing unit counts range from 279 units to 3,750 units with an average of 1,639 units. Additionally, recent State-Level legislation (Senate Bill 6 and Assembly Bill 11) has been passed to facilitate conversion from commercial to mixed-use or residential, further incentivizing repurposing of commercial areas to mixed-use and residential.[18]

As a result of high demand for housing compared to demand for retail and commercial spaces, the State's active encouragement of adaptive reuse, the economic and political incentives to redevelop sites like the TCSP are expected to remain high throughout the 6th cycle. The City is actively seeking one or more developers to build out the TCSP. Programs 1.2a includes measures to ensure that the updated plans for housing fulfill RHNA requirements at each income level. Additionally, the City will evaluate all development in the TCSP to better determine how often development has a residential component and adjust, as necessary, to maintain adequate sites throughout the planning period within one year. Adjustments may include modifying capacity assumptions, identifying additional sites, providing additional incentives, or rezoning.

C.5 Realistic Development Capacity

To demonstrate capacity to accommodate the RHNA, the City has identified sites with zoning suitable for housing development. Pursuant to Government Code Section 65583.2(c), the City is required to calculate the realistic number of units (or, realistic development capacity) of the sites identified. The Sites Inventory includes parcels within the R-1 zone district and within the TCSP area. All R-1 parcels are located outside of the TCSP and within the city's gated community. The realistic capacity of both the gated community and the TCSP is discussed below.

The Canyon Lake Municipal Code (CLMU) classifies each of the sites into one of the following zones:

- Low-Density Residential (R-1) allows one family dwellings at a maximum allowable density of 6.05 dwelling units per acre.
- Specific Plan (S-P) allows for a variety of uses including office, commercial, and residential. The TSCP discussed in this section has a maximum allowable density of 125 dwelling units per acre on individual parcels.

The City assumed that the realistic development capacity of the chosen sites may be significantly less than the full development capacity allowed by the parcel's zoning or land use designation. This assumption is based on site specific conditions and development standards that may reduce the development potential of a given site. Steep slopes, protected wetlands or watercourses, open space or parking requirements, and irregularly shaped parcels all impact the ability to achieve the maximum density allowed by the CLMU.

C.5.1 Realistic Capacity for R-1 Sites

Based on the city's development patterns since 1968, housing within the gated portion of the community has consistently developed as one single-family home per parcel. Assumptions for the Site Inventory reflect this development pattern, regardless of lot size. All parcels included on the Site Inventory within the gated portion of the

[18] Holland and Knight. "California Legislature Creates Pathways for Residential Development on Commercially Zoned Land." September 1, 2022 (accessed September 2023). https://www.hklaw.com/en/insights/publications/2022/09/california-legislature-creates-pathways-for-residential-development

community are vacant and with lot sizes of at least 7,200 square feet. All units in these zones are allocated to the above moderate-income category. This estimate is conservative and does not factor in the provisions of SB 9, which allows for the ministerial approval of certain housing development projects containing up to two dwelling units on a single-family zoned parcel, or the potential inclusion of ADUs.

C.5.2 Realistic Development Capacity of the Towne Center Specific Plan (TCSP)

The City has analyzed the development potential of the TCSP based on regional trends, site conditions, and land use controls. The TCSP was designed specifically to facilitate development at densities that support both market-rate and affordable housing, in line with the City's RHNA obligations. To address the concern about the realistic development capacity of the TCSP, the following key points provide the basis for the assumptions made:

- **Trends and Factors Supporting Assumptions:** The TCSP was created to accommodate a mixed-use, walkable environment, leveraging the area's high redevelopment potential, including the presence of aging, underutilized buildings, and parking fields. Although the TCSP is smaller in size, unit count, and density compared to other regional redevelopment projects, it follows local and regional trends that favor higher-density housing developments in mixed-use zones, particularly in areas with increased demand for affordable housing. Moreover, the rezoning to Mixed-Use creates strong financial incentives for redevelopment, even within the constraints of a smaller project area.
- **Analysis of Land Use Controls and Their Impact:** While the TCSP includes a projected unit count of 188 units and affordability requirements, the actual unit count of proposals may exceed this projection. Additionally, Program 1.2a ensures that full buildout will at minimum meet this projected number as market conditions evolve. Furthermore, the income-restricted requirements are balanced by favorable conditions within the TCSP which increase the TCSP's feasibility and support the assumption that full buildout will be achievable under current and foreseeable conditions.

The combination of these factors, including increased density, height allowances, and underutilized parcels, supports the City's assumption that the TCSP will be built out as planned. Any potential adjustments to unit numbers will be made in a manner that continues to fulfill the City's RHNA obligations.

On July 6, 2022, the City adopted Ordinance 222 to rezone the TCSP area from C-1 to Mixed-Use to provide development opportunities for residential and commercial development on the same parcel or a contiguous group of parcels. The ordinance requires an adopted development plan for any project to utilize the utilize the Mixed-Use zoning category. In June 2022, the City passed Resolution 2022-33 to adopt the TCSP to utilize the Mixed-Use zone. The TCSP was funded through SB 2 grants and was specifically designed to facilitate development at a capacity and affordability that is consistent with the City's RHNA obligation.

The TCSP covers an area of approximately 19.6 acres near the southern border of Canyon Lake, outside the gated portion of the community. The Plan was created with the purpose of designating a suitable space to develop both affordable and market-rate housing in a walkable, amenity and service-rich mixed-use environment. Of the at least 188 units projected by the TCSP, at least 75 are required to be income-restricted, accommodating and exceeding all of Canyon Lake's RHNA requirements for affordable housing. Development of the site could occur as either a large redevelopment project of the entire property or incrementally. If developed incrementally, individual buildings could be constructed separately from the balance of the TCSP area.

As discussed in Section C.4.4 above, the TCSP has one-third the acreage of the smallest comparable project, about 42 percent of the number of units of the smallest project and has comparable density to the least-dense comparable project. Additionally, the TCSP has a higher requirement for income-restricted units than the other projects in order to achieve the City's RHNA obligation. Program 1.2a will ensure the full build-out of the TCSP, including at least 188 units to accommodate RHNA requirements.

Likelihood that TCSP Will Be Built

The adoption of the TCSP significantly increases the density and intensity standards and opens the area up to potentially significant redevelopment. The City of Canyon Lake has been actively pursuing a developer to build out

the TCSP. Recent efforts include developing and approving the TCSP in consultation with WHA Inc. and Albert A. Webb Associates. The site was selected based on its feasibility for development in consultation with Diversified Pacific, a real estate development firm.

The existing conditions of the TCSP also indicate high redevelopment potential. The following factors contribute to the high likelihood that the existing uses within the TCSP will be redeveloped:

- **Structure age.** All buildings within the TCSP area were built prior to 1980 and are more than 40 years old, indicating potential underutilization as a result of substandard condition and lower property value.
- **Increase in Revenue due to added residential uses:** Considering the median rents in the region of $2,379 and a vacancy rate of 4.8 percent, the rental revenue from a fully built-out TCSP with 188 housing units would be approximately $4.36 million per year, after accounting for the rent restrictions of the 47 Very-Low Income Units and 28 Low-Income Units. This estimate projects a total income of about $130.83 million over 30 years, which significantly increases the potential revenue of the TCSP area. Notably, this estimate is conservative as it assumes no more than 188 units will be built at full buildout although density at the site permits more units, which could further increase potential revenue at the site. Table C-4 below shows the median rents and vacancy rates for regional cities based on data from Redfin.com and Rate.com.

Table C-4 Median Rents and Vacancy Rates for Regional Cities

City	Median Rent[19]	Median Rental Vacancy Rate[20]
Canyon Lake	$3,435	5.3%
Lake Elsinore	$1,955	7.8%
Menifee	$2,286	2.3%
Murietta	$2,339	4.3%
Perris	$1,883	4.4%
Temecula	$2,378	4.7%
Overall Averages	**$2,379**	**4.8%**

- **Improvement-to-Land Value (ILR) Ratio.** The land on which the TSCP is located has much greater development potential than what is currently built on the site. Based on the potential for increased revenue as discussed in the previous bullet, the Improvement to Land Ratio (ILR) of the TCSP can be presumed to be below 1.0, indicating that the currently developed buildings are worth less than the value of the land. Therefore, the TCSP can be presumed to have an Improvement to Land Ratio well below 1.0.
- **Height increase.** The TCSP allows maximum building heights up to 95 feet or 8 stories, significantly higher than the current existing uses. Presently, all but a few of the existing buildings are single-story and single use.
- **Rezoning to Mixed-Use.** The TCSP rezones the area to allow mixed-use developments, which encourages higher-density residential and commercial uses in the same area, making redevelopment more financially viable.
- **Greater density.** The TCSP permits significantly increased residential and commercial density, providing opportunities to meet housing demand and creating a more vibrant mixed-use environment.
- **Increased demand for housing.** The region's growing demand for housing, particularly affordable and workforce housing, enhances the market feasibility for redevelopment projects in this area.
- **High availability of infrastructure and services.** The existing shopping center is well-serviced by roadways, pedestrian infrastructure, utilities, and services, including the City's offices, as well as a range of retail and grocery services. Furthermore, the site of the TCSP is located within a Highest Resource area, according to the 2023 Opportunity Map published by the California Tax Credit Allocation Committee (CTCAC).

[19] Data from Redfin.com. Annual revenue from Very Low Income Units are estimated at $41,000*0.3*47. Annual revenue from Low Income Units are estimated at $65,300*0.3*28. Annual revenue from market-rate units is calculated at $2,379*12*121.

[20] Rate.com/research. Total annual rental revenue was calculated at $4,580,308*0.952 to adjust for a vacancy rate of 4.8%.

- **Floor Area Ratio (FAR).** New mixed-use buildings consisting of multiple stories are planned to replace existing commercial buildings. The area of these existing buildings will accommodate the residential intensities necessary to facilitate mixed-income housing. The TCSP allows a maximum FAR of 2.0. All parcels identified for future residential use on the Sites Inventory have an existing FAR of less than 1.0. Additionally, 75 percent of acreage of the identified TCSP sites are currently used for parking and have a FAR of 0. Therefore, all identified sites have the potential to exponentially increase their building footprint.
- **Underutilized parking lots.** A substantial portion of the TCSP area is dominated by large surface parking lots, which are underutilized given the area's redevelopment potential. The TCSP enables the possibility of repurposing these lots or consolidating them into parking structures with more compact footprints to accommodate mixed-use and residential development, greatly increasing the value of the site.
- **Marginally operating commercial businesses.** The existing shopping center is underutilized and experiences low customer traffic, with many residents choosing to shop in nearby cities that offer a wider variety of retail options. This lack of foot traffic has led to marginally operating businesses. The TCSP helps to address this by providing an opportunity for revitalization while also introducing a customer base that will live on-site.
- **Existing Leases.** There are no long-term leases in place that would obstruct redevelopment efforts, allowing for flexibility in implementing the TCSP. Additionally, the shopping center currently lacks a major anchor store which provides a clear path for implementing the mixed-use and residential developments planned under the TCSP. It is anticipated that current commercial tenants would be retained in the shopping center due to the mixed use nature of the TCSP.

A key concern for mixed-use parcels included in a Sites Inventory is whether parcels that permit uses other than residential are likely be developed as residential or as a use other than residential. In the case of sites located on the TCSP, existing City regulations within the text of the TCSP require that these sites are developed with a certain number of residential units, regardless of the zoning of the parcel. To ensure that the mixed-use sites are developed with sufficient residential units to fulfill RHNA requirements, Program 1.2a includes measures to ensure the full development of permitted residential uses.

Additionally, as discussed in Section C.4, market conditions are anticipated to remain elevated in favor of residential development. According to the U.S. Department of Housing and Urban Development's Office of Policy Development and Research, demand for commercial and retail spaces are declining, and demand for housing will remain high for the foreseeable future[21]. Based on this analysis, projects zoned for mixed-use will likely continue to be developed primarily with residential uses while demand for retail, commercial, and office development remains low, further ensuring that any development which takes place on the TCSP will likely favor residential uses over nonresidential uses. These development standards and development trends strongly support the City's assumption that the TCSP will be built out as intended, fully accommodating the RHNA.

For planning purposes, the TCSP is divided into eight planning areas. Four of these planning areas would accommodate residential uses with densities ranging from 16 to 61 dwelling units per acre. The cumulative density for the TCSP under current conditions is 9.9 dwelling units per acre. Table C-5 shows the planned land use of the TCSP planning areas.

[21]U.S. Department of Housing and Urban Development Office of Policy Development and Research. "The Adaptive Reuse of Commercial Space as Housing in California." March, 2022 (accessed September, 2023). https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-030822.html

Table C-5 Land Use Summary by Planning Area for the Towne Center Specific Plan

Planning Area	SP Land Use Designation	Acres	Commercial-Retail Square Feet	Office	Dwelling Units	Target Density (dwelling units per acre)
1	Mixed-Use (Residential Site D)[1,2,3]	0.7	–	–	16	16.0
2	Mixed-Use (Residential Site B)[1,2,4]	2.6	6,000	–	46	47.7
3	Mixed-Use	4.3	–	44,000	–	–
4	Mixed-Use (Residential Site A)[1,5]	2.6	6,500	–	40	51.3
5	Mixed-Use (Residential Site C)[1,6]	1.9	18,000	–	86	60.6
6	Mixed-Use[7]	4.1	–	9,000	–	–
7	Mixed-Use	0.8	–	22,000	–	–
8	Mixed-Use	2.6	–	28,000	–	–
	Existing	–	171,800	–	–	–
	Totals	**19.6**	**202,300**	**103,000**	**188**	**–**

[1] A total of 202,300 square feet of commercial-retail uses is provided as part of this plan. Square footage identified in PA 2, 4, 5 is additional commercial-retail acreage that may develop within these planning areas, that does not exceed total 202,300 square feet.

[2] A total of 43 Very-Low income-qualified housing units and 24 Low income-qualified housing units are required for City of Canyon Lake to meet State Regional Housing Need Allocations (RHNA). Including the Department of Housing and Community Development's (HCD) 10 percent buffer recommendation, this plan has the capacity to provide an additional 7 units to provide a total of at least 75 affordable housing units within Planning Areas 1 and 2 (Residential Sites B and D). Any adjustments to the housing capacity of a Planning Area will be completed in accordance with the No Net Loss Law.

[3] Target Density Based on 36,000 SF footprint and is based upon building footprint that includes no external setbacks or additional lot area.

[4] Target Density Based on 45,000 SF footprint and is based upon building footprint that includes no external setbacks or additional lot area.

[5] Target Density Based on 35,000 SF footprint and is based upon building footprint that includes no external setbacks or additional lot area.

[6] Target Density Based on 62,000 SF footprint and is based upon building footprint that includes no external setbacks or additional lot area. [7] Building 17 may be removed allowing for a large open space public gathering area.

The distribution of these units between planning areas may vary based on phasing and market conditions. To eliminate the risk of the project developing with insufficient residential and income-restricted units, Program 1.2a includes measures to ensure the TCSP is built out at the income categories detailed in the TCSP.

Table C-6 outlines the general development standards for the TCSP. The allowed density, maximum height, minimum setbacks, and other requirements all accommodate high densities required to accommodate affordable housing, and do not present a constraint.

Table C-6 General Development Standards for the Towne Center Specific Plan

Development Standards	
Maximum Non-Residential FAR[1]	2.0
Maximum Density[1]	125 dwelling units per acre
Maximum Building Height[2]	95 feet/ 8 stories (measured per CBC)
Minimum Building Setbacks[3, 4]	
Front	10 feet from curb face
Side	10 feet from curb face
Rear	10 feet from curb face
Between Buildings	10 feet from face of building
Minimum Residential Open Space	Refer to Section 3.11: open space

Development Standards	
Minimum Floor Area for Residential Units (excluding garages)	
SRO/efficiency Unit	150 S.F. - 400 S.F.
Studio Unit	500 S.F.
One Bedroom Unit	650 S.F.
Two Bedroom Unit	800 S.F.
Three Bedroom Unit	1,000 S.F.
Four Bedroom Unit	1,200 S.F.

[1] Individual parcels or structures may exceed this requirement provided that the entire Specific Plan area does not exceed 103,000 SF of Office, 202,300 SF of Commercial-Retail, and 188 Residential Units.

[2] Architectural features such as towers, cupolas, and similar elements may exceed the maximum building height by up to 10 feet.

[3] Awnings, entrance porticoes, porches, patio walls, stoops, unenclosed stairs, balconies, eaves, entrance overhangs, trellises, signs, and other architectural design elements are permitted in setbacks as long as they don't hinder vehicular line of sight for pedestrian safety.

[4] Intent for setback is to ensure pedestrian pathway and encourage a safe and prominent pedestrian experience.

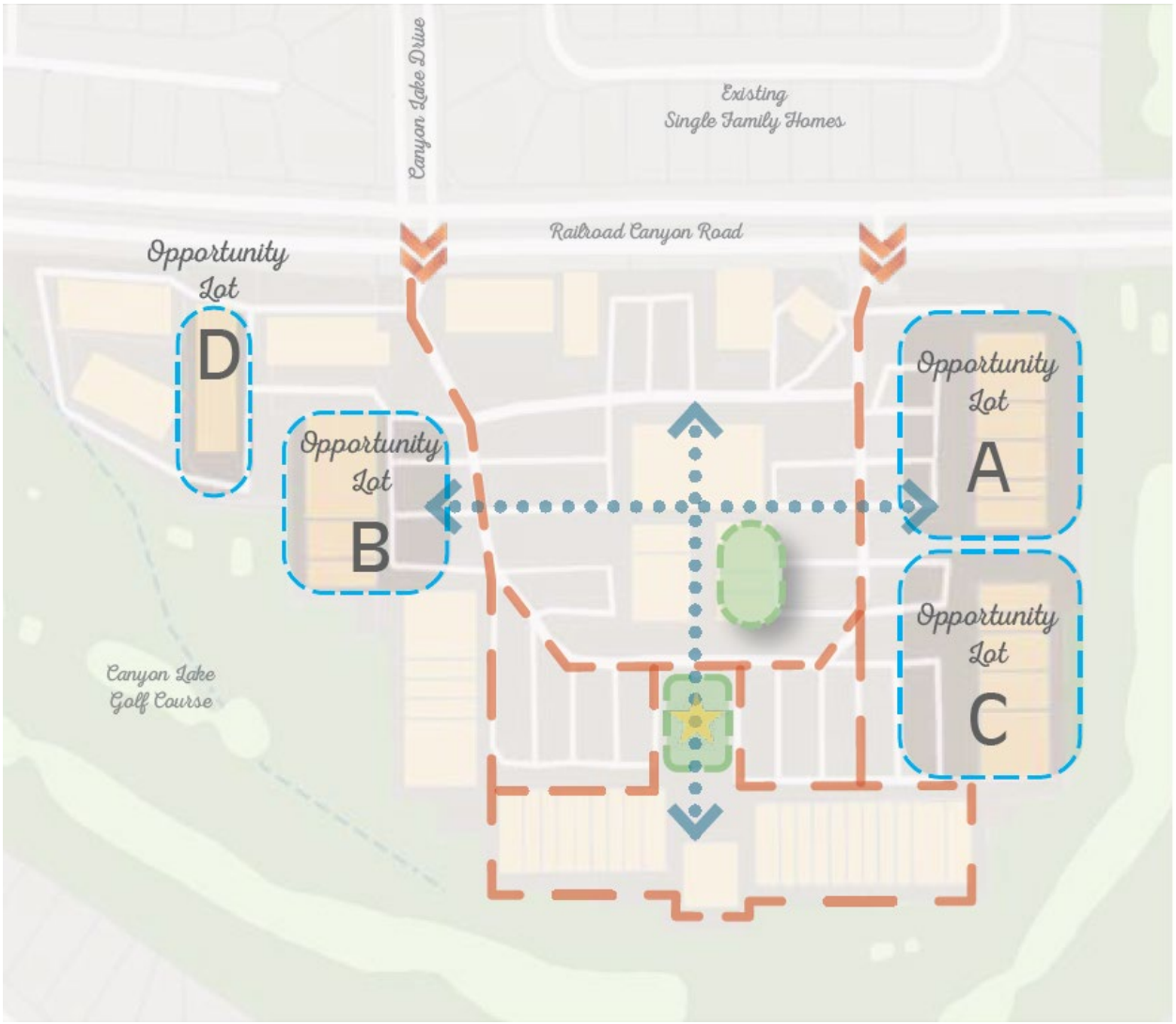
C.5.3 Opportunity Lots Within the Towne Center Specific Plan

Within the TCSP, four opportunity lots have been identified as prime locations for residential developments based on the following criteria:

- Each one takes advantage of golf course and mountain views;
- The locations are at higher elevations on the site;
- A, B, C are setback from Railroad Canyon Road minimizing road noise, while D is closest to the street but can be strategically designed to also minimize noise.

Figure C-1 shows the approximate location of the opportunity lots within the TCSP.

Figure C-1 Opportunity Lots



C.6 Adequacy of Nonvacant Sites

According to HCD's Housing Element Site Inventory Guidebook,[22] if the Sites Inventory identifies nonvacant sites to address a portion of the RHNA, the housing element must describe the realistic development potential of each site within the planning period. Specifically, the analysis must consider the extent that the nonvacant site's existing use impedes additional residential development, the jurisdiction's past experience converting existing uses to higher density residential development, market trends and conditions, and regulatory or other incentives or standards that encourage additional housing development on the non-vacant sites.

The Site Inventory assumes all lower-income units on nonvacant sites. As a result, the existing uses of the nonvacant sites are presumed to impede additional residential development, unless the housing element describes findings based on substantial evidence that the use will likely be discontinued during the planning period. As part of the resolution adopting the housing element, findings stating the uses on non- vacant sites identified in the inventory to accommodate the RHNA for lower income are likely to be discontinued during the planning period and the factors

[22] HCD. Housing Element Site Inventory Guidebook. June 2020. https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf

used to make that determination. In general, substantial evidence includes facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts. Examples of substantial evidence that an existing use will likely be discontinued in the current planning period include, but are not limited to:

- The lease for the existing use expires early in the planning period.
- The building is dilapidated, and the structure is likely to be removed, or a demolition permit has been issued for the existing uses.
- There is a development agreement that exists to develop the site within the planning period.
- The entity operating the existing use has agreed to move to another location early enough within the planning period to allow residential development within the planning period.
- The property owner provides a letter stating their intention to develop the property with residences during the planning period.

C.6.1 Adequacy of Development in the TCSP

The City has identified the TCSP as an area that could facilitate the development of a variety of housing types due to its location, existing condition, and underutilization of the area as a commercial space. The TCSP is divided into eight planning areas. Of these planning areas, at least four are projected to have residential uses providing at least 188 mixed-income dwelling units. Table C-5 on page C-7 shows the land use, area, and target density of each planning area.

The TCSP emphasizes the development of residential and nonresidential uses by encouraging mixed-use and higher density residential projects. Current uses of identified sites consist of office buildings, parking lots, restaurants, and retail centers. The sites are expected to be developed within the 8-year planning period based on the following factors:

- The Specific Plan was approved in June 2022.
- The owners of the sites that make up the TCSP are motivated to redevelop due to falling retail sales and a general stagnancy on the sites. Adding residential uses will increase revenue and foot traffic on the site, increasing its vibrancy and making it more attractive to retailers and other businesses.
- The City is supportive of developing the TCSP due to the need for mixed-income housing in the area and the need to stabilize the retail center which is the city's main resource for groceries and other commercial services.
- Market factors have contributed to a growing trend of repurposing retail, office, and commercial spaces into residential or mixed-uses due to elevated demand for housing and declining demand for commercial and retail spaces in California.[23] The TCSP is an outgrowth of this economic trend, which is expected to continue through the current housing cycle.
- The Specific Plan allows height increases up to eight stories and 95 feet, which compares to the single-story limit of existing structures, posing a potential for much higher land value and revenue for developers.

There are 18 parcels within the TCSP that have been identified as sites with high residential development potential. These sites are zoned as mixed-use to support both residential and non-residential development. The proposed housing units would be located within an existing old and marginally used commercial shopping center. Many existing commercial uses in the TCSP are on their own parcel, configured to match the existing building size and, as such, do not include setback areas for landscaping or parking. A number of these parcels with individual uses and individual parcel numbers would be consolidated under the proposed specific plan into four different sites. Figure C-2 on page C-13 shows the Conceptual Site Plan for the Towne Center, depicting how existing buildings at the Towne Center will be utilized for redevelopment proposed under the TCSP to accommodate mixed-use residential. Not all of the buildings in the Towne Center are proposed to be affected by the Specific Plan at this time and it is expected that the current tenants and uses of these buildings will remain. Residential development will be

[23] U.S. Department of Housing and Urban Development Office of Policy Development and Research. "The Adaptive Reuse of Commercial Space as Housing in California." March 2022 (accessed September, 2023). https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-030822.html

focused on four Opportunity Lots (see Figure C-1) and areas outside these Opportunity Lots are expected to remain. To mitigate potential impacts on existing commercial tenants, Program 1.2c includes measures that provide displacement prevention measures as part of proposal and buildout.

The intended attraction of the TCSP is to enhance the viability of the site for existing and future commercial uses by incorporating additional housing units that would provide potential users with greater access to services including transportation, thereby promoting greater opportunity for new residences. The proximity of commercial businesses and services in the TCSP and the surrounding area would improve the attractiveness of the site to future occupants and stimulate developer interest.

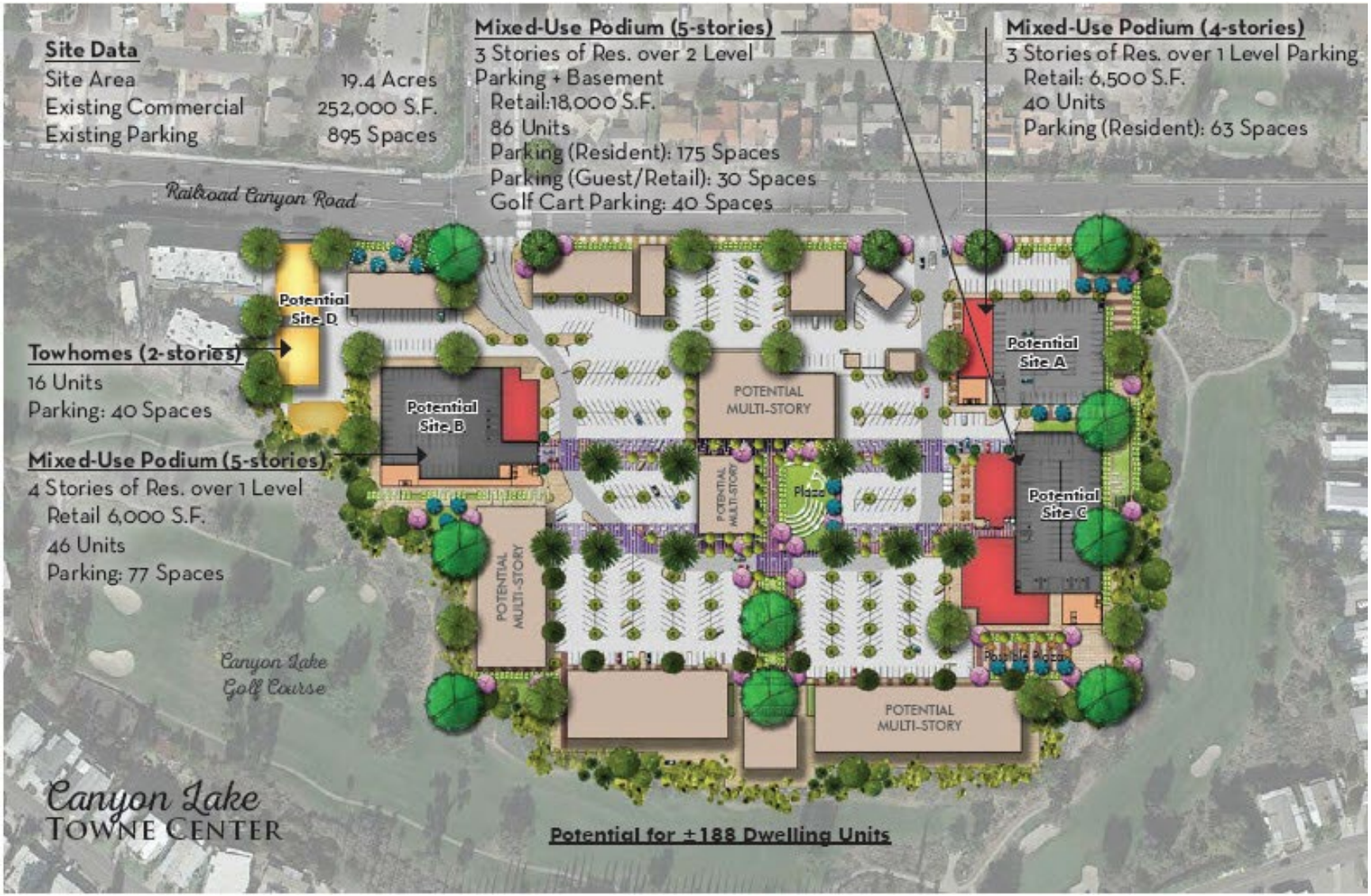
As discussed in Section C.4, the TCSP permits flexible phasing strategies, allowing new residential or mixed-use buildings to be constructed either on the footprints of demolished buildings or adjacent to existing structures. This phased approach ensures that redevelopment can proceed without displacing existing businesses or impacting existing leases.

Considering all factors, the TCSP sites are considered highly suitable for development of housing, and therefore do not pose a constraint.

C.6.2 Constraints Posed by the Small Sites and Future Project Design Parameters

Small sites can pose a constraint to affordable housing development. The Sites Inventory includes eight parcels smaller than half an acre that are projected to accommodate a combined total of 13 lower income units and eight moderate income units. Under Program 1.2b, the City will work with developers to consolidate these small parcels consistent with project applications as part of the entitlement process. Additionally, these sites will have no setback, parking, or open space requirements because these services will be provided by adjacent parcels within the TCSP, which maximizes their ability to accommodate affordable housing. Therefore, small sites do not pose a constraint on housing. Figure C-1 provides a conceptual layout of the TCSP.

Figure C-2 Towne Center Specific Plan Conceptual Site Plan



C.7 Existing Conditions in the TCSP

The Towne Center is a fully developed shopping center. Existing land uses include offices, retail, civic offices, a post office, and a hotel. The general layout of the Towne Center includes 17 separate stand-alone buildings with over 40 separate property ownerships. As of summer 2021, there were a total of 127 tenants consisting of office, retail, restaurants, and lodging. The TCSP is divided into eight conceptual planning areas, which may be developed concurrently or separately in any order depending on market conditions. These pre-development conditions are consistent with the example projects discussed in Section C.4. The following planning areas would support residential uses as part of the TCSP.

C.7.1 Planning Area 1 – Housing

Planning Area 1 (PA1) is the smallest planning area at 0.7 acres. The TCSP conceptualizes at least 16 dwelling units in this planning area with a density of at least 23 dwellings per acre. The site is currently developed with a hotel (Building B). PA1 is identified within the TCSP as a preferred location to accommodate affordable housing units as it is adjacent to existing multi-family residential to the west and includes both pedestrian and enhanced pedestrian pathways allowing pedestrian access to Railroad Canyon Road.

C.7.2 Planning Area 2 – Commercial Retail and Housing

Planning Area (PA2) 2 is 2.6 acres. The TCSP conceptualizes at least 46 dwelling units in this planning area with a density of 18 dwellings per acre. Approximately 71 percent of PA2 is occupied by surface parking and includes one of the two vehicular access points into the Towne Center. The remaining area is occupied by two buildings which house restaurants and commercial businesses.

C.7.3 Planning Area 3 – Commercial Retail and Housing

Planning Area 3 (PA3) is the largest of the planning areas at 4.3 acres. Although housing could be built in this area, the TCSP does not currently conceptualize housing in this planning area. Approximately 70 percent of PA3 is occupied by surface parking. The remaining area is occupied by five buildings which house restaurants and commercial businesses.

C.7.4 Planning Area 4 – Commercial Retail and Housing

Planning Area 4 (PA4) is 2.6 acres. The TCSP conceptualizes at least 40 dwelling units in this planning area with a density of at least 15 dwellings per acre. Approximately 77 percent of PA4 is occupied by surface parking. The remaining area is occupied by the city's current civic center and office uses. Referred to as Residential Site A, this planning area provides one of the two vehicular access points into the Towne Center and affords high visibility to the community from Railroad Canyon Road. PA4 has the potential to redevelop as a four-level mixed-use structure with at least one level of commercial retail and at least three levels of residential.

C.7.5 Planning Area 5 – Commercial Retail and Housing

Planning Area 5 (PA5) is 1.9 acres. The TCSP conceptualizes at least 86 dwelling units in this planning area with a density of at least 45 dwellings per acre. Approximately 68 percent of the site is occupied by surface parking. The remaining area is occupied by civic uses and offices.

C.7.6 Planning Area 6 – Mixed-Use

Planning Area 6 (PA6) is 4.1 acres. Although housing could be built in this area, the TCSP does not currently conceptualize housing on this planning area. Approximately 75 percent of PA6 is occupied by surface parking. The rest of the PA6 houses commercial uses and open space.

C.7.7 Planning Areas 7 and 8 – Mixed-Use

Planning Area 7 (PA7) is 0.8 acres, and Planning Area 8 (PA8) is 2.6 acres. Although housing could be built in these areas, the TCSP does not currently conceptualize housing in these planning areas. PA7 and PA8 are predominantly occupied by existing buildings which would need to be demolished before redevelopment could occur.

C.7.8 Impediments to and Incentive for Mixed-use Development of the Towne Center

The City has had discussions with the development community about undertaking mixed-use development at various locations within the city. Based on developer feedback, the mixed-use development at the TCSP is in an optimal location for redevelopment, due to a number of factors:

1. Existing food, retail, and administrative services within the Towne Center.
2. Proximity to public transit on Railroad Canyon Road.
3. Proximity to regional freeways, I-15 and State Route 215.
4. Employment opportunities both within the Towne Center and the surrounding urbanized area, including the adjoining Cities of Lake Elsinore and Menifee.
5. City ownership of a portion of the Towne Center.
6. Infrastructure that serves the existing commercial development, including water, sewer, natural gas, cable, and electricity.
7. Reduced environmental concerns due to the existing commercial development of the site that includes improvements to the entirety of the shopping center site, including parking, landscaping and buildings.
8. There are no Development Impact Fees adopted specifically for City use.

Additionally, as discussed in Section C.5.4, all buildings within the TCSP area are more than 40 years old and are utilized far below their allowable density and intensity.

New mixed-use buildings will be built either in the footprints of existing buildings which would be demolished, or adjacent to existing buildings as most of the area of the TCSP is made up of excessive surface parking. Development of the site may occur as either a large redevelopment project encompassing the entire property, or in multiple phases, based on economic conditions and timing of current leases.

C.8 City-owned and Leased Sites

City offices for the Building, Planning, Code Enforcement, and Business Licenses Departments are located in Residential Site A. Additional City owned property for Administrative Staff is located in a portion of the area encompassing Residential Site C. The City will relocate the City Offices to another area to accommodate redevelopment anticipated in the TCSP.

The City intends to sell the parcels it owns within the TCSP specifically to accommodate residential development. The City shall comply with the Surplus Land Act and Surplus Land Act Guidelines issued by HCD and consult with HCD regarding any questions. Program 1.2d creates a schedule of actions to sell the City's TCSP parcels in compliance with the Surplus Land Act and monitor buildout of the project to ensure it meets the City's goals and its RHNA requirements. City-owned and leased sites are listed in Table C-7 below.

Table C-7 City-owned and Leased Sites

APN	Property Owner Per Assessor Role	
355-330-034	City of Canyon Lake	Existing Planning & Building Dept – City Owned (Site A)
355-330-009	John & Johanna Regus	Existing Planning & Building Dept – City Owned (Site A)
355-330-011	Amp Global; White Tara Inv	City Administrative Offices – City is leasing (Site C)
355-330-029	Canyon Lake City; New Hope Community Church	Additional City Property (Site C)

C.9 Adequacy of Public Facilities and Infrastructure

This section addresses the adequacy of public facilities and services (i.e., water and sewer services) to accommodate planned residential growth through the end of the planning period. The TCSP is fully developed with existing infrastructure, and all R-1 sites listed in the Sites Inventory also have access to the existing infrastructure systems within the gated community of Canyon Lake. The following discussion provides details of the existing conditions. As the Towne Center redevelops, future developers will be responsible to ensure sufficient capacity exists in each system.

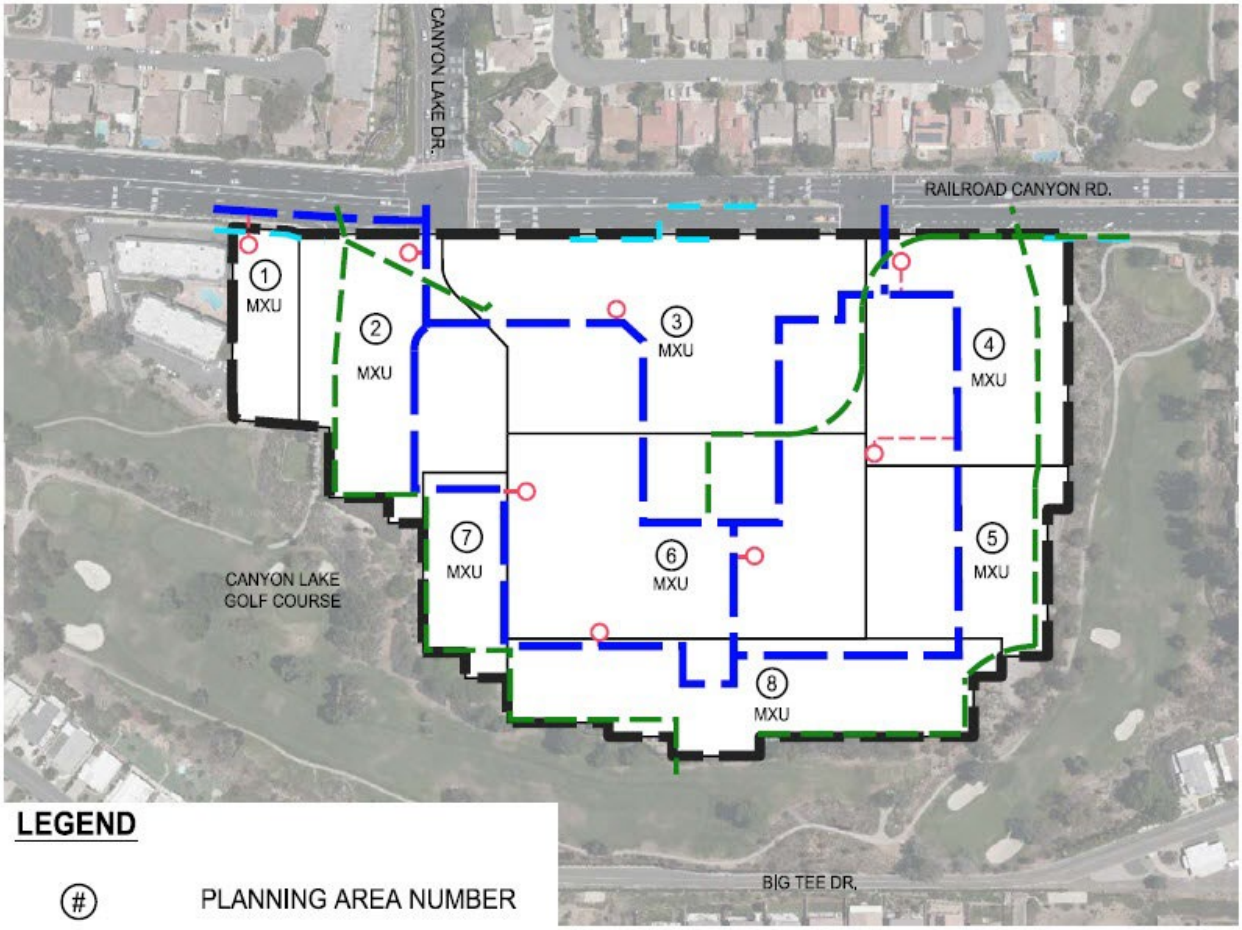
C.9.1 Water and Sewer Districts

The Elsinore Valley Municipal Water District (EVMWD) provides domestic water service and sanitary sewer to the Towne Center. Canyon Lake is a drinking water reservoir and plays a very important role in EVMWD's overall water supply. EVMWD's Canyon Lake Water filtration plant serves Canyon Lake residents and customers throughout the district's service area during summertime peak water demand. All sites would be adequately served by a public water and sewer system. Public facility providers active in Canyon Lake are listed on Table C-8 and Figure C-3 shows existing water and sewer mains within the TSCP.

Table C-8 Public Facility Providers

Purveyor	Service
Elsinore Valley Municipal Water District	Water
Elsinore Valley Water District	Sewer
Verizon	Communications
Southern California Edison	Electricity
Southern California Gas Company	Natural Gas
Waste Management	Solid Waste Disposal

Figure C-3 Water and Sewer Mains Within the TCSP



C.9.2 Dry Utilities

The following service providers provide services and infrastructure to the Towne Center:

- Verizon Frontier – Communications
- Southern California Gas Company – Natural Gas
- Southern California Edison – Electric

All sites would be adequately served by dry utilities.

C.10 Environmental Constraints

The analysis of environmental conditions indicates that there are no constraints to development of the sites identified within the Towne Center by the Sites Inventory and Analysis. There are no known constraints that would reduce the housing capacity identified for each site listed in the Sites Inventory. An environmental Mitigated Negative Declaration has been prepared for the TCSP which found that no environmental factors would be potentially affected by the plan.[24]

C.11 Sites Inventory

Each site listing includes the following items in the column heading order from left to right:

- Address or nearest cross street
- Assessor's Parcel Number
- General Plan land use designation
- Zoning designation
- Description of existing uses
- Size in acres
- Total number of units realistically assumed on the site by income category
- Total unit capacity on the site

Nonvacant mixed-use sites within the TCSP are listed on Table C-9 and shown geographically on Figure C-4, while all vacant R-1 sites are listed on Table C-10 and shown geographically on Figure C-5.

[24] City of Canyon Lake. Towne Center Specific Plan IS-MND. 2022. https://www.canyonlakeca.gov/vertical/sites/%7B914485A7-E93B-4BFA-A369-593050FBB784%7D/uploads/Towne_Center_Specific_Plan__MND_03-4-22.pdf

Table C-9 Nonvacant Sites in the TCSP

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
Residential Site A									
Railroad Canyon Rd./Canyon Lake Dr. S.	355-330-035	Mixed-Use	Specific Plan	Parking Lot	3.85	12	11	13	36
31504 Railroad Canyon Rd.	355-330-028	Mixed-Use	Specific Plan	Restaurant Building	0.2	1	1	1	3
31512 Railroad Canyon Rd.	355-330-033	Mixed-Use	Specific Plan	Office Building	0.11	1	0	0	1
31516 Railroad Canyon Rd.	355-330-034	Mixed-Use	Specific Plan	Commercial	0.11	0	0	0	0
31524 Railroad Canyon Rd.	355-330-010	Mixed-Use	Specific Plan	Retail Trade	0.08	0	0	0	0
31520 Railroad Canyon Rd.	355-330-009	Mixed-Use	Specific Plan	Office Building	0.06	0	0	0	0
Residential Site A Total					**4.41**	**14**	**12**	**14**	**40**
Residential Site B									
Railroad Canyon Rd./ Canyon Lake Dr. S.	355-310-024	Mixed-Use	Specific Plan	Parking Lot	4.27	14	11	12	37
Railroad Canyon Rd./ Canyon Lake Dr. S.	355-300-014	Mixed-Use	Specific Plan	Parking Lot	0.45	2	1	1	4
31630 Railroad Canyon Rd.	355-300-033	Mixed-Use	Specific Plan	Office Building	0.32	1	1	1	3
31629 Railroad Canyon Rd.	355-300-032	Mixed-Use	Specific Plan	Office Building	0.12	1	1	0	2
31618 Railroad Canyon Rd.	355-300-012	Mixed-Use	Specific Plan	Retail Trade	0.09	0	0	0	0
Residential Site B Total					**5.25**	**18**	**14**	**14**	**46**
Residential Site C									
31526 Railroad Canyon Rd.	355-330-011	Mixed-Use	Specific Plan	Commercial	1.9	29	21	19	69
31542 Railroad Canyon Rd.	355-330-029	Mixed-Use	Specific Plan	Commercial	0.2	3	2	2	7
31532 Railroad Canyon Rd.	355-330-031	Mixed-Use	Specific Plan	Commercial	0.11	2	1	1	4
31534 Railroad Canyon Rd.	355-330-032	Mixed-Use	Specific Plan	Commercial	0.11	2	1	1	4
31528 Railroad Canyon Rd.	355-330-012	Mixed-Use	Specific Plan	Commercial	0.06	0	1	1	2
Residential Site C Total					**2.38**	**36**	**26**	**24**	**86**
Residential Site D									

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
31820 Railroad Canyon Rd.	355-300-035	Mixed-Use	Specific Plan	Motel	0.82	7	5	4	16
Residential Site D Total					**0.82**	**7**	**5**	**4**	**16**
TCSP Total					**16.71**	**75**	**57**	**56**	**188**

Figure C-4 Nonvacant Sites in the Towne Center Specific Plan

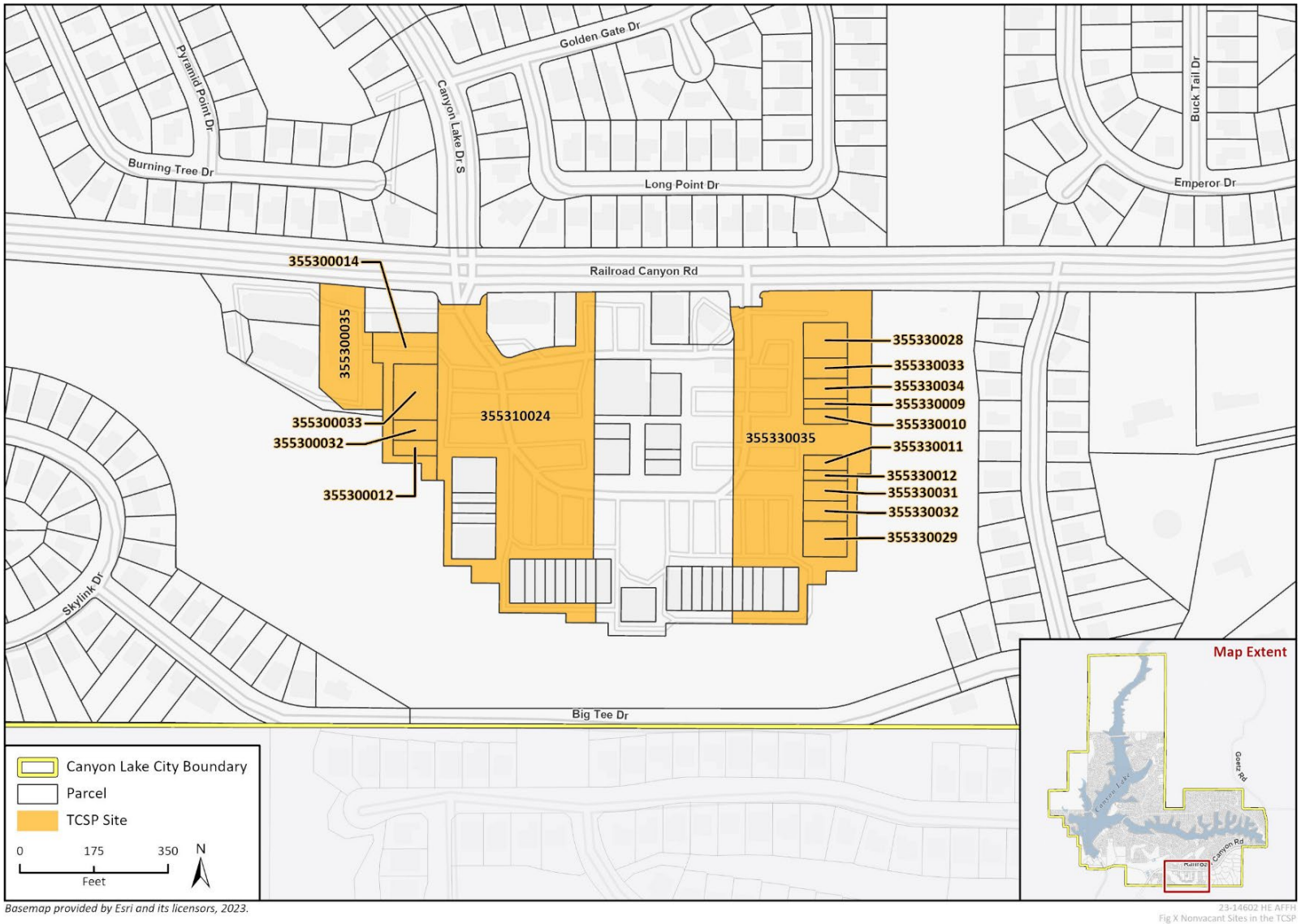


Table C-10 Vacant R-1 Sites in Canyon Lake

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
22624 Inspiration Pt.	353-112-028	LDR	R-1	Vacant	1.02	0	0	1	1
22771 Gray Fox Dr.	354-103-013	LDR	R-1	Vacant	0.62	0	0	1	1
22590 Snow Water Pl.	353-162-006	LDR	R-1	Vacant	0.59	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-181-004	LDR	R-1	Vacant	0.56	0	0	1	1
23561 Fair Weather Dr.	351-151-011	LDR	R-1	Vacant	0.52	0	0	1	1
Longhorn Dr./Appaloosa Ct.	354-231-011	LDR	R-1	Vacant	0.45	0	0	1	1
Vacation Dr./Longhorn Dr.	353-032-007	LDR	R-1	Vacant	0.40	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-171-018	LDR	R-1	Vacant	0.40	0	0	1	1
29652 Smugglers Point Dr.	351-131-024	LDR	R-1	Vacant	0.38	0	0	1	1
Longhorn Dr./Appaloosa Ct.	354-231-008	LDR	R-1	Vacant	0.38	0	0	1	1
30450 Sparkle Dr.	354-132-012	LDR	R-1	Vacant	0.37	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-202-007	LDR	R-1	Vacant	0.36	0	0	1	1
Vacation Dr./Longhorn Dr.	353-071-006	LDR	R-1	Vacant	0.34	0	0	1	1
Vacation Dr./Longhorn Dr.	353-041-046	LDR	R-1	Vacant	0.33	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-112-016	LDR	R-1	Vacant	0.33	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-112-017	LDR	R-1	Vacant	0.32	0	0	1	1
29808 Fisherman Ct.	353-071-002	LDR	R-1	Vacant	0.30	0	0	1	1
Goetz Rd./Canyon Lake Dr. N.	355-391-019	LDR	R-1	Vacant	0.30	0	0	1	1
29743 Buggywhip Ct.	353-083-014	LDR	R-1	Vacant	0.29	0	0	1	1
Vacation Dr./Longhorn Dr.	353-041-035	LDR	R-1	Vacant	0.28	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-091-034	LDR	R-1	Vacant	0.28	0	0	1	1
29041 Old Wrangler Rd.	353-032-010	LDR	R-1	Vacant	0.27	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-191-009	LDR	R-1	Vacant	0.27	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-222-020	LDR	R-1	Vacant	0.27	0	0	1	1
Vacation Dr./Longhorn Dr.	353-032-013	LDR	R-1	Vacant	0.26	0	0	1	1

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
Vacation Dr./Longhorn Dr.	353-041-042	LDR	R-1	Vacant	0.26	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-091-026	LDR	R-1	Vacant	0.26	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-132-029	LDR	R-1	Vacant	0.26	0	0	1	1
22253 Vacation Dr.	353-032-005	LDR	R-1	Vacant	0.25	0	0	1	1
22501 Bass Pl.	353-102-006	LDR	R-1	Vacant	0.25	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-112-023	LDR	R-1	Vacant	0.25	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-112-024	LDR	R-1	Vacant	0.25	0	0	1	1
22326 San Joaquin Dr.	353-131-005	LDR	R-1	Vacant	0.25	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	351-131-002	LDR	R-1	Vacant	0.24	0	0	1	1
29019 Big Range Rd.	353-023-002	LDR	R-1	Vacant	0.24	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-111-005	LDR	R-1	Vacant	0.24	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-131-009	LDR	R-1	Vacant	0.24	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-143-008	LDR	R-1	Vacant	0.24	0	0	1	1
Canyon Lake Dr. S./Continental Dr.	355-154-001	LDR	R-1	Vacant	0.24	0	0	1	1
30145 Buck Tail Dr.	355-222-008	LDR	R-1	Vacant	0.24	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	351-181-004	LDR	R-1	Vacant	0.23	0	0	1	1
Vacation Dr./Longhorn Dr.	353-052-043	LDR	R-1	Vacant	0.23	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-162-012	LDR	R-1	Vacant	0.23	0	0	1	1
Canyon Lake Dr. N./Canyon Club Dr.	353-281-017	LDR	R-1	Vacant	0.23	0	0	1	1
Canyon Lake Dr. N./Canyon Club Dr.	353-282-006	LDR	R-1	Vacant	0.23	0	0	1	1
Longhorn Dr./Appaloosa Ct.	354-231-002	LDR	R-1	Vacant	0.23	0	0	1	1
30113 Buck Tail Dr.	355-222-010	LDR	R-1	Vacant	0.23	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	351-131-003	LDR	R-1	Vacant	0.22	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	351-181-003	LDR	R-1	Vacant	0.22	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	353-021-011	LDR	R-1	Vacant	0.22	0	0	1	1
22096 Vacation Dr.	353-021-012	LDR	R-1	Vacant	0.22	0	0	1	1

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
29079 Big Range Rd.	353-034-003	LDR	R-1	Vacant	0.22	0	0	1	1
Vacation Dr./Longhorn Dr.	353-073-006	LDR	R-1	Vacant	0.22	0	0	1	1
22412 San Joaquin Dr.	353-111-010	LDR	R-1	Vacant	0.22	0	0	1	1
Canyon Lake Dr. N./Canyon Club Dr.	353-281-013	LDR	R-1	Vacant	0.22	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-111-004	LDR	R-1	Vacant	0.21	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-222-028	LDR	R-1	Vacant	0.21	0	0	1	1
Continental Dr./Cinnamon Teal Dr.	355-222-034	LDR	R-1	Vacant	0.21	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	351-181-022	LDR	R-1	Vacant	0.20	0	0	1	1
29613 Chaparral Way	353-073-012	LDR	R-1	Vacant	0.20	0	0	1	1
Vacation Dr./Longhorn Dr.	353-082-016	LDR	R-1	Vacant	0.20	0	0	1	1
22226 San Joaquin Dr.	353-131-015	LDR	R-1	Vacant	0.20	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-162-016	LDR	R-1	Vacant	0.20	0	0	1	1
22871 Giant Fir Pl.	353-171-012	LDR	R-1	Vacant	0.20	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-171-014	LDR	R-1	Vacant	0.20	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-182-019	LDR	R-1	Vacant	0.20	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-261-025	LDR	R-1	Vacant	0.20	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	354-062-023	LDR	R-1	Vacant	0.20	0	0	1	1
30864 Early Round Dr.	354-152-017	LDR	R-1	Vacant	0.20	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	351-131-013	LDR	R-1	Vacant	0.19	0	0	1	1
23323 Clipper Ct.	351-181-016	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	351-184-001	LDR	R-1	Vacant	0.19	0	0	1	1
29067 Big Range Rd.	353-034-002	LDR	R-1	Vacant	0.19	0	0	1	1
29301 Stampede Way	353-041-026	LDR	R-1	Vacant	0.19	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-132-002	LDR	R-1	Vacant	0.19	0	0	1	1
22333 San Joaquin Dr.	353-132-004	LDR	R-1	Vacant	0.19	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-132-033	LDR	R-1	Vacant	0.19	0	0	1	1

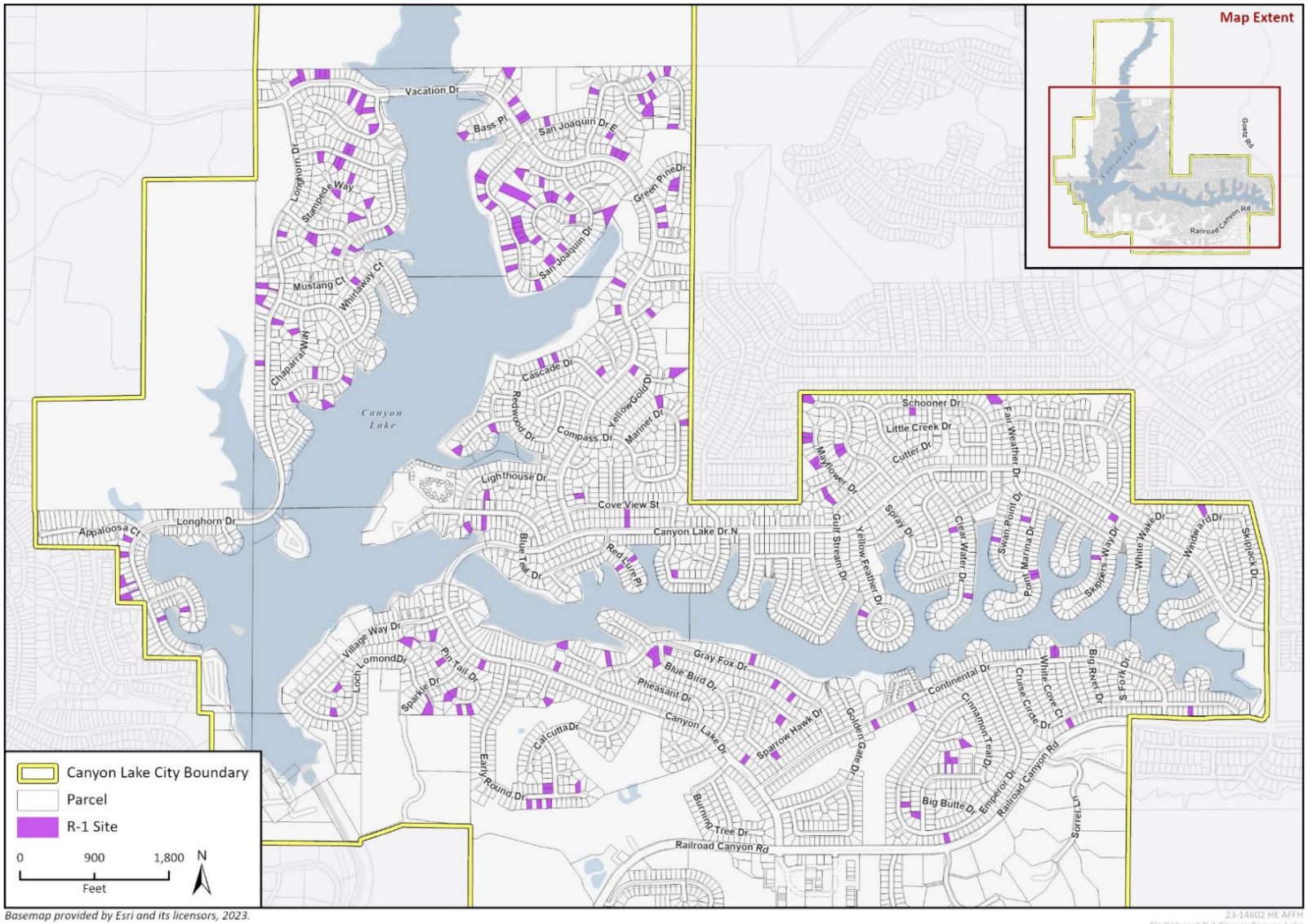
Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
Vacation Dr./San Joaquin Dr. E.	353-152-015	LDR	R-1	Vacant	0.19	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-162-015	LDR	R-1	Vacant	0.19	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-171-001	LDR	R-1	Vacant	0.19	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-172-023	LDR	R-1	Vacant	0.19	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-191-015	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-244-003	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-092-022	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. S./Gray Fox Dr.	354-102-007	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-132-028	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-132-034	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. S./Gray Fox Dr.	355-131-011	LDR	R-1	Vacant	0.19	0	0	1	1
Railroad Canyon Rd./Continental Dr.	355-144-004	LDR	R-1	Vacant	0.19	0	0	1	1
Canyon Lake Dr. S./Continental Dr.	355-162-004	LDR	R-1	Vacant	0.19	0	0	1	1
30347 Buck Tail Dr.	355-233-006	LDR	R-1	Vacant	0.19	0	0	1	1
29090 Big Range Rd.	353-033-014	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./Longhorn Dr.	353-033-015	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./Longhorn Dr.	353-052-037	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./Longhorn Dr.	353-053-005	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./Longhorn Dr.	353-083-021	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-112-007	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-112-011	LDR	R-1	Vacant	0.18	0	0	1	1
22343 San Joaquin Dr.	353-132-003	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-172-006	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-182-016	LDR	R-1	Vacant	0.18	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-192-004	LDR	R-1	Vacant	0.18	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-203-005	LDR	R-1	Vacant	0.18	0	0	1	1

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
22642 Cascade Dr	353-261-015	LDR	R-1	Vacant	0.18	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-132-032	LDR	R-1	Vacant	0.18	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-132-047	LDR	R-1	Vacant	0.18	0	0	1	1
Canyon Lake Dr. N./Fair Weather Dr.	355-071-006	LDR	R-1	Vacant	0.18	0	0	1	1
Canyon Lake Dr. N./Clear Water Dr.	355-102-027	LDR	R-1	Vacant	0.18	0	0	1	1
Continental Dr./Cinnamon Teal Dr.	355-231-020	LDR	R-1	Vacant	0.18	0	0	1	1
Canyon Lake Dr. N/Vacation Dr.	353-021-016	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./Longhorn Dr.	353-052-044	LDR	R-1	Vacant	0.17	0	0	1	1
29388 Longhorn Dr.	353-052-052	LDR	R-1	Vacant	0.17	0	0	1	1
22200 Whirlaway Ct.	353-053-011	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-113-009	LDR	R-1	Vacant	0.17	0	0	1	1
22361 San Joaquin Dr.	353-132-001	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-132-014	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-132-017	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-143-009	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-152-005	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-152-006	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-162-022	LDR	R-1	Vacant	0.17	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-172-020	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-253-028	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-261-012	LDR	R-1	Vacant	0.17	0	0	1	1
22610 Canyon Lake Dr	353-291-006	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	354-041-020	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. S./Early Round Dr.	354-151-024	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. S./Early Round Dr.	354-151-025	LDR	R-1	Vacant	0.17	0	0	1	1
30789 Early Round Dr.	354-152-040	LDR	R-1	Vacant	0.17	0	0	1	1

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
30741 Early Round Dr.	354-152-044	LDR	R-1	Vacant	0.17	0	0	1	1
30273 Longhorn Dr.	354-220-038	LDR	R-1	Vacant	0.17	0	0	1	1
30061 Point Marina Dr	355-091-015	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. N./Clear Water Dr.	355-111-011	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. S./Gray Fox Dr.	355-132-002	LDR	R-1	Vacant	0.17	0	0	1	1
Railroad Canyon Rd./Canyon Lake Dr. S.	355-142-012	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. S./Gray Fox Dr.	355-152-003	LDR	R-1	Vacant	0.17	0	0	1	1
Canyon Lake Dr. S./Continental Dr.	355-162-012	LDR	R-1	Vacant	0.17	0	0	1	1
23845 Cruise Circle Dr.	355-184-005	LDR	R-1	Vacant	0.17	0	0	1	1
Continental Dr./Cinnamon Teal Dr.	355-233-011	LDR	R-1	Vacant	0.17	0	0	1	1
Continental Dr./Cruise Cir Dr.	355-411-005	LDR	R-1	Vacant	0.17	0	0	1	1
23501 Schooner Dr.	351-142-001	LDR	R-1	Vacant	0.16	0	0	1	1
Vacation Dr./Longhorn Dr.	353-042-013	LDR	R-1	Vacant	0.16	0	0	1	1
29679 Longhorn Dr.	353-081-004	LDR	R-1	Vacant	0.16	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-111-008	LDR	R-1	Vacant	0.16	0	0	1	1
Vacation Dr./San Joaquin Dr. W.	353-112-017	LDR	R-1	Vacant	0.16	0	0	1	1
22371 San Joaquin Dr.	353-112-046	LDR	R-1	Vacant	0.16	0	0	1	1
22169 San Joaquin Dr	353-132-013	LDR	R-1	Vacant	0.16	0	0	1	1
Vacation Dr./San Joaquin Dr. E.	353-152-004	LDR	R-1	Vacant	0.16	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	353-253-017	LDR	R-1	Vacant	0.16	0	0	1	1
22791 Cove View St.	354-041-006	LDR	R-1	Vacant	0.16	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-072-021	LDR	R-1	Vacant	0.16	0	0	1	1
22672 Canyon Lake Dr.	354-091-010	LDR	R-1	Vacant	0.16	0	0	1	1
Canyon Lake Dr. S./Early Round Dr.	354-152-042	LDR	R-1	Vacant	0.16	0	0	1	1
21951 Strawberry Ln.	354-242-020	LDR	R-1	Vacant	0.16	0	0	1	1
Canyon Lake Dr. S./Continental Dr.	355-181-011	LDR	R-1	Vacant	0.16	0	0	1	1

Address	APN	General Plan Designation	Zoning Designation	Current Use	Parcel Size (acres)	Lower-Income Units	Moderate Income-Units	Above Moderate-Income Units	Total Units
Canyon Lake Dr. N/Vacation Dr.	353-021-015	LDR	R-1	Vacant	0.15	0	0	1	1
Canyon Lake Dr. N./Vacation Dr.	354-061-018	LDR	R-1	Vacant	0.15	0	0	1	1
Canyon Lake Dr. N./Fair Weather Dr.	355-092-015	LDR	R-1	Vacant	0.15	0	0	1	1
Canyon Lake Dr. N./Fair Weather Dr.	355-092-016	LDR	R-1	Vacant	0.15	0	0	1	1
30050 Big Range Rd.	353-083-005	LDR	R-1	Vacant	0.14	0	0	1	1
30241 Red Lure Pl.	354-061-005	LDR	R-1	Vacant	0.14	0	0	1	1
30480 Caliente Pl.	354-072-008	LDR	R-1	Vacant	0.14	0	0	1	1
Canyon Lake Dr. S./Village Way Dr.	354-131-012	LDR	R-1	Vacant	0.14	0	0	1	1
Longhorn Dr./Appaloosa Ct.	354-242-009	LDR	R-1	Vacant	0.14	0	0	1	1
30135 Skippers Way Dr.	355-072-007	LDR	R-1	Vacant	0.14	0	0	1	1
Canyon Lake Dr. N./Fair Weather Dr.	355-092-054	LDR	R-1	Vacant	0.14	0	0	1	1
Canyon Lake Dr. N./Clear Water Dr.	355-103-020	LDR	R-1	Vacant	0.14	0	0	1	1
Canyon Lake Dr. S./Continental Dr.	355-181-012	LDR	R-1	Vacant	0.14	0	0	1	1
22164 Vacation Dr.	353-031-001	LDR	R-1	Vacant	0.12	0	0	1	1
TCSP Total					**36.87**			**169**	**169**

Figure C-5 Vacant R-1 Sites in Canyon Lake



C.12 Summary of Adequate Sites

The residential Sites Inventory identified vacant and nonvacant sites in Canyon Lake which can accommodate a total of 372 residential units based on residential densities per existing land use designations, zoning districts, and annexations.

Canyon Lake anticipates meeting its RHNA requirements for the 6th cycle planning period. The Sites Inventory shows a surplus of 8 lower-income units, giving the City an 11 percent buffer over its allocated RHNA in that income category. The results of the residential Sites Inventory are presented on Table C-11. Sites are broken down by zone district.

Table C-11 Adequacy of Residential Site Inventory

	Lower Income	Moderate Income	Above Moderate Income	Total
RHNA Allocation	**67**	**24**	**38**	**129**
Units on R-1 Sites	0	0	169	169
Units on TCSP Sites	75	56	47	188
Total Units on Vacant or Underutilized Sites	**75**	**56**	**216**	**357**
Unit Surplus	8	32	178	228
Total % Buffer above RHNA Allocation	11%	133%	468%	177%

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Canyon Lake Housing Element (2021-2029)

Appendix D – Governmental Constraints Analysis

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D Governmental Constraints

Actions by the City can cause undue constraints to housing development in Canyon Lake. Policies and regulatory actions such as land use controls, site improvement requirements, building codes, and fees can impact the availability of housing in the city. This analysis examines the effect of the City's public policies on housing availability, adequacy, and affordability.

D.1 Land Use Designations

The City regulates the type, location, density, and scale of residential development through its General Plan, Towne Center Specific Plan (TCSP), and Canyon Lake's Municipal Code (CLMC).

D.1.1 General Plan

Canyon Lake adopted its current General Plan Land Use Element in 1996. It was most recently amended in 2009. The Land Use Element of the City's General Plan sets forth the vision, goals, and policies for the city's urban form and land use patterns, including residential development.

The General Plan Land Use Element establishes land use categories that define the allowable uses and building densities/intensities throughout the city. The various types of housing units allowed in the City include single-family dwellings, multi-family dwellings, townhomes, condominiums, mobile homes, and accessory dwelling units (ADUs). Residential densities in Canyon Lake cover a wide spectrum that promote the development of various housing types, as demonstrated by the General Plan land use density ranges shown in Table D-1.

Table D-1 Canyon Lake 2040 General Plan Land Use Designations, Uses and Densities

General Plan Designation and Percent of Total Area	Residential Types	Maximum du/ac	FAR[1]
Very Low Density (4.12%)	Large single-family homes with large estate lots with a rural orientation, offering ranchette-style living	10.5	0.5
Low Density (40.05%)	Single-family detached homes on medium or large size lots in a typical urban setting or neighborhood, or residential trailer units on individual lots within a mobile home estate area	6.05	0.5
Medium Density (0.13%)	Apartments or condominium living on limited sized lots	8.7	0.5
High Density (0.56%)	High density apartment and/or condominium residential units within specifically designed project locations	18	0.5
Mixed-Use (3.72%)	Mix of commercial and residential uses upon properties subject to a planned development land-use permit	24	0.5

[1] The Zoning Ordinance does not apply FAR to residential development, only commercial and mixed-use development. Residential development is subject to density, lot coverage, setbacks, and other development standards.

Canyon Lake's land use designations allow for a range of 0.5 to 24 dwelling units per acre. Generally, all land uses with densities less than 24 dwelling units per acre contained within the gated portion of Canyon Lake, which is almost completely built out and with limited space available space to accommodate additional housing. The Mixed-Use designation, which allows up to 24 dwelling units per acre, is located within the TCSP.

D.2 Municipal Code

The City regulates the type, location, density, and scale of residential development primarily through the CLMC. A zoning district is assigned to every parcel in the city and the CLMC identifies compatible uses. In general, the City's zoning regulations are designed to balance the goal of providing a mix of residential and commercial land use types while protecting the health and safety of residents and preserving the character of existing neighborhoods. Additionally, development standards such as setbacks, height limits, lot coverage, open space requirements, and parking are identified for each zoning district or proposed use. Some zoning districts may allow similar uses but have different development standards. Development standards may be considered a constraint to the development of housing units if they are too restrictive or reduce the development potential on a specific parcel.

The residential zones facilitate the development of housing at several densities, ranging from one dwelling for every two acres to a maximum of 18 dwelling units per acre based on General Plan Density limits. The TCSP will allow densities of up to 24 dwelling units per acre, which will accommodate a range of income types.

The CLMC allows residential uses in the following districts. The allowed uses are in these districts are shown on Table D-4:

- R-R Rural Residential (RR)
- Estate Residential (RNP)
- Medium Density Residential (ER-1)
- Estate Residential (ER-2)
- Single Family (R-1)
- Multiple Family (R-2)
- General Residential (R-3)
- Mobile Home Subdivision (CR-T)
- Neighborhood Commercial-Residential (CN-R)

All R-1 lots, the developed R-2 and R-3 zoned lots, and two ER-2 zoned lots (one vacant and one developed) are located within the gated section of Canyon Lake. The R-T zoned mobile home subdivision is developed and also within a gated area. Outside the gated portion of Canyon Lake, there is an ER-2 zoned area located south of Railroad Canyon Road and east of the TCSP. This area includes one developed and four vacant ER-2 zoned lots, which are part of the Property Owners Association (POA) encompassing all areas within the City. Additionally, there is a R-R area adjacent to the westerly city limits on the north side of Railroad Canyon Road, which has challenging development conditions.

D.2.1 Specific Plans

A specific plan is a planning document that implements the goals and policies of the general plan for an area in the city with unique land use needs. These plans contain more detailed development standards and implementation measures to which future projects located within a specified geographic area must adhere. Canyon Lake has one specific plan: The TCSP.

Towne Center Specific Plan

The TCSP, approved in June 2022, covers an area that is located outside the gated portion of Canyon Lake. The area is currently developed as the Canyon Lake Towne Center, a commercial shopping center. Because the gated portion of Canyon Lake is predominately built out, this site was identified as an ideal place to build mixed-income housing due to its proximity to existing services and infrastructure. The additional housing will fulfill the majority of the city's RHNA requirements including all of its income-restricted requirements. The TCSP covers 19.6 acres divided into eight planning areas, at least four of which are project to have residential uses providing at least 188 mixed-income dwelling units. Implementation of the TCSP may require the demolition of existing buildings and redevelopment of

mixed-use areas. While this type of development is new for Canyon Lake, it is consistent with a growing trend of repurposing commercial and retail spaces for housing in California due to elevated demand for housing and declining demand for commercial and retail spaces[1]. Table D-2 outlines the designation, acreage, and dwelling unit capacity for each Planning Area within the TCSP, while Table D-3 details the TCSP's development standards.

Table D-2 Towne Center Specific Plan Land Use by Planning Area

Planning Area	Specific Plan Designation	Acres	Dwelling Units
1	Mixed Use (Residential Site D)	0.7	16
2	Mixed Use (Residential Site B)	2.6	46
3	Mixed Use	4.3	–
4	Mixed Use (Residential Site A)	2.6	40
5	Mixed Use (Residential Site C)	1.9	86
6	Mixed Use	4.1	–
7	Mixed Use	0.8	–
8	Mixed Use	2.6	–
Total		**19.6**	**188**

Table D-3 shows general development standards for the TCSP. Maximum density for the area is 125 du/ac, which exceeds the HCD recommended minimum density of 30 du/ac for accommodating affordable housing. Maximum height is 95 feet, which can accommodate approximately eight stories. Minimum setbacks are 10 feet, which ensure the development footprint will encompass virtually the entire parcel. There are no minimum lot size or maximum lot coverage requirements. Parking requirements range from one space per unit for one- or fewer bedroom apartments, to 2.5 spaces per unit for apartments with three or more bedrooms. 0.25 guest parking spaces per unit are required. Senior living units require 0.75 spaces per unit. These parking requirements were development specifically for this Specific Plan area and are consistent with the anticipated needs of the TCSP, which is not currently served by transit services. Minimum floor area requirements from150 square feet for single-room occupancy units to 1,200 square feet for four-bedroom units.

[1] U.S. Department of Housing and Urban Development Office of Policy Development and Research. "The Adaptive Reuse of Commercial Space as Housing in California." March, 2022 (accessed September, 2023). https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-030822.html

Table D-3 Towne Center Specific Plan General Development Standards

Residential FAR	Maximum Density	Maximum Height	Minimum Setbacks	Minimum Lot Size	Maximum Lot Coverage	Parking Spaces by bedrooms (spaces per unit)	Minimum Floor Area for Residential Units (square feet)
None	125 du/ac	95 ft.	Front, side, and rear: 10' from curb space Between Buildings: 10' from face of building	None	None	1 or fewer bedrooms: 1 space per unit 2 bedrooms: 2 spaces per unit 3 or more bedrooms: 2.5 spaces per unit Guest parking: 0.25 spaces per unit Senior Living Unit: 0.75 spaces per unit	SRO/Efficiency: 150-400 Studio: 500 One bedroom: 650 Two bedroom: 800 Three bedroom: 1,000 Four bedroom: 1,200

Considering the generous maximum density and maximum heights relative to Canyon Lake's existing municipal code, the lack of minimum lot size or maximum lot coverage requirements, adequate parking requirements, as well as minimal floor area requirements, the development standards of the TCSP are not a constraint on housing development.

D.2.2 Providing for a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites that are zoned to encourage the development of a variety of housing types available to all economic segments of the population. Persons and households of different ages, types, incomes, and lifestyles have a variety of housing needs and preferences that evolve over time and in response to changing life circumstances. This includes single-family homes, multi-family housing, accessory dwelling units, mobile homes, agricultural employee housing, homeless shelters, and transitional housing, among others. Table D-4 summarizes the various housing types permitted within the City's zoning districts.

Table D-4 Zoning Use Matrix for Residential Districts

	Residential Zones							
Residential Uses	R-R	ER 1	ER 2	R-1	R-2	R-3	R-T	MU
Non-Special Needs Housing								
Single Family Dwelling	P	P	P	P	P	P	–	
2 Family Dwellings	–	–	–	–	P	P	–	
Multiple Family Dwellings	–	–	–	–	P	P	–	
Apartment Houses	–	–	–	–	P	P	–	
Mobile Homes	P	-	–	–	–	–	P	
Mobile Home Parks	C	-	–	C	C	C	C	
Factory-Built Housing	P	P	P	P	P	P	P	
Compact Housing Units	–	–	–	–	–	P	–	

Residential Uses	Residential Zones							
	R-R	ER 1	ER 2	R-1	R-2	R-3	R-T	MU
Special Housing Needs								
Employee Housing	P	P	P	P	P	P	P	
Supportive Housing	P	P	P	P	P	P	P	
Transitional Housing	P	P	P	P	P	P	P	
Senior Housing	––	C	C	––	–	–	–	
Boarding Homes	–	–	–	-	P	P	–	
Congregate Care Residential	–	–	–	-	P	P	–	
Congregate Care Residential With Density Bonus up to 50%	–	–	–	–	C	C	–	
Group Homes 6 or Less	P	P	P	P	P	P	P	
Group Homes 7 or More*	P	P	P	P	P	P	P	

P = Permitted

C = Conditional Use Permit

Single-family homes are permitted by right in all residential zones except for R-T. Two-family dwellings and multiple-family dwellings are permitted by right in R-2 and R-3. Employee housing, supportive housing, transitional housing, and group homes are permitted by right in all residential zones (further discussion on these housing types appear in the following sections). Therefore, Canyon Lake's zoning code does not constrain housing development.

Accessory Dwelling Units and Junior Accessory Dwelling Units

Under state law (Government Code Section 65852.2), an ADU is a dwelling unit that provides completely independent living facilities for one or more persons. It must be located on the same parcel on which a single-family dwelling or multifamily development is located or will be built and may be attached to or converted from a portion of the primary dwelling unit or separate from the primary structure (detached). An ADU includes permanent provisions for living, sleeping, eating, cooking, and sanitation. ADUs must be permitted ministerially in all zoning districts that allow residential uses.

A junior ADU (JADU) is a dwelling unit limited to 500 square feet and converted from a portion of a single-family home. A JADU must contain a kitchen but bathroom facilities may be shared with the primary dwelling unit. Owner occupancy of the primary dwelling unit is required and no parking may be required for the JADU. JADUs must be ministerially permitted in zoning districts that allow single-family residences. Government Code Section 65852.22 establishes minimum standards for JADUs.

State law governing ADUs and JADUs has changed rapidly in recent years. State law supersedes local ordinances and while some jurisdictions adopt local ordinances making provisions for ADUs and JADUs, rapid changes mean that local ordinances quickly become out of date. Program 2.4 contains a number of provisions to encourage the building of ADUs and JADUs throughout the city. The City will continue to monitor new legislation pertaining to ADUs and JADUs and will update the ADU Ordinance, as necessary.

Group Homes

A group home is any single-family residence or other housing type where residents pay a fee or other consideration to the group home operator in return for residential accommodations. A group home includes a boarding home, a rooming house, as well as a group residence for the elderly, mentally or physically disabled or handicapped persons, or other persons in need of care and supervision. Boarding homes and rooming houses do not specify and are not limited to a type of purpose so it could consist of a group of employees, foster youth, individuals recovering from substance abuse, or any collection of no more than six individuals. A residence serving six or fewer individuals is

considered small, while a residence serving seven or more individuals is considered large. The term group home includes both licensed and unlicensed group homes.

A licensed Group Home is any residential facility subject to state licensing requirements pursuant to the California Health and Safety Code (HSC) that has an up-to-date facility license. Group Homes subject to State licensing requirements include the following:

- Residential care facilities licensed or supervised by a federal, state, or local health/welfare agency provide 24-hour non-medical care of unrelated persons who have a disability and need personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual in a family-like environment.
- Health Facilities including congregate living health facilities, developmentally disabled nursing facilities, and intermediate care facilities. [2]

An unlicensed Group Home is the use of a dwelling unit by an owner or operator as a dormitory, boarding house, rooming house, or similar use, where such residential facility is not subject to State licensing requirements or whose state license has expired or has been suspended or revoked. Group homes do not exclude specific groups of individuals by type or use of the group home, and thus does not discriminate on the basis of disability or other protected characteristics.

In Canyon Lake, small group homes (six or fewer residents excluding staff) are permitted by right, per State law, in any district that allows residential uses. Additionally, the City revised the CLMC on March 4, 2020, to allow group housing for 7 or more to be permitted by right without any discretionary action. Removing the CUP requirement removes governmental constraints on group homes of any size, and removing discretionary approval ensures that approval for large group homes will be certain and objective.

Single-Family Dwelling

In Canyon Lake, single-family dwellings are permitted in numerous zones (see Table D-4).

Multi-Family Dwelling

Multi-family dwellings may be intended as ownership or rental units. Multi-family dwellings are permitted by right in the R-2 and R-3 zones (see Table D-4).

Manufactured Homes and Mobile Homes

Pursuant to Health and Safety Code Sections 18007 to 18008, a mobile home or manufactured home is defined as a structure which is transportable in one or more sections, is eight feet or more in body width, or 40 feet or more in body length, in the traveling mode, or, when erected onsite, is 320 or more square feet. Mobile homes are defined as being constructed prior to June 15, 1976, while a manufactured home is constructed on or after the same date. Manufactured housing and mobile homes can be an affordable housing option for low- and moderate-income households. Manufactured homes are defined in the CLMC as synonymous with “single-family dwelling,” and, therefore, allowed wherever single-family homes are allowed, as long as they meet the building code requirements for a single-family structure, including being secured to a permanent foundation. Mobile home parks are permitted by-right in the RT zone.

Single-Room Occupancy Facilities/Boarding Homes

Single-Room Occupancy facilities (SROs) are usually 200 to 350 square feet and consist of one habitable room in a structure of other SRO units. An SRO facility is also known as a residential hotel. Residents typically share bathrooms and/or kitchens while some SRO units include private kitchenettes, bathrooms, or half bathrooms. Because they use shared facilities and can be built more cheaply than individual units, or converted from existing types of buildings,

[2] Health and Safety Code section 1250

SROs and boarding homes may be more affordable for developers to build. SROs are not specifically defined in the CLMC but are allowed by-right in the R-3 and OZ zones as compact housing units.

As described in the discussions on Group Homes and Farmworker Housing, a Boarding Home is equivalent to an Unlicensed Group Home. Generally, a Boarding House is a building where lodging or meals are provided (for compensation) for residents not functioning as a common household or family. Boarding homes are permitted by right in the R-2 and R-3 zones. Due to of the continued importance of these housing types to meet the needs of special needs populations, low-income households, and Canyon Lake's elderly people, the City will implement Program 2.9 which will ensure the City's development standards do not constrain the development of SROs.

Emergency Shelter and Low Barrier Navigation Shelter

Emergency Shelter

An emergency shelter or "homeless shelter" is defined by State law as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less.[3] AB 139, which went into effect on January 1, 2020, mandates that emergency shelters may only be subject to those standards which apply to residential and commercial development within the same zone, except that a city can apply standards regulating the number of beds, parking for staff provided that the standards do not require more parking for emergency shelters than other residential or commercial uses within the same zone, length of stay, and other minor standards. Table D-5 lists several emergency shelters in the region.

Table D-5 Regional Emergency Shelters

Shelter Name	Location	Bed Capacity
Friendship Shelter's ASL Emergency Shelter	Laguna Woods	45
Path of Life in Riverside	Riverside	90 beds to men and women; 46 beds to families with children; 136 total
Project T.O.U.C.H.	Temecula	225
WISEPlace emergency supportive housing	Santa Ana	47 studios

Emergency Shelters are defined in Chapter 9.27 of the CLMC as "Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay." Emergency shelters are currently permitted in the C-1 zone.

Because Canyon Lake is a gated community and has limited places where homeless people are likely to gather, homeless people are unlikely to be in the community at any given time. The January 2023 Riverside County PIT Count identified zero unsheltered homeless adults and children in Canyon Lake. The previous PIT count also found zero unhoused persons in Canyon Lake. Based on the lack of unhoused people in the community, a 10-bed limit will provide sufficient shelter to meet the needs of people who may become unhoused. However, based on the 45 beds at the smallest shelter surveyed in Table D-5 and an overall regional average among surveyed shelters of 113, a limit of ten beds may pose a constraint on development of emergency shelters in Canyon Lake. Therefore, Program 3.1 includes measures to increase the number of beds allowed at Emergency Shelters to 20 to ensure that the number of beds permitted is sufficient to not constrain the development of emergency shelters.

[3] Health and Safety Code Section 50801

Low Barrier Navigation Shelter

State law[4] requires jurisdictions to allow Low Barrier Navigation Centers as a permitted use in mixed-use zones and other nonresidential zones permitting multi-family residential development. A low barrier navigation center is defined as, "a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing." When compared to traditional emergency shelters, Low Barrier Navigation Centers may provide more services and additional flexibility to clients, such as allowing pets or permitting partners to share living space. Local jurisdictions are required to act on a complete application for a Low Barrier Navigation Center within 60 days.

Canyon Lake's Municipal Code does not comply with State requirements as it does not currently define or permit low-barrier navigation centers. To bring its code in compliance with State requirements, the City will implement Program 3.1 which contains multiple actions designed to further facilitate the provision of a variety of housing types including group homes, supportive housing, individuals experiencing homelessness

Supportive and Transitional Housing

Transitional and supportive housing are more permanent housing options providing a stable living situation for individuals and families that might otherwise be homeless. Transitional housing is defined in Health and Safety Code Section 50801 as housing with supportive services for up to 24 months that is exclusively designated and targeted for recently homeless persons. Services must be provided, with the ultimate goal of moving recently homeless persons to permanent housing as quickly as possible. Rents and services fees must be affordable to low-income persons.

Supportive housing has no limit on length of stay, as set forth in California Government Code Sections 65582 and 65650, occupied by low-income individuals who will receive, as part of their residency, supportive services designed to assist the individual in retaining housing, improving health, or enhancing other life functions. The target population includes homeless families, homeless youth, and persons with disabilities. In Canyon Lake, transitional and supportive housing uses are permitted as a residential use and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone.

AB 2162 required cities to change their zoning to provide a "by right" process and to expedite review for supportive housing projects of 50 units or fewer. This law applies to sites in zones where multi-family and mixed uses are permitted, including in non-residential zones permitting multi-family use. Additionally, State law prohibits local governments from imposing any minimum parking requirements for units occupied by supportive housing residents if the development is located within 0.5 mile of a public transit stop. A minimum of 25 percent of the units (or a minimum of 12 units, whichever is greater) must be approved by right with no minimum parking. If the development consists of fewer than 12 units, then 100 percent of the units, excluding managers' units, in the development shall be restricted to residents in supportive housing.

The City defers to Government Code sections 65582, 65583, and 65650 in approving supportive housing projects in Section 9.30.020(b) of the CLMC and, therefore, is consistent with State law.

Farmworker Housing

There are few people employed in the agricultural sector in Canyon Lake. As discussed in Appendix A - Assessment of Housing Needs, the total number of residents employed in farming, fishing, and forestry was less than one percent of the city's population. However, people employed in these industries (typically located in rural areas) may seek housing opportunities within the city, and an analysis of Canyon Lake's ability to house this population is still warranted.

[4] Government Code Section 65660 et seq

Although the CLMC does not expressly address housing for agricultural workers, farmworker housing could be considered equivalent to a Group Home because the CLMC's definition of a Group Home includes boarding homes and rooming houses. In this case, farmworker housing could be considered an Unlicensed Group Home where residents pay a fee or other consideration to the Group Home Operator in return for residential accommodations. As described in the previous section on Group Homes, group homes are permitted in all Zoning Districts where residential uses as permitted. The Zoning Ordinance complies with Health and Safety Code Section 17021.5 (The Employee Housing Act) because group homes are treated as a single-family structure and permitted in the same manner as other dwellings of the same type in residential zones.

D.2.3 Development Standards

Canyon Lake's district zoning requirements establishes various development standards such as minimum and maximum density, minimum lot size, maximum lot coverage, maximum height, minimum setbacks, minimum open space, minimum and/or maximum parking standards. Table D-6 summarizes residential use development standards in the City's CLMC and the TCSP.

Table D-6 Canyon Lake Development Standards

Zone	Density DU/Acre	Minimum Lot Size	Maximum Lot Coverage	Set Back	Maximum Height	Parking Spaces	Housing Unit Size
R-R Rural Residential	1/20 acres	1/2 acre	N/A	Not listed	40 ft.	2	N/A
ER-2 Estate Residential	0.4	2.5 acres	25%	25-front 15-side 15-rear	40 ft.	2	1800 SF
ER-1 Estate Residential	0.5	20,000 SF	N/A	20-front 5-side 10-rear	40 ft.	2	1000 SF
R-1 One Family	6.05	7200 SF	N/A	20-front 3-5 side 10-rear	40 ft. 3 stories	2	N/A
R-2 Multiple Family	8.7	7200 SF	60%	20-front 3-5 side 10-rear	40 ft. 3 stories	Based upon bedrooms 1.25 -2.75/du	750 SF
R-3 General Residential	18	7200 SF	50%	10-front 5-side 10-rear	50 ft. 75 ft. by exception	same as above	750 SF
R-T Mobile Home Subdivision	6.05 to 17	7200 SF in subdivision 2500 min in parks	65%	10-front 5-side 5-rear	40 ft. 3 stories	2	450 SF mobile home 750 SF factory built
Towne Center Specific Plan	125 du/ac	None	None	Front, side, and rear: 10 from curb space Between Buildings: 10 from face of building	95 ft.	1 or fewer bedrooms: 1 space per unit 2 bedrooms: 2 spaces per unit 3 or more bedrooms: 2.5 spaces per unit Guest parking: 0.25 spaces per unit Senior Living Unit: 0.75 spaces per unit	SRO/Efficiency: 150-400 Studio: 500 One bedroom: 650 Two bedroom: 800 Three bedroom: 1,000 Four bedroom: 1,200

Source: City of Canyon Lake CLMC

D.2.4 Development Standards Analysis

Density

Canyon Lake's Zoning Districts provide for a range of residential densities. The R-R, ER-2, ER-1, and R-1 districts allow single-family development, and, with the implementation of SB 9, allow two units per lot and allows a lot split if lots have a minimum of 1,200 square feet. Because two units are allowed on each lot, a lot split can occur and the original lot would permit four units. One ADU would also be permitted on each of the two lots. The R-2 and R-3 districts allow multi-family development by right with densities ranging from 8.7 to 24 units per acre.

Lot Standards

Lot standards for each zoning district are shown in Table D-6. Lot standards vary between district and are intended to allow a range of development types and intensities. The smallest lot standard allowed is 7,200 square feet in the R-1, R-2, and R-3 districts, and lots in mobile home parks may be as small as 2,500 square feet. Lot standards do not pose a potential constraint to development of housing in terms of the number of units permitted, cost of development, feasibility, or ability to achieve maximum densities.

Height Limits

Height limits are generally intended to maintain consistency within an area and compatibility between adjacent buildings. The maximum height in all districts is 40 feet or 45 feet in limit conditions, except for R-3 which is 50 feet. In the TCSP, the height limit is increased up to 95 feet. These requirements do not pose a constraint to residential development.

Open Space Requirements

Open space requirements are specified for the R-2 Zone only, which requires useable open space of 1,000 square feet to be contained within the rear yards. For dwellings with at least one bedroom, a minimum of 40 square feet with a minimum dimension of four feet of private open space is required. These requirements do not constrain housing supply.

D.2.5 Parking Standards

According to the Terner Center for Housing Innovation at UC Berkeley, parking can cost $25,000 to $75,000 per space to construct. However, given the age of data and the increased cost of land and construction costs discussed above, the costs per parking space are likely much higher.[5] Parking provided in underground or structured parking facilities, or if required to be covered or enclosed, can significantly increase the cost of housing and could affect the feasibility of various housing projects in the City. In addition, requirements for parking space locations and maximum distances from dwelling units may also increase the cost of housing and affect the feasibility of housing projects. Requiring less parking not only reduces the project budget but can allow for more space to build additional housing units. Parking requirements for residential uses are summarized in Table D-7.

[5] Terner Center for Housing Innovation at UC Berkeley, 2016. Available at: http://ternercenter2.berkeley.edu/proforma/

Table D-7 Parking Requirements by Residential Use Type

Use	Off-Street Parking Spaces Required
Studio	1.0 covered
One-bedroom	1.0 covered and 0.70 open per dwelling unit
Two-bedroom	1.0 covered and 1 uncovered
Three- and four bedroom	One covered parking space and one and one-half uncovered parking space
Mobile Home	2 per unit
Accessory Dwelling Unit	Parking requirements for Accessory Dwelling Units are established in Government Code Section 65852.2.
Junior Accessory Dwelling Unit	No parking may be required for Junior Accessory Dwelling Units pursuant to Government Code Section 65852.22.
General Requirements	
Multi-family developments of ten or more dwelling units shall provide one visitor parking space for every ten dwelling units	
Applicants may request reduced parking standards based on the results of a parking study correlating the need for parking to the housing unit/bedroom mix of the multifamily project and the target population to be housed (e.g., disabled, seniors)	

D.2.6 Affordable Housing Incentives and Opportunities

Density Bonus

California Density Bonus Law (Government Code Section 65915) requires jurisdictions to provide density bonuses and development incentives to developers who propose to construct housing units that are affordable to lower- and moderate-income households. During community outreach sessions, local developers have reported that the Density Bonus Ordinance is utilized to develop better projects with more units due to decreased parking requirements, increased height, or no private storage requirement. Therefore, this ordinance is not considered a constraint to the development of housing units. The City is current in the process of adopting a density bonus which will meet State law requirements (Program 2.8).

D.3 Building Code

For the purpose of prescribing regulations for erecting, construction, enlargement, alteration, repair, improving, removal, conversion, demolition, occupancy, equipment use, height, and area of buildings and structures, the following construction codes have been adopted by Canyon Lake:

- California Building Code (CBC), 2019 Edition, including Chapter 1 Division II, and Appendix J based on the 2018 International Building Code published by the International Code Council
- California Residential Code, 2019 Edition including Appendices J and V, based on the 2018 International Residential Code as published by the International Code Council
- California Fire Code, based on the 2018 International Fire Code published by the International Code Council
- California Green Building Standards Code, 2019 Edition
- California Plumbing Code 2019 Edition, based on the 2018 Uniform Plumbing Code
- California Mechanical Code, 2016 Edition, based on the 2018 Uniform Mechanical Code as published by the International Association of Plumbing and Mechanical Officials
- California Electrical Code, 2019 Edition, based on the 2017 National Electrical Code
- International Property Maintenance Code, 2018 Edition, as published by the International Code Council
- Uniform Code for the Abatement of Dangerous Buildings, 1997 Edition,

While the incorporation of these measures may raise the cost of construction, these standards are necessary to prevent much more costly damage related to a potential seismic or fire episode. No restrictions or amendments were adopted that are a constraint to the development of housing. Enforcement of the CBC is required by California law and does not constrain the production or improvement of housing in Canyon Lake.

D.3.1 Code Enforcement

The City's Code Enforcement Department is responsible for investigation and enforcement of all Zoning and Building Code violations related to property maintenance, public nuisances, zoning/land use violations, substandard rental housing, commercial signage, graffiti, etc. The division also monitors the graffiti abatement and shopping cart removal contracts. The Zoning Code sets the standards for enforcement, and the Code Enforcement Division uses education, administrative citations, and the filing of criminal complaints to ensure that these standards are maintained. Code enforcement practices are not considered a constraint to the development of housing.

D.4 On- and Off-Site Improvements

On/off-site improvement standards establish site and infrastructure requirements to support new residential development such as streets, sidewalks, water and sewer, drainage, curbs and gutters, utility easements and landscaping. Although the cost of these improvements can represent a significant share of the cost of producing new housing, they are necessary to create a livable environment. As conditions of approval, Canyon Lake requires housing developers to construct various on- and off-site improvements related to roadways, utilities, and stormwater control as described below. Since most R-1 lots are within the gated area, improvements already exist and are generally unnecessary, except for proper connection to utilities. The City generally requires off-site improvements if necessary, but this has not yet occurred.

D.4.1 Infrastructure Improvements

On/off-site improvement standards establish site and infrastructure requirements to support new residential development such as streets, sidewalks, water and sewer, drainage, curbs and gutters, utility easements and landscaping. Although the cost of these improvements can represent a significant share of the cost of producing new housing, they are necessary to create a livable environment.

D.4.2 Street Improvements

Most streets in Canyon Lake are within a private, gated community with access at staffed entry ports off the three public roadways. The only public rights-of-way within the City is Railroad Canyon Road. All other roadways are privately managed and maintained by Canyon Lake (POA), and are designed to handle peak traffic generated by the gated community at full build-out. Access to the gated portion of the City is through Canyon Lake Drive North, Canyon Lake Drive South and Vacation Drive.

All properties are served by a public sewer system. The master water service delivery system covers the entire city and existing vacant developable lands can be served through minor extensions and connections. All other utility services are in place and have capacity designed to meet the full buildout of the city. Additionally, the utility companies have provided will serve letters to large residential developments located in close proximity to the City. Because the City has minimal on- and off-site improvement requirements, they do not present a constraint to housing development.

D.5 Historic Preservation

The City does not currently have requirements or regulations for historic preservation. Therefore, historic preservation does not pose a constraint on housing construction in Canyon Lake.

D.6 Development Review & Impact Fees

All housing projects are subject to fees and exactions to process permits and provide necessary services and facilities allowed by State law. These costs can be a constraint to the maintenance, improvement, and development of housing because the additional costs borne by developers contribute to overall increased housing unit cost. However, development review fees are necessary to maintain adequate staffing services and other public services and facilities in the city. Impact fees are required to offset the cost of provision of public services and include sewer and water connection fees, park fees, and school impact fees.

Fees fall into two main categories: Development Review Fees, which cover the cost of reviewing and approving plans, and Impact Fees, which are meant to mitigate the impacts of development and increased population on the environment, traffic, schools, and other services and infrastructure.

D.6.1 Development Review Fees

The City of Canyon Lake charges developers standard plan check fees, fees for processing applications, building permits, tentative tract maps, environmental review, variances, conditional use permits, or other permits and land use entitlements to help recover the cost of processing applications and conducting inspections for specific projects. All Planning, Building and Engineering related development review fees are in the City's adopted Master Fee Schedule and are updated on an annual basis.

D.6.2 Typical Fees for Residential Construction

Table D-8 shows the typical single-family individual fees and the aggregate fee amount of approximately $58,405 per unit. Considering the median construction cost of a 2,500 square foot single-family home in Riverside County[6] of $368,200, this represents an estimated 15.9 percent of the cost of construction.

Table D-8 Estimated Typical Fees for a 2,500 Square Foot Single Family Home

Fee Category	Fees
Plot Plan Approval[1]	$200
Building Plan Check[2]	$5,200
School District	$11,975
TUMF	$9,810
Water Connection Fee (existing water service)	$16,456
Sewer Connection Fee	$9,316
Fire	$1,212
MSHCP	$4,236
Total per unit	**$58,405**
Average cost of constructing 2,500sf home	$368,200
% of 2,500 sf home	15.9%

[1] Plot plan fees are a $1,000 deposit with the balance returned. The $200 fee is an estimate.

[2] Assumes a 2,500 square foot dwelling; includes plan check fee, building/electrical/plumbing/mechanical fees including 600 SF garage.

[3] TUMF refers to Transportation Uniform Mitigation Fee. It is charged by the Western Riverside Council of Governments (WRCOG).

[6] https://home-builders.promatcher.com/cost/riverside-ca-home-builders-costs-prices.aspx. More current figures are not available.

Table D-9 shows the estimated cost of constructing one 1,500 square foot apartment unit based on an estimated national average per square foot of $227.50 for a mid-rise apartment. The total fee amount is approximately $26,868 per unit which represents about 7.87 percent of the cost of a typical multiple-family dwelling.

Table D-9 Estimated Typical Fees for a 1,500 Square Foot Apartment

Fee Category	Fees
Plot Plan Approval[1]	$200
Building Plan Check[2]	$3,168
School District	$7,185
TUMF	$6,580
Water Connection Fee[3]	$1,840
Sewer Connection Fee (per unit)	$5,589
Fire	$1,212
MSHCP	$1,094
Total Per Unit	**$26,868**
Average cost of 1,500sf apartment unit	$341,250
Percent of Unit Cost	7.87%

[1] Plot plan fees are a $1,000 deposit with the balance returned. The $200 fee is an estimate.

[2] Assumes a 1,500 square foot apartment dwelling; includes plan check fee, building/electrical/plumbing/mechanical fees.

[3] Based one-thirtieth of the estimated $55,519 fee for a 30-unit apartment.

D.6.3 Impact and Developer Fees

Certain impact fees are paid to fund regional efforts, including transportation, parks, habitat conservation, and schools. These regional fees make up a large proportion of the total development fees for a project. However, they are necessary to expand and maintain regional infrastructure and provide for habitat conservation. Projects in Canyon Lake are subject to the following regional impact fees:

- Transportation Uniform Mitigation Fee (TUMF), which is an obligation that must be met on all new development in Western Riverside County and is paid directly to the Western Riverside Council of Governments (WRCOG). The TUMF was developed to ensure that new development pays its fair share to address regional traffic issues and fund regional transportation projects. The program includes an exemption for affordable projects. As of January 2022, the fee structure was as follows:
  - Single-Family Residential: $10,104 per dwelling unit
  - Multi-Family Residential: $6,580 per dwelling unit
- Multiple Species Habitat Conservation Plan Impact Fee (MSHCP), which is a fee imposed on new local residential, commercial, and industrial development and infrastructure and civic projects in Southern California. The Western Riverside County Regional Conservation Authority (RCA) administers the MSHCP fees, which are determined based on the density of development. As of July 1, 2020, the fee structure was as follows:
  - Development at 8 dwelling units per acre or less: $4,236 per dwelling unit
  - Development between 8 and 14 du/ac: $1,766 per dwelling unit
  - Development exceeding 14 du/ac: $781 per dwelling unit
  - If a site has been previously developed, it is exempt from the MSHCP fee.

Other fees include the following:

- Lake Elsinore Unified School District (LEUSD) Developer Fees, which are $4.79 per square foot of residential space.
- Water and sewer: Canyon Lake is service the Elsinore Valley Municipal Water District (EVMWD) and the Eastern Municipal Water District (EMWD). Because most of the sites identified within the Sites Inventory are located in the EVMWD, these numbers are used to calculated cost of development in the tables in the following sections. The fees for each water district are as follows:
  - EVMWD: Water connection fees range from $16,456 for single-family homes to $860,878 for very large apartments, and sewer connection fees range from $9,316 for single-family homes to $5,589.60 per unit for residential buildings with five or more units.
  - EMWD: The water connection fees, called Water Financial Participation Charges by the EMWD, is $7,416 per unit. The Sewer Financial Participation Charge is $3,391.
- Police: The City of Canyon Lake contracts law enforcement services through the Riverside County Sheriff's Department. A fee schedule was not available as of September 2023.
- Fire: The City of Canyon Lake is served by the Canyon Lake Fire Department, which does not currently charge impact fees as of December, 2023. Estimates in the related sections are based on Riverside County Fire Impact Fees. As of September 2023, fire department minimum initial deposit to begin a review process was $1,211.76.

County-level impact fees levied upon new development within the City regionally established and are uniform across the County of Riverside. Water district and school fees are set by agencies that service properties within multiple jurisdictions. These fees reflect improvement and operation costs for those particular agencies. Because these fees are necessary to cover the cost of building and maintaining these services, they are not considered a constraint on development.

D.6.4 Impact of Fees

A 2019 fee study by the Western Riverside WRCOG[7] showed that Canyon Lake's fees for single-family homes were slightly higher that the average for Western Riverside County of $57,078, and significantly below the multi-family average of $32,099. Table D-10 shows that fees in Canyon Lake are comparable and, in some cases, lower than similar fees for the neighboring cities. Because the majority of the City's RHNA requirements are planned to be met by multi-family homes, these lower fees are beneficial. Considering that Canyon Lake's fees are comparable or lower than the fees in regional cities, they are not a constraint on housing development.

Table D-10 Fees in Canyon Lake Compared With Other Cities

Jurisdiction	Total Estimated Fees (Single Family)	Total Estimated Fees (Multi-family)	% of Cost (Single Family)	% of Cost (Multi-family)
Lake Elsinore	$70,000	$27,000	19.0%	7.9%
Moreno Valley	$58,500	$37,000	15.9%	10.8%
Canyon Lake	**$58,405**	**$26,868**	**15.9%**	**7.9%**
Murrieta	$58,000	$41,000	15.8%	12.0%
Temecula	$58,000	$40,000	15.8%	11.7%
Western Riverside County	$57,078	$32,099	15.5%	9.4%
Perris	$55,000	$37,000	14.9%	10.8%

[7] Updated Analysis of Development Impact Fees in Western Riverside County. Western Riverside Council of Governments (WRCOG). April 23, 2019 (accessed October, 2023).

D.7 Permit Procedures and Processing Timeframes

The processing time needed to obtain development permits and required approvals is commonly cited by the development community as a constraint. Lengthy processing times, unclear permitting procedures, layered reviews, multiple discretionary review requirements, and costly conditions of approval can contribute to the high cost of housing.[8] In Canyon Lake, the time between application submittal to project approval depends on the magnitude and complexity of the development proposal. Factors that can affect the length of development review on a proposed project include rezoning or general plan amendment requirements, the requirement to hold a public hearing, whether a project requires environmental review. (See Appendix F for more information on environmental constraints.)

The Permit Streamlining Act governs the processing time for planning applications, although the applicant can waive these time limits. The length of processing time also depends upon the knowledge, expertise, and expertise of the applicant's development team and their ability to prepare plans in accordance with City requirements, make timely submissions (and resubmissions), and revise plans based on feedback received.

Canyon Lake's unique history as a gated community that incorporated relatively recently gives it a unique structure for permit procedures. The City does not have a Planning Commission, so discretionary approvals are routed through the City Council. The majority of housing in the City is within a private gated community which is administrated by the POA.

A typical new single-family development that complies with zoning requires a Building Permit or Site Plan Review, reviewed by planning staff or the Planning Director. A typical new multi-family development that complies with zoning requires a Site Plan Review, reviewed by planning, building and fire department staffs. Most residential projects are approved administratively and do not require a subsequent public hearing before the City Council unless appealed. For these reasons, projects are unlikely to be delayed or more costly to develop due to the design review process. Permit processing times in Canyon Lake are comparable to neighboring cities and are not considered a constraint to development.

D.7.1 Development Review Process

The first step in the development review process is obtaining an "entitlement" and related environmental review. For Planning entitlements, applicants provide an initial deposit depending on the entitlement type (Site Plan Review, Zone Change, Tentative/Parcel Map, use permit or other application) and then are charged on a time and material basis. Canyon Lake outsources all environmental review to environmental consultants who prepare environmental studies and other CEQA-related documents. A typical Initial Study, Mitigated Negative Declaration with related environmental studies cost between $80,000 and $150,000 to prepare depending on the number of studies (Transportation, Air Quality, Noise, Health Risk Assessment, among others). The Planning Division does not add an administrative or other charge to CEQA consultant fees. Planning approvals are considered entitlements

Following Planning approvals, applicants submit Improvements Plans and Grading Permits and Utility Plans. The City will also accept concurrent Building Permit applications which consist of detailed construction-level plans. Engineering and Building Division fees are necessary to fund staff review of building permit applications with Building Code, Reach Code, Municipal Code, Fire Code, and other laws. Development review adds to the cost of a development and contributes to overall increased housing unit cost. However, these fees are necessary to provide for the timely and thorough review of development applications and to maintain adequate level of services. Therefore, they are not considered a restraint on development of housing.

To increase transparency in the development process, the City's website publishes resources that help developers and homeowners navigate the residential development and home improvement processes. Specifically, the Planning and Development Department webpage (http://www.canyonlakeca.gov/planning) provides an overview of the development review process via links to permits and services. The Municipal Code, plan review procedures,

[8] California Department of Housing and Community Development. 2021. Available: https://www.hcd.ca.gov/community-development/building-blocks/constraints/processing-permitting-procedures.shtml. Accessed October 28, 2021

Checklists, and other documents are available online. The City also provides contact information for scheduling review appointments with Planning Division staff. As described in the beginning of this section, the City also offers Conceptual Development Review meetings and a preliminary application process that help increase transparency in the development review process. This transparency facilitates efficient development and is not a constraint on housing.

D.8 Permit Types

D.8.1 Plot Plans

Plot plans are not required for residential development in the R-R, R-1, or R-T zones and must be submitted and approved for residential development in the following zones:

- Single family dwellings in the E-R Zones (Estate Residential Zones)
- Duplexes, multiple family dwellings, and apartment houses in the R-2 Zone (Multiple Family Zone) and the R-3 Zone (General Residential)

A Plot Plan requires the submittal of the following:

- Topographic Map
- Infrastructure Plan
- Existing structures
- Proposed improvements

Approval of a plot plan requires:

- General Plan consistency
- Protection of public health, safety and general welfare
- Compatibility with adjacent land uses

Reviewed by: City Planner

Time Frame: One to seven days

Hearings: None

Findings: None

Cost: $3,000 deposit.

D.8.2 Conditional Use Permit (CUP)

A CUP application is subject to a public hearing with the City Council, and is approved if the project is determined not to be detrimental to the health, safety or general welfare of the community. Because the City Council meets once a month, the CUP could be considered by the City Council eight to 12 weeks after submittal to the City Planner. A CUP application requires the following information:

- Physical dimensions of property and structures
- Location of existing and proposed structures
- Setbacks
- Circulation
- Ingress and egress
- Land uses

Reviewed by: City Council

Time Frame: Eight to 12 weeks after submittal

Hearings: City Council

Findings: Determination that the project will not be detrimental to the health, safety or general welfare of the community

D.8.3 Building Permits

The City contracts with Interwest Consulting Group for Building and Safety services. Prior to issuing a permit, the applicants need to provide approval of the project from the Canyon Lake POA, if there is any exterior work involved, including grading, retaining walls, reroofing or other exterior modifications. A building permit plan check requires a complete set of the following documents:

- Site plans
- Engineering calculations
- Energy calculations
- Truss calculations
- Soils and compaction reports (if applicable).

Reviewed by: Contractor

Time Frame: 10 working days for the first review of the documents and five working days for subsequent reviews

Hearings: None

Findings: None

D.8.4 Design Review

The POA reviews the plans for new single family homes within the gated portion of the City through the Planning and Compliance (P&C) Department. P&C checks the submitted material to ensure completeness, the designs are submitted to the local paper for public notice. Following publication, the Architectural Control Committee (ACC) will review the plans for the new home. The City has not established architectural review procedures for residential projects outside the private community.

Reviewed by: POA Planning and Compliance Department, Architectural Control Committee

Time Frame: Two to four weeks

Hearings: None

Findings: None

D.8.5 Multi-family Development

Currently, multi-family residential is permitted in the R-2, R-3 and TCSP. Development plans for multifamily housing in the TCSP area are submitted and evaluated by the City Planner to determine consistency with the TCSP. No discretionary action or public hearings will be required if consistent with the original Specific Plan approvals. Multifamily development within the TCSP require hearings under the following circumstances:

- If development plans include tentative maps to reorganize property ownerships, then a public hearing will be required before the city council.
- If a project requires a specific plan amendment.

Reviewed by: City Planner for consistency with the TCSP. Additional reviews by Planning, Building, Fire, and Engineering, if necessary.

Time Frame: 3-6 months

Hearings: None

Findings: None

Cost: $5,000

D.8.6 Accessory Dwelling Units and Junior Accessory Dwelling Units

The City implements State law enacted in 2019 that requires a permitting agency to act on an application to create a new accessory dwelling unit within 60 days from the date the local agency receives a complete application if there is an existing single-family or multifamily dwelling on the lot (Government Code Section 65852.2 (a)(3) and (b)).

If the permit application to create an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the City may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the City acts on the permit application to create the new single-family dwelling, However, the City – pursuant to State law - will consider the application to create the accessory dwelling unit or junior accessory dwelling unit without discretionary review or hearing. HCD reviewed the adopted ADU Ordinance and identified revisions that are needed in order to be consistent with State law.

D.8.7 California HOME (Housing Opportunity and More Efficiency) Act (SB 9)

On September 16, 2021, the State of California adopted Senate Bill 9 which aims to streamline housing permitting and increase density to create more inclusive and vibrant neighborhoods across the State. On January 1, 2022, all local agencies must ministerially approve two residential units on a parcel within a single-unit residential zone if the development meets specific objective criteria. The bill also requires ministerial review for subdividing one lot into two lots within a single-unit residential zone and permitting up to two units on each parcel (four total dwelling units on what was formerly a single-unit lot) if the development complies with specific objective criteria.

D.8.8 Senate Bill 330

The Housing Crisis Act of 2019 (SB 330) aims to expedite and increase certainty in the development process with changes to the Housing Accountability Act and Permit Streamlining Act. The City's timelines will be consistent with those contained in SB 330 Housing Crisis Act of 2019. For example, SB 330 limits the number of public hearings on a housing development project to five. The State law also reduces the time that the City has to approve or disapprove an application under the permit streamlining act from 120 to 90 days for a housing project that requires CEQA review and from 90 to 60 days if a housing project is at least 49 percent affordable units.

D.8.9 SB 35 (2017), Streamlined Approval Process

Pursuant to Government Code Section 65913.4, jurisdictions that have not met their allocated Regional Housing Needs Allocation (RHNA) numbers are required to streamline certain proposed developments that include affordable units. As of September of 2023, Canyon Lake had insufficient progress towards its Above Moderate Income RHNA and therefore, under SB 35, is required to approve proposed developments with at least 10 percent affordable units with a ministerial permit.[9]

[9] SB 35 Statewide Determination Summary, https://www.hcd.ca.gov/community-development/housing-element/docs/sb35_statewidedeterminationsummary.pdf

D.9 Building Permit Applications

Take-in permit applications are for projects that require drawings (also referred to as plans, blueprints, or construction documents). Since these projects are of a more complex nature and require review of various code items such a structural, energy code, plumbing, mechanical, and electrical work, Building Division staff need to review the drawings to determine compliance. After the initial review of the plans, the Plan Reviewer will send a formal correction list to the applicant. The applicant must respond and make the required corrections and resubmit the drawings to the City. Once the Plan Review is approved and applicable fees are paid, the applicant can then pick up their issued permit and begin construction. During the construction process, inspections are required to ensure compliance with applicable codes and the approved building permit plans. The approved set of drawings must be made available on the construction site as a reference for the inspector. This process typically takes approximately two to six months depending on the quality of the plans and the size of the project. Examples of common Take-in Permits include home additions, commercial tenant improvements, new buildings, and structural modifications to existing buildings. Total processing times vary by project, but the general timeframes by type of permit are shown on D-11.

Table D-11 City of Canyon Lake Single- and Multi-Family Residential Developments Typical Processing Times by Type of Permit

Type of Approval or Permit	Typical Processing Time
Development Plan	2-3 months
Specific Plan	6-12 months
Tract Map	4-6 months
Parcel Map	3 months
General Plan Amendment	6-12 months
Zone Change	4-6 months
Variance	2-3 months

Certainty and consistency in permit processing procedures and reasonable processing times is important to ensure that the development review/approval process does not discourage developers of housing or add excessive costs (including carrying costs on property) that would make the project economically infeasible. Canyon Lake's processing timeframes are comparable to its neighboring jurisdictions, and are not a constraint on housing development.

D.10 Design Guidelines

The Canyon Lake Design Guidelines required by the POA for development behind the gated area and the TCSP seek to identify elements of good design which will enhance the appearance of the City and make it more livable. The Design Guidelines are flexible in order to respond to the unique set of circumstances of each site and type of development and to balance the many elements which go into a design. The subjective nature of the guidelines can be a constraint to the development of housing. However, these minimal design guidelines do not pose a constraint on housing development.

D.11 Housing for Special Needs Populations

D.11.1 Definition of Family

Local jurisdictions may restrict access to housing for households that do not meet the jurisdiction's definition for "family." A restrictive definition of "family" that limits the number of individuals living together may illegally limit the development and siting of group homes for persons with disabilities, but not for housing families that are

similarly sized or situated. The City of Canyon Lake's Zoning Code defines family as "…one or more persons living together as a single housekeeping unit in a dwelling unit. Family also means the persons living together in a licensed residential facility, as that term is defined in California Health and Safety Code Section 1502(a)(1) serving six or fewer persons, excluding the licensee, the members of the licensee's family, and persons employed as facility staff who reside at the facility." Thus this definition of Family is not overly restrictive and is not considered a constraint to a variety of housing types.

D.11.2 Reasonable Accommodation Procedures

The federal Fair Housing Act and the California Fair Employment and Housing Act require that cities and counties provide reasonable accommodation where such accommodation may be necessary to afford individuals with disabilities equal housing opportunities. Cities and counties must also consider requests for accommodations related to housing for people with disabilities and provide the accommodation when it is determined to be "reasonable" based on fair housing laws and the case law interpreting the statutes.

Reasonable accommodation is one of the tools intended to further housing opportunities for people with disabilities. These accommodations require that local jurisdictions make modifications or exceptions in their zoning laws and other land-use regulations when accommodations are necessary to afford individuals with disabilities an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to waive a setback requirement so that a paved path of travel can be provided to residents with mobility impairments.

Reasonable accommodation enables developers and providers of housing for people with disabilities a means of requesting from the local government flexibility in the application of land use and zoning regulations or, in some instances, even a waiver of certain restrictions or requirements because it is necessary to achieve equal access to housing. Canyon Lake passed a Reasonable Accommodation Resolution in June, 2019. The City does not currently have any records of reasonable accommodation requests, and therefore no data to support trends for requests in the City.

Findings and Decision

Any decision on an application shall be supported by written findings addressing the criteria set forth in the procedure. An application for a reasonable accommodation shall be granted if all of the following findings are made:

- The housing, which is the subject of the request, will be used by an individual who is defined as disabled under the Federal Fair Housing Act and the California Fair Employment and Housing Act.
- The requested reasonable accommodation is necessary to make specific housing available to an individual with a disability under the Federal Fair Housing Act and the California Fair Employment and Housing Act.
- The requested reasonable accommodation would not impose an undue financial or administrative burden on the City.
- The requested reasonable accommodation would not require a fundamental alteration in the nature of a City program or law, including, but not limited to, land use and zoning. (Ord. 679 2-19-19)

Any decision of the Director or designee may be appealed to the City Council. The appeal shall be made in writing and filed with the Director within 15 days following the final decision. The appeal shall clearly state the reasons for the appeal. Where the request for accommodation is in conjunction with an application for another approval, permit or entitlement, the appeal procedures for such other approval, permit or entitlement shall control. (Ord. 679 2-19-19)

D.11.3 California Building Code

The Building Division actively enforces the California Building Code provisions that regulate the access and adaptability of buildings to accommodate persons with disabilities. Government Code Section 12955.1 requires that 10 percent of the total dwelling units in multi-family buildings without elevators and that consist of three or more rental units or four or more condominium units be subject to the following building standards:

- The primary entry to the dwelling unit shall be on an accessible route unless exempted by site impracticality tests;
- A least one bathroom shall be located on the primary entry level served by an accessible route;
- All rooms or spaces located on the primary entry level shall be served by an accessible route;
- Rooms and spaces located on the primary entry level and subject to this chapter may include but are not limited to kitchens, bathrooms, living rooms, bedrooms, or hallways;
- Common use areas shall be accessible; and,
- If common tenant parking is provided, accessible parking spaces are required.

No unique restrictions are in place that would constrain the development of housing for persons with disabilities, unduly restrict their choice, or create approval uncertainty or unobjectively for accommodations. Compliance with provisions of the Code of Regulations, including the California Building Standards Code, is reviewed and enforced by the Building Division of the Community Development Department as a part of the building permit submittal. Additionally, Program 3.2 includes a commitment by the City to implement a program to increase public awareness of reasonable accommodation procedures. Therefore, the City's policies on housing for special needs populations does not create a constraint on housing supply.

D.12 State Tax Policies and Regulations

D.12.1 Proposition 13

Proposition 13 was a 1978 voter initiative that limits increases in property taxes except when there is a transfer of ownership. It has constrained local governments' primary source of funding for infrastructure improvement and maintenance and other local government operations.[10] Development fees now make up the difference, which, as described above, increases the overall cost of developing housing. This poses a constraint on housing, but this constraint is universal to all housing development in California and does not overly constrain housing in Canyon Lake.

D.12.2 Article 34

Article 34 of the state constitution requires that low-rent housing projects developed, constructed, or acquired in any manner by a public agency must first be approved by a majority of the voters. Requiring such approval can act as a barrier to the development of affordable housing due to the uncertainty and delay caused by the process. Riverside County has Article 34 authority for projects funded by Measure A1, the County's 2016 housing bond. As with Proposition 13, Article 34 poses a constraint on housing, but this constraint is universal to all housing development in California and does not overly constrain housing in Canyon Lake.

[10] Residential Impact Fees in California, UC Berkeley Terner Center for Housing Innovation. August 7, 2019. Accessed May 23, 2022. https://ternercenter.berkeley.edu/blog/residential-impact-fees/

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Canyon Lake Housing Element (2021-2029)

Appendix E – Non-Governmental Constraints Analysis

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E Non-Governmental Constraints Analysis

E.1 Introduction

The availability of housing is affected by a complex set of interrelated market factors including but not limited to: cost of land, cost of construction, and availability of financing. These factors contribute to determining a new home's sale price or the rents required to make a project feasible. Non-governmental constraints include factors outside of direct governmental control that directly impact housing price. The cost of construction and the availability of financing contribute to the cost of housing and can hinder the production of affordable housing. Government Code Section 65583(a)(6) requires an analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels.

E.2 Availability of Financing

The analysis of the availability of financing is based on the Home Mortgage Disclosure Act (HMDA) data on Federal Housing Administration (FHA) and conventional loan applications made by borrowers to buy a home in Canyon Lake. The data provides the basis to calculate loan denial rates by loan type, borrower income, race/ethnicity, and census tract. The HMDA data analysis covers calendar years 2018 and 2019.

E.2.1 Analysis of Home Purchase Loan Applications

During the two-year period between 2018 and 2019, 372 loan applications were made. Of these loans, 10.2 percent were denied and 89.8 percent were approved. The loan denial rates for conventional loan applications were higher than for FHA loan applications: 11.7 percent to 7.0 percent. Conventional loan applications dominate the market as they comprise nearly 70 percent (257/372) of all loan applications. Overall, the vast majority – almost nine of every 10 loan applications - were approved. Table E-1 shows the loan application and denial rate during this time period.

Table E-1 City of Canyon Lake FHA/VA and Conventional Loan Applications and Denial Rates: 2018 and 2019

Type of Application	2018 Number/Percent	2019 Number/Percent	Total Number/Percent
FHA/VA			
Total Applications	60	55	115
Number Denied	4	4	8
Percent Denied	6.7%	7.3%	7.0%
Conventional Loans			
Total Applications	122	135	257
Number Denied	17	13	30
Percent Denied	13.9%	9.6%	11.7%
All Loans			
Total Applications	182	190	372
Number Denied	21	17	38
Percent Denied	11.5%	8.9%	10.2%

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) Website HMDA Data Browser

Among FHA borrowers, the applicants having incomes of less than $80,000 per year had much higher loan denial rates than those with annual incomes of more than $80,000. Borrowers with annual less than $80,000 comprised 21 percent of all FHA loan applicants. Notably, none of the borrowers with incomes of $120,000 or more had their loans denied. As with FHA borrowers, the conventional loan applicants with yearly incomes of less $80,000 experienced the highest loan denial rates. The loan applicants with the lowest denial rates had annual incomes of more than $80,000. Poor credit history and high debt to income ratios could be reasons for the higher-than-average denial rates of the lower income groups. Table E-2 reports on loan denial rates by loan type and income.

Table E-2 City of Canyon Lake FHA/VA and Conventional Loan Denial Rates by Household Income: 2018 and 2019

Loan Type and Income	Total Applications	Total Denied	Percent Denied
FHA/VA Loans			
<$60,000	4	1	25.0%
$60,000-$69,999	7	1	14.3%
$70,000-$79,999	13	2	15.4%
$80,000-$89,999	21	1	4.8%
$90,000-$99,999	14	0	0.0%
$100,000-$109,999	12	2	16.7%
$110,000-$119,999	15	1	6.7%
$120,000-$129,999	4	0	0.0%
$130,000-$139,999	6	0	0.0%
$140,000-$149,999	7	0	0.0%
$150,000+	12	0	0.0%
Income N/A	0	0	0.0%
Total	**115**	**8**	**7.0%**
Conventional Loans			
<$60,000	15	3	20.0%
$60,000-$69,999	10	1	10.0%
$70,000-$79,999	22	2	9.1%
$80,000-$89,999	16	1	6.3%
$90,000-$99,999	21	1	4.8%
$100,000-$109,999	13	3	23.1%
$110,000-$119,999	22	1	4.5%
$120,000-$129,999	25	3	12.0%
$130,000-$139,999	16	2	12.5%
$140,000-$149,999	9	0	0.0%
$150,000+	87	13	14.9%
Income N/A	1	0	0.0%
Total	**257**	**30**	**11.7%**

Loan Type and Income	Total Applications	Total Denied	Percent Denied
All Loans			
<$60,000	19	4	21.1%
$60,000-$69,999	17	2	11.8%
$70,000-$79,999	35	4	11.4%
$80,000-$89,999	37	2	5.4%
$90,000-$99,999	35	1	2.9%
$100,000-$109,999	25	5	20.0%
$110,000-$119,999	37	2	5.4%
$120,000-$129,999	29	3	10.3%
$130,000-$139,999	22	2	9.1%
$140,000-$149,999	16	0	0.0%
$150,000+	99	13	13.1%
Income N/A	1	0	0.0%
Total	**372**	**38**	**10.2%**

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) Website HMDA Data Browser

As shown on Table E-3, more than half (56 percent) of all loan applications were made by White, Non-Hispanic applicants, while about 10 percent of the applicants were Hispanic or Latino. Therefore, nearly two thirds of all applications were made by White, Non-Hispanic or Hispanic/ Latino applicants. Additionally, only about 1 percent of all applications were made by Asian applicants. The remaining 21 percent of the applications were made by other racial groups which includes applications where the race/ethnicity information was not available.

While Asian borrowers experience the highest loan denial rates at 25 percent, there were only four applications made by Asian borrowers in 2018 and 2019. Hispanic borrowers had a denial rate nearly twice that of White, Non-Hispanic borrowers, 18.4 percent versus 9.7 percent. The “other” borrowers also had a slightly higher than average loan denial rate of almost 13 percent versus a citywide denial rate of about 10 percent.

Table E-3 Canyon Lake FHA/VA and Conventional Loan Denial Rates by Race and Ethnicity: 2018 and 2019

Race/Ethnicity	Total Applications	Total Denied	Percent Denied
FHA/VA Loans			
Hispanic or Latino	16	2	12.5%
White, Not Hispanic or Latino	78	4	5.1%
Asian, Not Hispanic or Latino	1	0	0.0%
All Other[1]	20	2	10.0%
Total	**115**	**8**	**7.0%**
Conventional			
Hispanic or Latino	30	5	16.7%
White, Not Hispanic or Latino	166	16	9.6%
Asian, Not Hispanic or Latino	3	1	33.3%
All Other[1]	58	8	13.8%
Total	**257**	**30**	**11.7%**
All Loans			
Hispanic or Latino	46	7	15.2%
White, Not Hispanic or Latino	244	20	8.2%
Asian, Not Hispanic or Latino	4	1	25.0%
All Other[1]	78	10	12.8%
Total	**372**	**38**	**10.2%**

[1] Includes all other races and applications where race and/or ethnicity were not available

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) Website HMDA Data Browser

The Hispanic FHA loan applicants experience a loan denial rate almost two and one-half times greater than the White borrowers. However, the HMDA data is limited to two years and a total of only 16 borrowers, which is small sample size and may not be indicative of any trend. The Hispanic conventional borrowers have a loan denial rate almost twice as high as the White loan applicants. There were, however, only 30 Hispanic conventional loan applicants.

E.2.2 Redlining/Financing Availability by Census Tract

Redlining describes a situation where mortgage services are denied or limited for two specific reasons:

- The racial and/or ethnic composition of an area's residents.
- The age of an area's properties.

Historically, redlining occurs when lenders use discriminatory and unfair lending practices that result in reduced lending accessibility for borrowers in the areas that show high populations of racial minorities, regardless of the credit worthiness of each individual borrower. The word redlining comes from the practice of outlining in red those geographical areas that were perceived to pose a higher mortgage risk. Redlining can affect a particular street, block, census tract, or an entire city.

According to the U.S. Department of Housing and Urban Development (HUD), the analysis of loan denial rates by census tract will help to identify if there are underserved neighborhoods. HMDA data was assembled for the two census tracts that are located entirely or predominantly within the city. Table E-4 shows that the census tracts had denial rates of 8.2 percent and 11.7 percent. Overall, the loan denial/loan approval rates are similar, and no individual census tract appears to be underserved.

Table E-4 City of Canyon Lake FHA/VA and Conventional Loan Denial Rates by Census Tract: 2018 and 2019

	FHA/VA Loans			Conventional Loans			All Loans		
Census Tract	Total Apps.	Total Denied	Percent Denied	Total Apps.	Total Denied	Percent Denied	Total Apps.	Total Denied	Percent Denied
427.14	48	2	4.2%	111	11	9.9%	159	13	8.2%
427.16	67	6	9.0%	146	19	13.0%	213	25	11.7%
Total	**115**	**8**	**7.0%**	**257**	**30**	**11.7%**	**372**	**38**	**10.2%**

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) Website HMDA Data Browser

E.3 Land Costs

The cost of land can be a major impediment to the production of affordable housing and is typically one of the major components of the total costs of developing housing. Land costs are influenced by many variables, including land scarcity and developable density (both of which are indirectly controlled through governmental land use regulations), location, site constraints, and the availability of public utilities.

E.3.1 Single Family Lots

The vast majority of single-family residential development will occur on individual single family lots with construction occurring by an owner-builder or by "spec" custom home builders. Land costs can be based on raw land or finished lots. The cost of finished lots should represent between 16 percent and 25 percent of the home sales price.

There are numerous scattered lots for sale that vary greatly in terms of size and asking prices. Land costs were collected for lots sold in 2021, pending sales, and those in the active, for sale market. Eleven of the 41 single family lots sold for less than $70,000. Nine of the 41 lots sold for between $70,000 and $100,000. One of the seven pending lot sales had a price of less than $50,000. In the active market, two lots had an asking price of less than $50,000 and three had asking prices of $50,000 to $80,000. Table E-5 lists the price and size of lots pending and sold during the 2021 calendar year.

Table E-5 City of Canyon Lake Land Sales Prices Active, Pending and Sold – Calendar Year 2021

Status	Price	Lot Size (S.F.)	Price/S.F.
Active	$30,000	8,276	$3.62
	$30,000	8,276	$3.62
	$57,500	8,276	$6.95
	$65,000	8,276	$7.85
	$74,999	13,068	$5.74
	$99,000	7,405	$13.37
	$119,000	7,405	$16.07
	$135,000	9,147	$14.76
	$145,000	7,405	$19.58
	$160,000	12,632	$12.67
	$168,000	19,602	$8.57
	$169,000	8,712	$19.40
	$215,000	15,246	$14.10
	$230,000	16,117	$14.27

Status	Price	Lot Size (S.F.)	Price/S.F.
	$2,500,000	1,524,164	$1.64
Pending	$39,900	16,988	$2.35
	$65,000	7,405	$8.78
	$79,900	7,841	$10.19
	$229,000	16,117	$14.21
Sold	$11,000	4,792	$2.30
	$35,000	7,841	$4.46
	$38,000	7,405	$5.13
	$45,000	8,276	$5.44
	$50,000	7,405	$6.75
	$50,000	7,841	$6.38
	$55,000	6,534	$8.42
	$55,000	7,405	$7.43
	$57,450	6,969	$8.24
	$58,000	9,147	$6.34
	$59,000	8,276	$7.13
	$60,000	10,019	$5.99
	$60,000	11,761	$5.10
	$62,000	7,841	$7.91
	$67,000	7,405	$9.05
	$70,000	6,970	$10.04
	$70,000	8,276	$8.46
	$70,000	9,583	$7.30
	$74,500	7,323	$10.17
	$75,000	7,405	$10.13
	$82,000	7,405	$11.07
	$90,000	7,841	$11.48
	$95,000	8,276	$11.48
	$100,000	6,970	$14.35
	$145,000	16,553	$8.76
	$160,000	16,553	$9.67
	$165,000	7,841	$21.04
	$180,000	7,841	$22.96
	$199,500	9,583	$20.82
	$200,000	5,663	$35.32
	$205,000	23,522	$8.72
	$210,000	6,970	$30.13
	$238,000	7,841	$30.35
	$250,000	417,740	$0.60
	$250,000	417,740	$0.60

Status	Price	Lot Size (S.F.)	Price/S.F.
	$285,000	6,098	$46.74
	$365,000	9,148	$39.90
	$375,000	7,349	$51.03
	$384,999	8,712	$44.19
	$461,000	8,712	$52.92
	$732,000	10,890	$67.22

[1] The date for Active properties is January 6, 2022

Source: California Regional Multiple Listing Service (CRMLS).

E.3.2 Multifamily Land Costs

There were no multifamily zoned sites for sale as of January 2022 and no closing of multifamily land during the 2021 calendar year. In May 2021, one mixed use parcel of 35+/- acres came on the market with an asking price of $3,500,000 or $100,000 per acre.

E.4 Components of Total Development Costs

According to the Terner Center, total development costs are made up of a lot of different line items, including land or property acquisition costs, construction costs, architectural/engineering costs, local development fees, as well as fees associated with the "soft" costs of development (e.g., legal fees, appraisals, and insurance).[1] Research completed by the Terner Center found that between 2008 and 2018, the hard costs of building apartment housing in California increased by $68 per square foot. This research shows that hard construction costs (material and labor) are the primary driver of rising development costs. The shortage in the construction labor market and higher prices for general contractors (as well as the subcontractors they hire) is affecting affordable housing development—just as this shortage impacts market-rate development.[2]

E.5 Cost of Affordable Housing

Development costs associated with affordable housing are high and often exceed those of market rate projects. In many cities, the cost of single-family homes is less than those of individual apartments in an affordable housing development. The United States Government Accounting Office (GAO) determined that in California the 2015 average per apartment unit development cost financed by Low Income Housing Tax Credits (LIHTC) was $335,727. The 2015 average cost was 10 percent higher than in 2011.[3] Affordable housing developments provide housing primarily for lower income households(households whose annual income is 80 percent or less the County median income).

However, because development costs of tax credit projects have increased since 2015 and they provide housing for extremely low and very low-income households, the affordable rents usually support 10 percent or less of the total development costs. HCD has reported that the average percentage shares of funding sources for an affordable housing development are as follows:

- State housing tax credits: 11%
- Federal housing tax credits: 43%

[1] Terner Center for Housing Innovation, The Costs of Affordable Housing Production: Insights from California's 9% Low-Income Housing Tax Credit Program, March 2020, page 8 (Author: Carolina Reid)

[2] Terner Center for Housing Innovation, The Hard Costs of Construction: Recent Trends in Labor and Material Costs for Apartment Buildings in California, March 2020, 25 pages (Authors: Hayley Raetz, Teddy Forscher, Elizabeth Kneebone, and Carolina Reid)

[3] United States Government Accountability Office, Low-Income Housing Tax Credit: Improved Data and Oversight Would Strengthen Cost Assessment and Fraud Risk Management, September 2018, page 116

- Private bank loans: 9%
- Federal HOME fund: 5%
- Federal Home Loan Bank Affordable Housing Program: 3%
- State housing funds (e.g. Veterans Housing and Homeless Prevention Program): 19%
- State Mental Health Services Act Housing funds: 6%

E.6 Housing Prices and Rents

Housing prices can be a major constraint to people accessing housing. High housing prices make it difficult for low-income households to find affordable housing and put strain on households that pay excessive portions of their income on shelter. High housing costs are a leading cause of homelessness in California.[4] This section compares housing costs with the spending ability of Canyon Lake residents.

E.6.1 Housing Prices

The American Community Survey (ACS) collects data on the owner's estimate of a home's value if it were for sale. Canyon Lake's median home value was $442,900 for the five-year period between 2015 and 2019. Based on the owner estimates, only about 12 percent of the homes had a value of less than $300,000. An estimated 27.9 percent had values in the range of $300,000 to $399,000. The balance of homes – 60 percent - had an estimated value of $400,000 or more. Table E-6 shows the estimated value of housing units in the city.

Table E-6 City of Canyon Lake Value of Housing Units: 2015-2019

Value	Number	Percent
Less than $100,000	94	2.8%
$100,000 to $124,999	32	1.0%
$125,000 to $149,999	0	0.0%
$150,000 to $174,999	10	0.3%
$175,000 to $199,999	48	1.4%
$200,000 to $249,999	65	2.0%
$250,000 to $299,999	151	4.5%
$300,000 to $399,999	926	27.9%
$400,000 to $499,999	778	23.4%
$500,000 to $749,999	865	26.1%
$750,000 to $999,999	241	7.3%
$1,000,000 to $1,499,999	89	2.7%
$1,500,000 to $1,999,999	12	0.4%
$2,000,000 or more	8	0.2%
Total	**3,319**	**100.0%**

Source: 2015-2019 American Community Survey 5-Year Estimates, Table B25075 Value Occupancy

The California Association of Realtors' (C.A.R.) Housing Affordability Index (HAI) measures the percentage of households that can afford to purchase a median-priced, single-family home in California. C.A.R. also reports affordability indices for regions and select counties within the state as well as by race and ethnicity. The index is

[4] California Statewide Study Investigates Causes and Impacts of Homelessness. University of California San Francisco. June 20, 2023 (accessed October 11, 2023). https://www.ucsf.edu/news/2023/06/425646/california-statewide-study-investigates-causes-and-impacts-homelessness

considered the most fundamental measure of housing well-being for home buyers in the state. The C.A.R. report for Riverside County indicates that $85,600 is the minimum household income need to buy a median-priced ($460,000) existing single-family home. The percentage of households who could afford to buy the home is listed below:

- White, Non-Hispanic: 50 percent
- Asian: 56 percent
- Hispanic: 40 percent
- Black: 43 percent

E.6.2 Housing Rents

The ACS collects data on the gross rents of renter-occupied housing units. Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else). Gross rent is intended to eliminate differentials that result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment. Renter units occupied without payment of rent are shown separately as "No rent paid" in the tabulations.

Rental units with three or more bedrooms comprise about 80 percent of the stock. The reason for this is that about 93 percent of renters live in single unit dwellings. Only about 1 percent of Canyon Lake's renter households paid rents less than $1,000 per month. The vast majority of renters had rents over $1,500 per month. Many of these units are probably renter-occupied single-family detached homes. Table E-7 shows monthly rents of all rental units in the city.

Table E-7 City of Canyon Lake Bedrooms by Monthly Gross Rent: 2015-2019

Monthly Gross Rent	No Bedroom	1 Bedroom	2 Bedrooms	3+ Bedrooms	Total	Percent
Less than $300	0	0	0	0	0	0.0%
$300-$499	0	0	0	0	0	0.0%
$500-$749	0	0	0	8	8	1.0%
$750-$999	0	0	0	0	0	0.0%
$1,000-$1,499	0	31	110	10	151	18.1%
$1,500 or more	0	0	25	652	677	81.0%
Total	**0**	**31**	**135**	**670**	**836**	**100.0%**
Percent	0.0%	3.7%	16.1%	80.1%	100.0%	

The median gross rent for a 2-bedroom unit is $1,245.00. A monthly income of approximately $4,100 is needed to afford a unit renting for $1,245 with 30 percent of income. Table E-8 shows the median gross rents by number of bedrooms.

Table E-8 City of Canyon Lake Median Gross Rent by Bedrooms: 2015-2019

Number of Bedrooms	Median Gross Rent
No bedroom	$0
1 bedroom	$0
2 bedrooms	$1,245
3 bedrooms	$2,114
4 bedrooms	$2,627

Source: American Community Survey, 2015-2019 5-Year Estimates, Table B25031 Median Gross Rent by Bedrooms

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Canyon Lake Housing Element (2021-2029)

Appendix F – Housing Resources

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F Housing Resources

Appendix F describes the financial and administrative resources for housing available in the city. Some of these resources work to address the city's housing needs. However, the City is not eligible for all of these described financial resources. The availability of land resources to accommodate the city's share of the regional housing need is described in Appendix C - Sites Inventory and Analysis.

F.1 Financial Resources Available in the Region

F.1.1 Community Development Block Grant Funds (CDBG)

Canyon Lake is a cooperating city in the County of Riverside Urban County CDBG Program. The County's 2019-2024 Consolidated Plan allocates $4,235,710 to the Homeowner Housing Rehabilitation Program. The 5-year goal is the rehabilitation of 125 owner-occupied housing units. Canyon Lake homeowners may apply for the financial assistance provided by this program.

Canyon Lake is not eligible to receive CDBG funds directly from HUD. The County's CDBG allocation formula annually allocates approximately $18,000 to $23,000 to Canyon Lake. These funds are allocated by the City to CDBG-eligible activities.

F.1.2 Permanent Local Housing Allocation (PLHA) Program

SB 2 created a dedicated revenue source for affordable housing and directed the HCD to make available 70 percent of the moneys in the Building Homes and Jobs Trust Fund to local governments, collected on and after January 1, 2019. Ninety percent of the moneys available will be allocated based on the formula used under Federal law to allocate CDBG funds to CDBG entitlement jurisdictions within California. Ten percent of the funds will be distributed to non-entitlement jurisdictions through a competitive grant program. The PLHA funds are received directly by the County of Riverside. HCD estimates that the County of Riverside will receive $24 million over a 5-year period. Canyon Lake is eligible to receive a share of the PLHA funds received by the County.

F.1.3 Home Investment Partnership Program (HOME)

Canyon Lake is not eligible to receive HOME funds directly from HUD. Annually, HUD allocates HOME funds to the County of Riverside. The County's 2019-2024 Consolidated Plan allocates funds to the following projects:

- First Time Homebuyer Assistance: 100 households assisted ($4,353,170)
- Rental Units Constructed: 200 housing units ($2,353,170)
- Rental Units Rehabilitated: 50 housing units ($1,000,000)

Income eligible households may apply for FTHB assistance to buy a home located in the city.

F.1.4 Section 8 Rental Assistance

The County of Riverside Housing Authority administers this program. Rental assistance covers the difference between the market rent and the rent that income-eligible renters can afford based on 30 percent of their monthly income. The program assists one very low income Canyon Lake household (February 2021). Ninety-three households are on the Section 8 waiting list.

F.1.5 Low Income Housing Tax Credits

This program provides equity for the development of affordable housing. The City does not have direct access to this funding, which is awarded by the California Tax Credit Allocation Committee (TCAC) to experienced non-profit and for-profit developers on a competitive basis. TCAC has prepared maps showing neighborhoods (census tracts) ranking from a low to highest access to opportunity. Canyon Lake's two census tracts are ranked highest and high, respectively.

F.1.6 Affordable Housing and Sustainable Communities Program (AHSC)

The AHSC Program reduces greenhouse gas (GHG) emissions through projects implementing land-use, housing, transportation, and agricultural land preservation practices that support infill and compact development. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

F.1.7 CalHFA Multifamily Mixed Income Program

The CalHFA Mixed-Income Program (MIP) provides long-term subordinate financing for new construction of multifamily housing projects which restrict units at a mix between 30 percent and 120 percent of the Area Median Income (AMI). The program was created after Senate Bill 2 (SB2), the Building Homes and Jobs Act, which was signed into law in 2017, established an annual appropriation to the Agency for the purpose of creating mixed income multifamily residential housing for lower to moderate income households. CalHFA receives 15 percent of the Building Homes and Jobs Act Fund for this purpose. In 2021, the Agency has also made available funds provided through Assembly Bill 101. The bill directs the funding to CalHFA to be used to finance low- and moderate-income housing. CalHFA expects to have a total of $60 million available for MIP subordinate financing in 2021.

F.1.8 CalHFA Homebuyer Programs

The agency offers a variety of loan programs to purchasers of a home: conventional loans, government insured loans (FHA, VA), down payment assistance programs, and Mortgage Credit Certificates (MCCs).

F.1.9 CalHFA Multifamily Programs

CalHFA's Taxable, Tax-Exempt, or CalHFA funded Permanent Loan programs provide competitive long-term financing for affordable multifamily rental housing projects. Eligible projects include newly constructed or acquired/redeveloped developments that provide affordable housing opportunities for individuals, families, seniors, veterans, and special needs tenants.

CalHFA's Conduit Issuer Program is designed to facilitate access to tax-exempt and taxable bonds by developers that seek financing for eligible projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants. The conduit bonds may be used to finance the acquisition, rehabilitation, and/or development of an existing project, or they can be used for the construction of a new project.

F.1.10 HCD No Place Like Home Program (NPLH) Program

This program provides funding and tools that enables HCD to address affordability issues associated with creating housing units that are specifically set aside for persons with serious mental illness who are chronically homeless, homeless, or at-risk of becoming chronically homeless. Under the program, the Department may make loans to reduce the initial cost of acquisition and/or construction or rehabilitation of housing, and may set funds aside to subsidize extremely low rent levels over time.

F.1.11 HCD Multifamily Housing Program

Funds for the program were authorized by the Veterans and Affordable Housing Act of 2018. The program funds new construction, rehabilitation of housing, development or conversion of a nonresidential structure to a rental housing development. Eligible uses include land acquisition and construction. The maximum rent limit is 30 percent of 60 percent of AMI, adjusted by unit size.

F.1.12 HCD Supportive Housing Multifamily Housing Program

Funds available are for multifamily rental housing projects involving new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures for the purpose of development of rental housing containing permanent supportive housing units for the target population.

F.1.13 HCD Veterans Housing and Homelessness Prevention Program

This program involves collaboration between HCD, California Department of Veteran Affairs, and California Housing Finance Agency to provide $600 million in Proposition 41 general obligation bonds to fund affordable multifamily rental, supportive and transitional housing. The goal is to fund 4,800 new veteran housing units including 2,880 to 3,300 permanent supportive housing units for homeless veterans. Of the permanent supportive housing units, 1,200 to 1,400 will be for chronically homeless veterans. Priority is placed on housing to be developed in areas with especially high concentrations of California's most vulnerable veterans while preserving funding for other areas.

"Veteran" means any person who served in the active military, naval, or air service of the United States or as a member of the National Guard who was called to and released from active duty or active services for a period of not fewer than 90 consecutive days or was discharged from service due to a service-related disability. This includes veterans with other-than-honorable discharges. At least 50 percent of the funds awarded shall serve veteran households with extremely low incomes. Of those units targeted to extremely low-income veteran housing, 60 percent shall be supportive housing units.

F.1.14 Housing for Healthy California (HHC) Program

In September of 2017, as part of a landmark housing package, Governor Jerry Brown signed AB 74 into law. The HCD is authorized to develop the Housing for a Healthy California (HHC) Program. The HHC program creates supportive housing for individuals who are recipients of or eligible for health care provided through the California Department of Health Care Services, Medi-Cal program. The goal of the HHC program is to reduce the financial burden on local and state resources due to the overutilization of emergency departments, inpatient care, nursing home stays and use of corrections systems and law enforcement resources as the point of health care provision for people who are chronically homeless or homeless and a high-cost health user.

F.1.15 New State Low Income Housing Tax Credits Program

Provides for the allocation of $500 million in new state low-income housing tax credits for new construction projects that receive the federal 4 percent tax credit. For these new credits, the bill would increase the eligible basis for these projects from 13 percent to 30 percent. It would require at least $300 million of this to be available to new construction projects receiving the federal 4 percent tax credit, and would allow up to $200 million to be available to projects receiving assistance from the California Housing Finance Agency (CalHFA) Mixed Income Program.

F.1.16 CalHome Program

AB 101 (2019) allows the CalHome program to include accessory dwelling units (ADUs) and junior accessory dwelling units (JADU), and to authorize the program to make grants for housing purposes in declared disaster areas.

F.2 Administrative Resources

Administrative resources include organizations that are able to assist the City in implementing housing activities, including some of those described in Section II - Housing Programs.

F.2.1 California Department of Housing and Community Development (HCD)

This agency can provide technical assistance on a myriad of housing topics, including model housing programs and ordinances.

F.2.2 County of Riverside Housing Authority

This agency administers the Section 8 Housing Voucher Program and Public Housing Program. The HA's area of operation is all of the unincorporated areas of the County and all incorporated cities.

F.2.3 Fair Housing Council of Riverside County, Inc.

The FHCRC provides fair housing services to Canyon Lake's residents. The full scope of services is described in Appendix B.

F.2.4 Riverside County Continuum of Care

The Continuum of Care for Riverside County (CoC) Program provides homeless assistance by leveraging funding needed through the HUD Consolidated Application; this provides collaboration between providers of housing and homeless assistance programs and other federal programs. The CoC is a network of private and public sector homeless service providers, designed to promote community-wide planning and the strategic use of resources addressing homelessness. The CoC seeks to improve coordination and integration with mainstream resources and other community programs for people who are experiencing or are at-risk of becoming homeless. The CoC seeks to improve and expand the collection of data countywide, develop performance measurements, and allows for each community to tailor its' program to the particular strengths and challenges within that community. The goal is to assist people to achieve stability through self -sufficiency.

Some of the CoC's activities include the annual HUD Continuum of Care Programs Notice of Funds Availability (NOFA), for homeless services and housing programs, the Emergency Food and Shelter Program (EFSP) NOFA and the biennial Point in Time Count and Survey of homeless individuals in the whole county.

Canyon Lake Housing Element (2021-2029)

Appendix G – Progress Report

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G. Progress Report

G.1 Government Code Requirements

HCD recommends that the Progress Report of the 5th cycle Housing Element discuss the following:

- Appropriateness of goals, objectives and policies (Section 65588(a)(1)): a description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the prior element.
- Effectiveness of the element (Section 65588(a)(2)): a comparison of the actual results of the earlier element with its goals, objectives, policies and programs. The results should be quantified where possible (e.g., rehabilitation), but may be qualitative where necessary (e.g., mitigation of constraints).
- Progress in implementation (Section 65583(a)(3): an analysis of the significant differences between what was projected or planned in the earlier element and what was achieved.

G.2 Appropriateness of Goals, Objectives and Policies

Several of the goals and policies included in the 5th cycle Housing Element are appropriate to carry forward to the 2021-2029 planning period. However, the goals and polices have been updated to include many important pro-housing policies.

The goals and policies have been updated to reflect the findings of the Assessment of Housing Needs (Appendix A), Assessment of Fair Housing (Appendix B), Housing Sites Inventory and Analysis (Appendix C), Governmental Constraints (Appendix D), and Non-Governmental Constraints (Appendix E). In addition, the linkage between the housing needs assessment and the special needs goals and policies has been improved. Moreover, the vision of the Towne Center Specific Plan has been incorporated into the goals, objectives, and policies. The quantified objectives have also been adjusted to account for the accomplishments made during the 2013-2021 planning period. Quantified objectives have been adjusted for the production, rehabilitation, and preservation/conservation of housing

G.3 5th Cycle Midterm (May 6, 2020) Housing Element Effectiveness

The 5th cycle Housing Element has been effective in the identification of goals, policies and programs to address the City's housing needs and has guided the City's efforts to improve its policies and practices and to adopt Zoning Ordinance Amendments to comply with numerous State laws. This part of Appendix G evaluates the effectiveness of the 5th Cycle Midterm Housing Element on a program-by-program basis. Table G-2 provides a detailed program level assessment of housing accomplishments over the 5th cycle planning period.

The 5th Cycle Midterm Housing Element for the City of Canyon Lake was certified by HCD on June 18, 2020. The City staff of Canyon Lake is very small, and some were compromised by the COVID-19 virus for an extended time. As a result, implementation of the adopted programs from the 5th Cycle Midterm Housing Element was severely affected. In order to promote achievement of the goals, policies and objectives, the City will conduct more outreach to agencies such as WRCOG, County of Riverside Economic Development Agency and Fair Housing Council of Riverside County, Inc. The City has very limited resources and must involve agencies such as those listed in the preceding sentence to accomplish its goals and objectives.

Program 1 SB 2 Planning Grant

Objective: Complete Planning Grant Study.

Effectiveness: Goal was met in 2022, outside of the planned timeframe.

The objective of the SB 2 Planning Grant was to complete the Towne Center Specific Plan (TCSP) within the 5th Cycle planning period. That schedule was revised by the SB 2 Agreement between HCD and the City. The Draft TCSP was completed in September 2021 and was adopted by the City on June 1, 2022 Although the Housing Element schedule was not met, the SB 2 Agreement schedule was satisfied.

The primary goal of the planning effort, to identify sites for RHNA above moderate-, moderate- and lower-income housing need in a multi-story mixed use development, has been achieved. The TCSP will be incorporated into the 6th Cycle (2021-2029) Housing Element. The mixed-use development concepts and housing sites described by the TCSP are incorporated into Appendix C – Sites Inventory. The Specific Plan provides for the development housing units on mixed-use sites. The TCSP creates development incentives including streamlined processing and regulatory relief.

SB 2 Planning Grant funded the amendment of the Zoning Ordinance, in the 5th Cycle Midterm Housing Element with the following Ordinances related to the Housing Element:

a. On August 7, 2019, Ord.183 Emergency Shelter Ordinance was adopted.
   - Employee Housing to comply with Government Code Section 65583(c)(1)
   - Family to comply with fair housing laws
   - Supportive Housing to comply with Government Code Section 65582(g)
   - Target Population to comply with Government Code Section 65582(i)
   - Transitional Housing to comply with Government Code Section 65582(j)

b. On April 1, 2020, Ord. 195 was adopted. Amending various portions of the Canyon Lake Municipal Code Related to Housing Element Implementation, including employee transitional and supportive housing and requiring a conditional use permit for licensed group homes.

c. On April 1, 2020, Ord. 196 was adopted establishing a Mixed-Use Zone, applicable to the Towne Center site.

d. Towne Center Specific Plan was approved by Resolution No. 2022-33 by the City on, June 1, 2022.

e. Ordinance 222, adopted by the City on June 1, 2022. Amending the City Zoning Map of the City of Canyon Lake Changing Certain Property from C-1 General Commercial to Mixed Use Zone. The adoption of the Towne Center Specific Plan and Zoning Ordinance to allow for high density housing to fulfill the Regional Housing Needs Allocation.

Program 2 General Plan/Housing Element Consistency

Objective: Update elements as needed to ensure internal consistency.

Effectiveness: Goal was met in 2022, outside the planned timeframe.

Program 2 of the 5th Cycle Housing Element was partially effective. The objective of Program 2 was to update elements of the General Plan to achieve internal consistency among all elements of the General Plan. The Safety Element was identified as the one element that because of recent states laws required updating. Program 2 was achieved in 2022, not 2021 as originally planned.

The 6th Cycle Housing Element will incorporate the Safety Element's goals, policies, and programs that pertain to the issues addressed by the *2021-2029 Housing Element*. The 6th Cycle Housing Element will be amended following adoption of the Safety Element in 2022.

Program 3 Canyon Lake Village Overlay Zone (CLVOZ)

Objective: Adopt criteria and incentives. Create lot split.

Effectiveness: Program 3 is no longer necessary as the original plans for the CLVOZ have been superseded by the Towne Center Specific Plan.

Program 3 of the 5th Cycle Housing Element was partially effective. One of the Program's objectives was met: A civil engineer was retained by the City and has identified 2.5-3.0 acres of flat buildable land within the 9+ acre site.

The second objective – a parcel split – was not achieved because the City has received from developers inquiries on development of all three adjacent parcels. The developer interest could lead to applications to amend the Land Use Element and Zoning. Additionally, the Specific Plan process with regard to multifamily development has not been evaluated to identify how it can be made less cumbersome.

Upon the adoption of the Towne Center Specific Plan, housing needs will be met for the 6th cycle. The Canyon Lake Village Overlay Zone is no longer necessary and will not be pursued. The Towne Center Specific Plan was approved by Resolution No. 2022-33 by the City on June 1, 2022.

Program 4 No Net Loss Program

Objective: Maintain sites that accommodate lower income housing.

Effectiveness: Goal was met within the planned timeframe.

Program 4 of the 5th cycle Housing Element was effective as the City continued to comply with the State law (Government Code Section 65863(a)). Based on an HCD Technical Memorandum, the Planning Department developed a No Net Loss Monitoring Procedure. The 6th cycle Housing Element incorporates a No Net Loss Program.

Program 5 Annual Progress Report

Objective: Complete two APRs.

Effectiveness: Goal was met within the planned timeframe.

Program 5 of the 5th cycle Housing Element was effective as Annual Progress Reports were submitted by the City to HCD. The 6th cycle Housing Element incorporates an APR Program.

Program 6 Section 8 Rental Assistance

Objective: Facilitate 5 lower income households achieving Section 8 Rental Assistance.

Effectiveness: Goal did not achieve projected level..

Program 6 of the 5th cycle Housing Element was partially effective. The objective of Program 6 was to provide rental assistance to five households through the County of Riverside Section 8 Housing Choice Voucher Program. As of September 2021, only one Canyon Lake lower income household was assisted by the rental assistance program. The Program's effectiveness could be hindered by a lack of participation in the Program and market rents exceeding the Section 8 Fair Market Rents (MFRs).

Program 7 First Time Homebuyer Program

Objective: Facilitate 5 lower income households achieving First Time Homebuyer Down Payment Assistance.

Effectiveness: Program did not achieve projected level.

Program 7 of the 5th cycle Housing Element was not effective as no homes were purchased in Canyon Lake by households benefitting from down payment assistance. The Program objective was to assist five households. The Program offers a maximum $75,000 in down payment assistance, an amount which represents 20 percent of a home

with a sales price of $375,000. It is possible that the program objective was not met because very few homes were for sale at a price of less than $375,000.

The 2021-2029 Housing Element will continue to incorporate the FTHB Program with the objective of assisting five households, The City anticipates that outreach and other efforts can increase participation in the Program. The FHCRC will conduct FTHB workshops that also will involve local Realtors and staff from the County Economic Development Agency.

Program 8 Mortgage Credit Certificate (MCC) Program

Objective: Facilitate two moderate income households achieving participation in the Mortgage Credit Certificate Program.

Effectiveness: Program did not achieve projected results.

Program 8 of the 5th cycle Housing Element was not effective. The MCC Program runs in tandem with the FTHB Program. The MCC Program will be incorporated into the *2021-2029 Housing Element*. City staff believes that increasing participation in the FTHB Program will also lead to the increased use of Mortgage Credit Certificates.

The Riverside County Economic Development Agency administers the Mortgage Credit Certificate (MCC) Program. Lenders participating in this program will process mortgage loan applications and will prepare the buyers MCC application. The MCC program may be utilized in Riverside County's unincorporated area and 13 cooperating cities. Consequently, only a few households can be assisted in any one city. The quantified objective for the City is two moderate income households.

The City will take the following actions in the 6th cycle Housing Element:

- Advertise the program in the City's e-news online newsletter
- Provide at City Hall a brochure describing the MCC Program

Program 9 Accessory Dwelling Unit (ADU) Program

Objective: Adopt ADU and JADU Ordinances that comply with State Law.

Effectiveness: Program was successful.

Program 9 of the 5th cycle Housing Element was effective. The ADU Ordinance was adopted on March 4, 2020. One building permit application to construct a 195 square foot ADU was submitted in September 2021. HCD has reviewed the adopted ADU ordinance and has recommended changes. The Planning Department presented to the City Council an updated ADU Ordinance and it was adopted in Ordinance No. 197 on April 1, 2020. Subsequent amendments were also adopted, as required by State law.

The 6th cycle Housing Element incorporates an ADU Program that includes incentives to encourage the development of accessory dwelling units.

Program 10 Affordable Housing Density Program

Objective: Adopt a Density Bonus Ordinance.

Effectiveness: Program has not been completed.

Program 10 of the 5th cycle Housing Element was partially effective. The primary objective of Program 10 was the adoption of a Density Bonus Ordinance during the 5th cycle planning period. A draft of the Density Bonus Ordinance was completed. Density bonuses are incorporated into the 6th cycle Housing Element as one of the incentives of the Affordable Housing Incentives Program.

Program 11 Developmentally Disabled Outreach Program

Objective: Conduct outreach to increase awareness of resources for developmentally disabled people.

Effectiveness: Goal was met within the planned timeframe.

Program 11 of the 5th cycle Housing Element was effective as outreach efforts were accomplished with the Inland Regional Center and Community Access Center. Information was obtained on transition services, housing services, and the number Canyon Lake developmentally disabled residents served by the Inland Regional Center.

The 6th cycle Housing Element incorporates a Developmentally Disabled Outreach Program. In addition to posting information on its website, the City will invite the Community Access Center and Inland Regional Center to attend a housing-focused Community Workshop.

Program 12 Reasonable Accommodation Procedure

Objective: Complete a program to increase awareness of resources for people who benefit from Reasonable Accommodation.

Effectiveness: Goal was met within the planned timeframe.

Program 12 of the 5th cycle Housing Element was effective. The RAP was posted on the City's website. Additionally, a reasonable accommodation procedure brochure and application was prepared and made available at the Planning Department and Building Department counters. Resolution No. 2019-22 of the City Council of the City of Canyon Lake adopting a Reasonable Accommodation Policy was adopted on June 17, 2019.

The reasonable accommodation procedure is carried forward to the 6th Cycle Housing Element.

A program is included in the 6th Housing Element to ensure the community is aware of established procedures.

Program 13 Housing and Social Services Directory

Objective: Complete a referral directory for housing and social services Information.

Effectiveness: Goal was met within the planned timeframe.

Program 13 of the 5th cycle Housing Element was effective as the Directory was completed and made available to City residents. The *2021-2929 Housing Element* does not incorporate the Directory as the Directory was is complete. The City's future efforts will concentrate on housing services such as fair housing resources.

Program 14 Extremely Low-Income Housing Program

Objective: Adopt a resolution to waive fees for Extremely Low-Income housing.

Effectiveness: Goal was not met.

Program 14 of the 5th cycle Housing Element was not effective as zero housing units targeted to extremely low-income (ELI) households were rehabilitated or constructed. The Program is incorporated into the 2021-2028 Housing Element. City staff believes that the Towne Center Specific Plan will result in the production of affordable housing units, a portion of which would be occupied by ELI households.

Program 15 Single Room Occupancy (SRO) Development Standards

Objective: Prepare SRO Development Standards.

Effectiveness: Goal was met within the planned timeframe.

Program 15 of the 5th cycle Housing Element was effective. The Housing Element defines SROs and micro-units within the meaning of compact housing units. The Housing Element also states that SROs are a permitted use in the residential zones and lists the minimum housing unit sizes. There is no need to continue this program.

Program 16 Monitor the Cumulative Effects of Development Standards

Objective: Prepare Monitoring Report and Update Height Limit and Housing Unit Size Requirements.

Effectiveness: Goal was met within the planned timeframe.

Program 16 of the 5th cycle Housing Element was effective. Upon evaluation of the cumulative effects of the development standards in the Village Overlay Zone, it was determined that the height of 30 feet should be increased to 35 feet and the minimum housing unit standard should match those of the California Tax Credit Allocation Committee. There is no need to continue this program.

Program 17 Omnibus Zoning Ordinance Amendments Program

Objective: Adopt Zoning Ordinance Amendments (ZOA).

Effectiveness: Goal was met within the planned timeframe.

Program 17 of the 5th cycle Housing Element was partially effective. The objective of the Program was to adopt certain amendments to the Zoning Ordinance such as increasing the emergency shelter bed limit.

The City Council approved the first and second readings of the Zoning Ordinance Amendments on February 5, 2020 and March 4, 2020, respectively. Therefore, the provisions of that Amendment are now in effect. The program also includes the following Zoning Ordinance Amendments which will be enacted within one-year of City Council adoption of the 2013-2021 Housing Element:

- Modify the emergency shelter 5-person bed limit.
- Provide for permitting and processing timelines that adhere to State law including Government Code Section 65852.2 (a)(3) and (b) [ADUs], SB 330, and a streamlined review process of eligible affordable housing developments, consistent with the provisions of SB 35.
- Permit by right low barrier navigation centers in the zones permitting mixed use and in the non-residential zones permitting multifamily residential uses, provided they meet the requirements specified in Government Code Section 65662. (A —low barrier navigation center‖ is a service enriched shelter that focuses on moving people into permanent housing while providing temporary living facilities and services.)
- Revise the family definition to comply with fair housing law or delete the family definition.

Program 18 Development Impact Fee Program

Objective: Complete consultation with Districts and WRCOG to determine if they will reduce fees for affordable housing development.

Effectiveness: Goal was not met.

Program 18 of the 5th cycle Housing Element was not effective. No actions were taken to determine if WRCOG, the school district, or water districts would reduce the fees for an affordable housing development. The *2021-2029 Housing Element* includes a program to provide incentives to produce affordable housing. One of the incentives is a reduction in impact fees.

Program 19 County Home Enhancement Program

Objective: Repair three housing units using funds from County Enhancement Programs.

Effectiveness: Goal was not met.

Program 19 of the 5th cycle Housing Element was not effective due to COVID-19 shutdown. No homes were rehabilitated with the use of the County's HOME funds. The Program is being carried forward to the 6th Cycle Housing Element. City staff believes it may be possible to have residents participate in the Program following outreach and marketing efforts.

In 2016, the City used County CDBG funds to implement a home repair program in partnership with Habitat for Humanity Inland Valley. Five homes were repaired for low income households eligible to be assisted by CDBG funds.

Program 20 Fair Housing Services Program

Objective: Conduct workshops, seminars, and services to increase awareness of the Fair Housing Services Program.

Effectiveness: Goal was met.

Program 20 of the 5th cycle Housing Element was effective. The County of Riverside contracts with the Fair Housing Council of Riverside County to provide a wide variety of services to residents of unincorporated areas and 13 cities, including Canyon Lake. The 6th Cycle Housing Element incorporates a fair housing services program.

Program 21 Fair Housing Information Program

Objective: Provide information on flyers, posters and on City's website on the Fair Housing.

Effectiveness: Goal was met.

Program 21 of the 5th cycle Housing Element was effective. Information on fair housing was made available to residents. The City will continue to provide residents with the most recent fair housing information.

Program 22 Assessment of Fair Housing (AFH)

Objective: Complete a draft AFH.

Effectiveness: Goal was met.

Program 22 of the 5th cycle Housing Element was effective. The Draft AFH was completed in April 2021 and revised pursuant to the HCD comments. The AFH is incorporated into the 6th cycle Housing Element as Appendix B.

Program 23 PACE Financing Program

Objective: Complete energy efficiency improvements in 450 Canyon Lake homes.

Effectiveness: Goal was met.

Program 23 of the 5th cycle Housing Element was effective. The objective of 450 homes achieving energy efficient improvements was met.

G.4 RHNA Progress

Canyon Lake's RHNA for the 2014-2021 timeframe was 83 housing units. Table G-1 shows that between 2014 and 2020, building permits were issued for 42 housing units. Although no lower income housing units have been built, a primary purpose of the Towne Center Specific Plan is to create opportunities for the development of affordable housing through sites identification, development standards and streamlined processing.

Table G-1 City of Canyon Lake RHNA Progress: 2014-2022

Income Group	RHNA	Building Permits	Remaining Units
Very Low	21	0	21
Low	14	0	14
Moderate	16	10	6
Above Moderate	32	32	0
Total	**83**	**42**	**41**

G.5 Progress in Implementation

The 5th cycle Midterm Housing Element was certified by HCD on June 18, 2020. Fifteen of the programs have been fully implemented; three have been partially completed; and two have not yet been implemented.

City residents have not participated to the extent originally planned in three County programs: first time homebuyer program; mortgage credit certificates; and the housing rehabilitation program. The City staff will be working with the County to identify ways to improve participation in the programs.

G.6 Effectiveness in Addressing Special Needs

The beneficial impacts of implementing the *2014-2021 Housing Element* on special needs populations include the following:

- **General.** A Directory of social services available to special population groups was prepared.
- **Elderly.** The housing needs assessment and demographic trends demonstrated that guidelines for the development of senior housing should be incorporated into the TCSP.
- **Disabled.** A Reasonable Accommodation Procedure was adopted. In addition, a brochure describing the Reasonable Accommodation Procedure was prepared as well as an application. Both documents are available at the Planning and Building department.

Table G-2 Progress Report

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
1. SB 2 Planning Grant	Complete Planning Grant Study.	7/1/20 to 10/15/21	Complete. Planning Grant was used to fund planning of the Towne Center Specific Plan.
2. General Plan/Housing Element Consistency	Update elements as needed (Safety Element).	4/1/20, 4/1/21	The Safety Element was adopted on April 12, 2023, Resolution number 2023-13. .
3. Canyon Lake Village Overlay Zone	Adopt criteria and incentives. Create lot split.	5/6/20 and 10/30/20	A consultant was hired to determine the potential development area. 2.5-3.0 of the 9+ acres were determined to be developable. The land value would reflect that 2.5 to 3.0 acres not the entire 9+ acre site is developable. A meeting was held with a potential developer to determine interest and lot size. The parcel along with two adjacent parcels are currently for sale.
4. No Net Loss Program	Maintain sites that accommodate lower income housing	Prepare tracking by 6/30/20	No changes in land use have occurred that would result in a net loss.
5. Annual Progress Report (APR)	Complete two APRs.	4/1/20, 4/1/21	2019's APR was submitted and this year's was submitted prior to 4/1/21.
6. Section 8 Rental Assistance Program	Facilitate three lower income households achieving Section 8 Rental Assistance.	Ongoing	The County of Riverside reports that one Canyon Lake household is receiving Section 8 rental assistance as of September 2021.
7. First Time Homebuyer Down Payment Assistance Program	Facilitate two lower income households achieving First Time Homebuyer Down Payment Assistance	Ongoing	Lower income households living in Canyon Lake are eligible to apply for down payment assistance. Appendix F – Housing Resources – has identified the amount of HOME funds allocated to the program. The available funding is very limited and only a few households in any one city could be assisted.
8. Mortgage Credit Certificate Program	Facilitate two moderate income households achieving participation in the Mortgage Credit Certificate Program.	Ongoing	Households participating in the down payment assistance program are eligible to also participate in the MCC Program.
9. Accessory Dwelling Unit Program	Adopt ADU and JADU Ordinances that comply with State Law.	Ordinance adopted 3/4/20	Completed. Since adoption three ADU applications has been approved.
10. Affordable Housing Density Program	Adopt a Density Bonus Ordinance.	Prepare by 10/30/20	A draft Density Bonus Ordinance has been completed. The final DBO is scheduled for adoption in February 2022.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
11. Developmentally Disabled Outreach Program	Conduct outreach to increase awareness of resources for developmentally disabled people.	10/30/2020	The City has obtained information on the number of developmentally disabled persons living in Canyon Lake and their living arrangements. Program information also was obtained from the Inland Regional Center and will be posted on the City's website.
12. Reasonable Accommodation Program	Complete a program to increase awareness of resources for people who benefit from Reasonable Accommodation.	February 2020.	Completed. A brochure/application for a reasonable accommodation request has been prepared. It is available at the Building Department and Planning Department counters.
13. Housing and Social Services Information and Referral Directory	Complete a referral directory for housing and social services Information.	December 2020	The Directory has been completed and is available to the City residents.
14. Extremely Low-Income Housing Program	Adopt a resolution to waive fees for Extremely Low-Income housing.	10/30/2020	The resolution was adopted in 2020. No ELI housing units have been constructed.
15. Single Room Occupancy (SRO) Development Standards	Prepare SRO Development Standards	10/30/2020	In progress with research undertaken. The *2021-2029 Housing Element* proposes development standards for compact housing units (SROs, micro units, small studio units)
16. Monitor Cumulative Effects of Overlay Zone Development Standards	Prepare Monitoring Report and Update Height Limit and Housing Unit Size Requirements.	May-21	Completed. The analysis indicates the Canyon Lake Village Overlay height limit should be increased from 30 feet to 35 feet. The height limit increase will enable residential development at a minimum of 20 dwelling units per acre.
17. Omnibus Zoning Ordinance Amendments Program	Adopt Zoning Ordinance Amendments (ZOA)	3/4/20 and 5/5/21	Draft amendments have been prepared regarding emergency shelters and Village Overlay Zone. These and other Zoning Ordinance Amendments are scheduled for adoption on February 2, 2022.
18. Development Impact Fee Program	Complete consultation with Districts and WRCOG to determine if they will reduce fees for affordable housing development.	10/30/2020	Not yet prepared. Have contacted WRCOG.
19. County Enhancement Program	Repair three housing units using funds from County Enhancement Programs	2013-2021	Ongoing with the use of County HOME and NSP Funds.
20. Fair Housing Services Program	Conduct workshops, seminars, and services to increase awareness of the Fair Housing Services Program	Ongoing	Completed using County CDBG funds.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
21. Fair Housing Information Program	Provide information on flyers, posters and on City's website on the Fair Housing	February 2020.	Completed.
22. Assessment of Fair Housing	Complete a draft AFH	4th Qtr. 2020 and 4/1/21	Draft AFH completed in April 2021.
23. Energy Conservation PACE Programs	Complete energy efficiency improvements in 450 Canyon Lake homes	Ongoing	450 plus homes have received program funding. Includes PACE financing

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EXHIBIT "C"

Initial Study and Negative Declaration
(attached)

CITY OF CANYON LAKE

INITIAL STUDY AND NEGATIVE DECLARATION

PROPOSED HOUSING ELEMENT UPDATE

FOR THE 6TH CYCLE

PREPARED BY:

City of Canyon Lake Planning Department
31516 Railroad Canyon Road
Canyon Lake, CA 92587

August 2021

CITY OF CANYON LAKE
INITIAL STUDY ENVIRONMENTAL CHECKLIST FORM

This form and the descriptive information in the application package constitute the contents of Initial Study pursuant to City Resolution 94-56 and Section 15063 of the State CEQA Guidelines.

PROJECT LABEL:

APN:	***City-Wide***
Applicant:	***City of Canyon Lake***
Project No:	***GPA 21-1***
Staff:	***Jim Morrissey***
Rep:	***N/A***
Proposal:	***Housing Element Update***

USGS Quad: ***Lake Elsinore and Romoland, CA***
Lat/Long: ***33.4103, -117.1620***
T, R, Section: ***T5S and R4W: Sections 26, 34, 35, and 36; and T6S/R4W: Sections 1, 2, 3, and 6***

PROJECT CONTACT INFORMATION:

Lead Agency: City of Canyon Lake
Planning Department
31516 Railroad Canyon Road
Canyon Lake, CA 92587

Contact person: Jim Morrissey
Phone No: (951) 244-2955
E-mail: jmorrissey@cityofcanyonlake.com

PROJECT DESCRIPTION:

EXISTING CONDITIONS

The proposed Project is an update to the City of Canyon Lake General Plan Housing Element, as part of the 6th Cycle for the period effective between 2021-2029. This is a City-Wide update that is applicable to corporate City Limits of the City of Canyon Lake, located in the southwestern portion of Riverside County, California. The corporate limits of the City also reflect the City's Sphere of Influence. The City of Canyon Lake was incorporated in December 1990 and represents an area that was subdivided primarily for single family development in 1968 and 1969 and envisioned as a gated senior development. This original design was approved by Riverside County utilizing their Zoning Ordinance, which generally provided for single family residences on 7200 sq. ft. lots. Over time the area has transitioned to include families, but has remained primarily gated with a substantial number of senior residents. The City has approximately 4800 residential lots, virtually all of them for either single family detached houses or mobile homes on individual lots. Currently, approximately 226 single family lots remain undeveloped, with over 90 percent of them within the gated area, based upon the Sites Inventory and Analysis Section of the Housing Element. An ungated area exists in the southeast portion of the City, but represents a major hillside area and has only 24 lots, most of which are developed.

The City has coterminous borders with the Cities of Lake Elsinore and Menifee and is located between Interstate 15 Freeway, approximately two miles to the southwest and Interstate 215 approximately 3.5 miles to the east.

This environmental evaluation utilized the past environmental and updated materials as necessary to reflect existing conditions. The City has adopted the 5th Cycle Housing Element Update in October 2019 and a Mid-Term Update in May 2020. As such, several Housing Elements have been adopted in a relatively short period reflecting many of the same measures as the proposed Element. Some of the changes in the implementation programs involve adoption of new ordinances or resolutions. Any implementation of measures responding to new State identified housing needs, as enumerated in the new Regional Housing Needs Allocation (RHNA) numbers established for each jurisdiction by the State of California, would involve separate plan proposals, such as the adoption of a Specific Plan for the Towne Center, would be addressed at the time of development. As such, it is acknowledged the City's RHNA obligation totals 129 units and that the Towne Center Specific Plan is currently being proposed to respond to this particular need within an existing commercially developed property. However, the particular characteristics of such a proposal have not yet been established and, as such, the resulting effects are speculative at this time. It is acknowledged a change in land use would occur with the addition of residential housing anywhere in the City, but the effects of those changes cannot be determined until a specific development proposal is available. The property is designated on the General Plan Land Use Map for Mixed Use development and, therefore, envisions the potential for commercial and residential development. No changes in General Plan Land Use or density are proposed.

Only minor changes to the existing condition have occurred over the last few years due to the limited amount of new development that occurs on an annual basis and the maintenance of existing services and other conditions. As such, this evaluation reflects many of the factors identified and addressed in past documents. Due to the City-Wide nature of this General Plan Amendment a Negative Declaration was prepared to address any changes that are relevant.

Housing Element Overview

The City of Canyon Lake updated its Housing Element for the 5th Cycle Period, to address housing needs between the years 2013 and 2021, including a Mid-Term Housing Element to demonstrate the work effort that would have occurred have the document been adopted prior to that identified Cycle. The proposed Housing Element update incorporates many of the provisions contained in the City adopted and State certified Housing Element from the last Cycle. The Housing Element is a policy document that enumerates a variety of policies and programs to further residential development and meet identified housing needs. No land use changes are proposed or are necessary as part of the Housing Element update. The potential adoption of a Specific Plan in the Towne Center Shopping Center is listed in the General Plan Mixed Use Land Use Category for projects that desire to achieve particular densities. Most of the programs contained in the proposed update are similar to the City's existing State certified Element and, as such, represent no change in focus or direction of the Housing Element.

The City of Canyon Lake represents a unique substantially developed residential City with coterminous City Limits and Sphere of Influence boundaries, minimizing the ability to annex additional land or change land uses. The focus of the City is the lake area, owned by Elsinore Valley Municipal Water District and utilized as a flood control and recreational facility. Within the City Limits include several large parcels owned by the Federal Government, under the Department of the Interior, Bureau of Land Management (BLM).

Railroad Canyon Road is the only publicly maintained roadway that traverses the City and extends westerly to Interstate 15 and easterly as Newport Road to connect with Interstate 215. Goetz

Road, also a publicly maintained roadway, borders the easterly edge of the City, but is within the City Limits of the City of Menifee.

City of Canyon Lake
2021-2029 Housing Program

Program Category	List of Programs
Category 1 – Actions to Make Sites Available to Accommodate the RHNA	1.1 Rezone Program on Mixed-use Sites - Town Center Specific Plan
	1.2 No Net Loss Program
	1.3 Annual Housing Element Progress Report
Category 2 – Assist in the Development of Adequate Housing to Meet the Needs of All Economic Segments	2.1 Section 8 Housing Choice Voucher Program
	2.2 First Time Homebuyer Program
	2.3 Senior Housing Overlay Zone
	2.4 Affordable Housing Incentives Program
	2.5 ADU Incentives Plan
	2.6 Area Agency on Aging Outreach Program
	2.7 Inland Regional Center Outreach Program
Category 3 – Address and Remove Governmental and Nongovernmental Housing Constraints	3.1 Zoning Ordinance Amendments
	3.2 Continue to Ensure the Community Is Aware of the Reasonable Accommodation Procedure
	3.3 SB 35 Streamlining Information
Category 4 – Conserve and Improve the Condition of the Existing Housing Stock	4.1 Housing Code Enforcement
	4.2 Homeowner Housing Rehabilitation Program
Category 5 – Promote and Affirmatively Further Housing Opportunities for All Persons	5.1 Fair Housing Services Program
	5.2 Affirmatively Furthering Fair Housing (AFFH) Program

ADDITIONAL APPROVAL REQUIRED BY OTHER PUBLIC AGENCIES
(Example: permits, financing approvals or participation agreements.)

Federal: N/A

State: California Department of Housing and Urban Development for Certification of Compliance with State mandates.

County: N/A
Local: N/A

EVALUATION FORMAT

This initial study is prepared in compliance with the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21000, et seq. and the State CEQA Guidelines (California Code of Regulations Section 15000, et seq.). Specifically, the preparation of an Initial Study is guided by Section 15063 of the State CEQA Guidelines. This format of the study is presented as follows. The project is evaluated based on its effect on 20 major categories of environmental factors. Each factor is reviewed by responding to a series of questions regarding the

impact of the project on each element of the overall factor. The Initial Study checklist provides a formatted analysis that provides a determination of the effect of the project on the factor and its elements. The effect of the project is categorized into one of the following four categories of possible determinations:

Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact

Substantiation is then provided to justify each determination. One of the four following conclusions is then provided as a summary of the analysis for each of the major environmental factors.

1. **No Impact**: No impacts are identified or anticipated and no mitigation measures are required.

2. **Less than Significant Impact**: No significant adverse impacts are identified or anticipated and no mitigation measures are required.

3. **Less than Significant Impact with Mitigation Incorporated**: Possible significant adverse impacts have been identified or anticipated and the following mitigation measures are required as a condition of project approval to reduce these impacts to a level below significant. The required mitigation measures are: (List of mitigation measures)

4. **Potentially Significant Impact**: Significant adverse impacts have been identified or anticipated. An Environmental Impact Report (EIR) is required to evaluate these impacts, which are (List of the impacts requiring analysis within the EIR).

At the end of the analysis the required mitigation measures are restated and categorized as being either self- monitoring or as requiring a Mitigation Monitoring and Reporting Program.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below will be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

☐ Aesthetics	☐ Agriculture and Forestry Resources	☐ Air Quality
☐ Biological Resources	☐ Cultural Resources	☐ Energy
☐ Geology / Soils	☐ Greenhouse Gas Emissions	☐ Hazards & Hazardous Materials
☐ Hydrology / Water Quality	☐ Land Use / Planning	☐ Mineral Resources
☐ Noise	☐ Population / Housing	☐ Public Services
☐ Recreation	☐ Transportation / Traffic	☐ Tribal Cultural Resources
☐ Utilities / Service Systems	☐ Wildfires	☐ Mandatory Findings of Significance

DETERMINATION (To be completed by the Lead Agency)

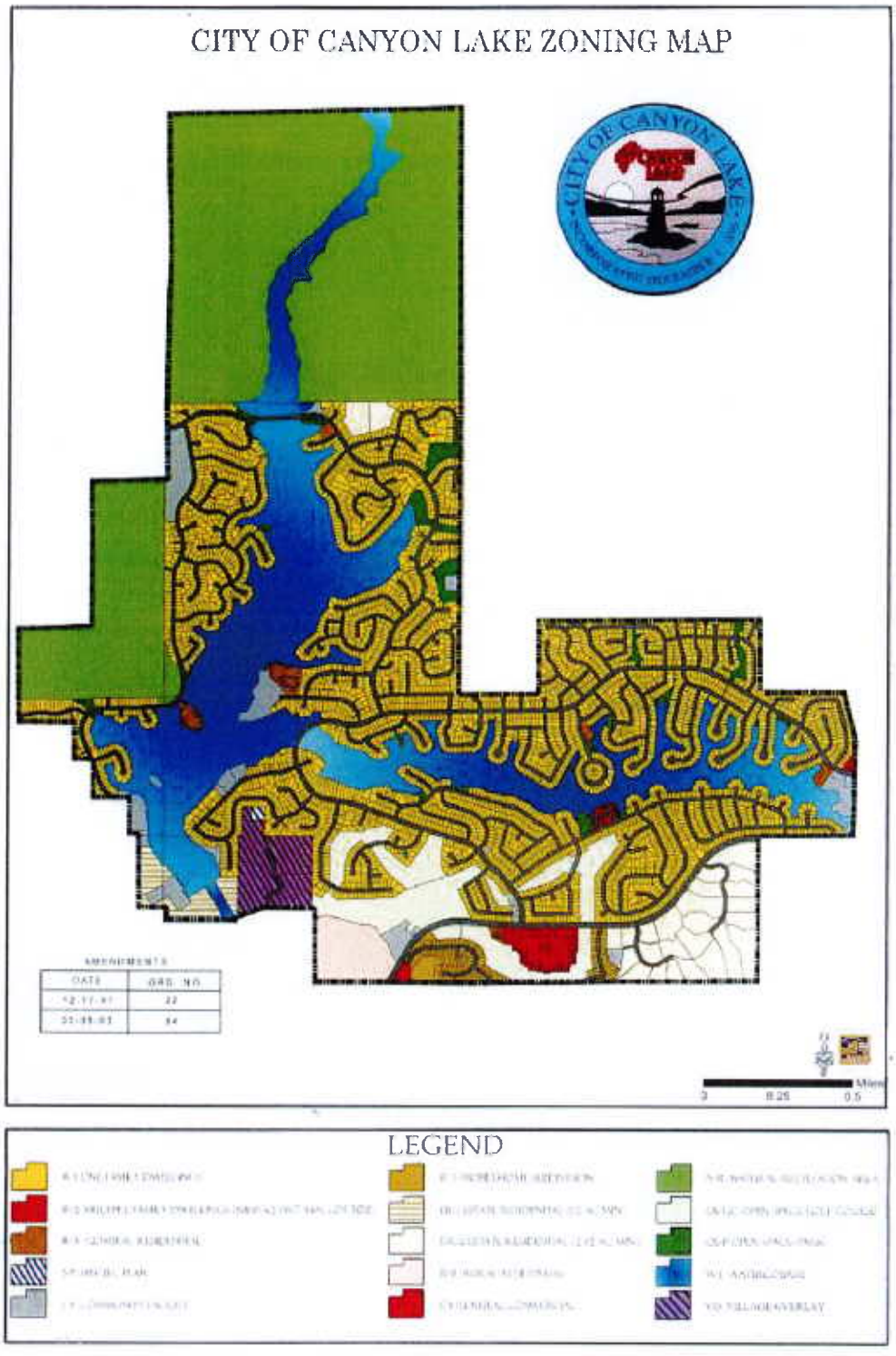
On the basis of this initial evaluation, the following finding is made:

☒	The proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
☐	Although the proposed project could have a significant effect on the environment, there shall not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION shall be prepared.
☐	The proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
☐	The proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
☐	Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Jim Morrissey — Signature (prepared by Name, Planner)

8/5/21 — Date

CITY OF CANYON LAKE ZONING MAP



City of Canyon Lake Aerial Photo

(Courtesy of Riverside Regional Conservation Authority)

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
I. AESTHETICS: Except as provided in Public Resources Code Section 21099, would the project:				
a) Have a substantial adverse effect on a scenic vista?	☐	☐	☒	☐
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☒
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning or other regulations governing scenic quality?	☐	☐	☒	☐
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☒	☐

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – A substantial portion of the City is developed, primarily with single family housing. The remaining vacant properties would allow individual single family homes on relatively small single family lots within developed areas of the City. The terrain within the City varies with relatively flat areas and other areas with slopes or hillsides that afford views of the lake and surrounding area. Development on the remaining land would represent infill development on existing lots intended for single family use. No scenic vistas have been established within the City, although attractive views are available throughout the City due to the area's variable terrain. The City's environmental document that evaluated the current General Plan identified community aesthetics as the lake and golf course, as well as the rolling hills and large open space areas.

The proposed Housing Element will not directly alter the visual character of the planning area or effect scenic vistas. The Land Use Element and Zoning Ordinance has established areas for future development and the development criteria applicable to those areas, such as Single Family Residential (R-1) development. The proposed Housing Element update does provide measures that positively affect the availability of housing for residents by identifying, for example, potential funding opportunities residents or City government can utilize to assist homeowners. Impacts under this issue are not considered significant and no mitigation is required.

b) ***No Impact*** – The Project area does not contain any identified scenic resources, including, but not limited to trees, rock outcroppings, and historic buildings within a state scenic highway corridor. There are no scenic highways in the planning area. As such, no potential exists for the proposed Project to damage any scenic resources within or outside a state scenic highway. No Impacts would occur under this issue and no mitigation is required.

c) ***Less Than Significant Impact*** – The proposed Project is located within an urbanized area, but the Housing Element does not include measures that would affect the applicable zoning or regulations governing scenic quality. The development quality of single family development has historically been evaluated by the Property Owners Association (POA) through an Architectural Committee that meets regularly and reviews new residential development proposals. The POA's review authority encompasses all residential areas within the City. Impacts under this issue are not considered significant and no mitigation is required.

d) ***Less Than Significant Impact*** – Adoption of the proposed Housing Element update would not directly affect the development criteria or development potential of properties. Programs within the proposed Housing Element update direct the City to undertake actions that could increase the development potential of properties, for example, with the establishment of an Accessory Dwelling Unit Ordinance or density bonus criteria, although the latter is already provided for through State law. These development activities would be evaluated to determine their potential environmental effect at the time they are formally submitted.

Any new development within the City would increase new light and glare. However, due to the limited nature of future in-fill development and the substantial urbanization within the development area, any increase in housing would not adversely affect day or nighttime views. Impacts under this issue are not considered significant and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
II. AGRICULTURE AND FORESTRY RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Will the project:				
a) Convert Prime Farmland, Unique Farmland or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☒
b) Conflict with existing zoning for agricultural use or a Williamson Act contract?	☐	☐	☐	☒
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☐	☒
d) Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☒
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	☒

SUBSTANTIATION:

a) ***No Impact*** – The California Department of Conservation, Search for Maps, Reports, and Data, has an online web map of the entire State mapping area, that can be access. Utilizing that system frond three specific farmland categories within the City: Urban and Built-Up Areas, Water, and Other Land. The BLM lands in the northerly and easterly portions of the City are designated "Other Land", which is defined, in part, as "land not included in any other mapping Category. Common examples include low density rural developments, brush, timber, wetland, and riparian areas not suitable for livestock grazing, confined livestock, poultry, or aquaculture facility, strip mines, borrow pits, and water bodies smaller than 40 acres." The existing lake is displayed as such on the map and the balance of the land is designated "Other Land". No Prime Farmland, Unique Farmland or Farmland of State Importance are located within the City. As such, no potential exists to convert farmland to urban use. No Impacts would occur under this issue and no mitigation is required.

b) ***No Impact*** – There are no agricultural uses currently within the boundaries of the City. A previous review of the California Department of Conservation Riverside County Williamson Act FY 2015/2016, Sheet 1 of 3 did not display any Williamson Act properties within the City or surrounding area. Therefore, no potential exists for a conflict between the proposed project and agricultural zoning or Williamson Act contracts within the project area. No Impacts would occur under this issue and no mitigation is required.

c) ***No Impact*** – Please refer to issues a) and b) above. The City is predominately developed with single family homes and is not designated Forest Land and the land use zoning designations do not support forest land or timberland uses or designations. "Forest Land" in the Public Resources Code is defined as "land that can support 10-percent native tree cover of any species...and that allows for management of one or more forest resources..." The proposed Project will cover predominately private property and not managed for its resources. BLM lands located in the northerly and westerly portions of the City are managed lands, but not for the purpose of timber. Timberland is defined in the Public Resources Code as "land, other than land owned by the federal government and land designated by the board as experimental forest land, which is available for, and capable of, growing a crop of trees of a commercial species..." Land within the City limits is not designated for commercial production. Because no lands on the project site are zoned or used for forestland or timberland, the proposed Project has no potential to impact such zoning. No Impacts would occur under this issue and no mitigation is required.

d) ***No Impact*** – There are no forest lands within the City, as discussed above. As such, no potential for loss of forest land would occur if the Project were implemented. No Impacts would occur under this issue and no mitigation is required.

e) ***No Impact*** – Land within the City Limits does not support either agricultural or forestry uses, because the Project area and environs are substantially developed with urban uses and subdivided primarily for residential uses. As such, implementation of the proposed Project would not cause or result in the conversion of Farmland or forest land to alternative use. There is no farmland or forest land located in the vicinity of the Project site. As such, no impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
III. AIR QUALITY: Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Will the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☒
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	☒	☐
c) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☒
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☐	☒

SUBSTANTIATION:
Background

Air Quality Standards

Monitored air quality is evaluated and in the context of ambient air quality standards. These standards are the levels of air quality that are considered safe, with an adequate margin of safety, to protect the public health and welfare. National Ambient Air Quality Standards (NAAQS) and California Ambient Air Quality Standards (CAAQS) currently in effect are shown in Table III-1. Because the State of California had established Ambient Air Quality Standards (AAQS) several years before the federal action and because of unique air quality problems introduced by the restrictive dispersion meteorology, there is considerable difference between state and national clean air standards. Those standards currently in effect in California are shown in Table III-1.

Of the standards shown on the following pages in Table III-1, those for ozone (O3), and particulate matter (PM-10) are exceeded at times in the South Coast Air Basin (MCAB). They are called "non-attainment pollutants." Because of the variations in both the regional meteorology and in area-wide differences in levels of air pollution emissions, patterns of non-attainment have strong spatial and temporal differences.

Table III-1

National Ambient Air Quality Standards (NAAQS) and California Ambient Air Quality Standards (CAAQS) Attainment Status for South Coast Air Basin

CRITERIA POLLUTANT	STANDARD	AVERAGING TIME	DESIGNATION [a]	ATTAINMENT DATE [b]
1-Hour Ozone	NAAQS	1979 1-Hour (0.12 ppm)	Nonattainment (Extreme)	2/6/2023 Originally 11/15/2010 (not attained) [c]
	CAAQS	1-Hour (0.09 ppm)	Nonattainment	N/A
8-Hour Ozone [d]	NAAQS	1997 8-Hour (0.08 ppm)	Nonattainment (Extreme)	6/15/2024
	NAAQS	2008 8-Hour (0.075 ppm)	Nonattainment (Extreme)	7/20/2032
	NAAQS	2015 8-Hour (0.070 ppm)	Nonattainment (Extreme)	8/3/2038
	CAAQS	8-Hour (0.070 ppm)	Nonattainment	Beyond 2032
CO	NAAQS	1-Hour (35 ppm) 8-Hour (9 ppm)	Attainment (Maintenance)	6/11/2007 (attained)
	CAAQS	1-Hour (20 ppm) 8-Hour (9 ppm)	Attainment	6/11/2007 (attained)
NO_2 [e]	NAAQS	1-Hour (0.10 ppm)	Unclassifiable/Attainment	N/A (attained)
	NAAQS	Annual (0.053 ppm)	Attainment (Maintenance)	9/22/1998 (attained)
	CAAQS	1-Hour (0.18 ppm) Annual (0.030 ppm)	Attainment	---
SO_2 [f]	NAAQS	1-Hour (75 ppb)	Designations Pending (expect Uncl./Attainment)	N/A (attained)
	CAAQS	24-Hour (0.14 ppm) Annual (0.03 ppm)	Unclassifiable/Attainment	3/19/1979 (attained)
PM10	NAAQS	1987 24-hour (150 µg/m3)	Attainment (Maintenance) [g]	7/26/2013 (attained)
	CAAQS	24-hour (50 µg/m3) Annual (20 µg/m3)	Nonattainment	N/A
PM2.5 [h]	NAAQS	2006 24-Hour (35 µg/m3)	Nonattainment (Serious)	12/31/2019
	NAAQS	1997 Annual (15.0 µg/m3)	Attainment	8/24/2016
	NAAQS	2012 Annual (12.0 µg/m3)	Nonattainment (Serious)	12/31/2025
	CAAQS	Annual (12.0 µg/m3)	Nonattainment	N/A
Lead	NAAQS	3-Months Rolling (0.15 µg/m3)	Nonattainment (Partial) [i]	12/31/2015
Hydrogen Sulfide (H2S)	CAAQS	1-Hour (0.03 ppm/42 µg/m3)	Attainment	---
Sulfates	CAAQS	24-Hour (25 µg/m3)	Attainment	---
Vinyl Chloride	CAAQS	24-Hour (0.01 ppm/26 µg/m3)	Attainment	---

a) U.S. EPA often only declares Nonattainment areas; everywhere else is listed as Unclassifiable/Attainment or Unclassifiable
b) A design value below the NAAQS for data through the full year or smog season prior to the attainment date is typically required for attainment demonstration.
c) 1-hour O3 standard (0.12 ppm) was revoked, effective June 15, 2005; however, the Basin has not attained this standard based on 2008-2010 data and is still subject to anti-backsliding requirements
d) 1997 8-hour O3 standard (0.08 ppm) was reduced (0.075 ppm), effective May 27, 2008; the revoked 1997 O3 standard is still subject to anti-backsliding requirements
e) New NO2 1-hour standard, effective August 2, 2010; attainment designations January 20, 2012; annual NO2 standard retained
f) The 1971 annual and 24-hour SO2 standards were revoked, effective August 23, 2010; however, these 1971 standards will remain in effect until one year after U.S. EPA promulgates area designations for the 2010 SO2 1-hour standard. Area designations are still pending, with Basin expected to be designated Unclassifiable /Attainment.
g) Annual PM10 standard was revoked, effective December 18, 2006; 24-hour PM10 NAAQS deadline was 12/31/2006; SCAQMD request for attainment redesignation and PM10 maintenance plan was approved by U.S. EPA on June 26, 2013, effective July 26, 2013.

h) Attainment deadline for the 2006 24-Hour PM2.5 NAAQS (designation effective December 14, 2009) is December 31, 2019 (end of the 10th calendar year after effective date of designations for Serious nonattainment areas). Annual PM2.5 standard was revised on January 15, 2013, effective March 18, 2013, from 15 to 12 μg/m3. Designations effective April 15, 2015, so Serious area attainment deadline is December 31, 2025.

i) Partial Nonattainment designation – Los Angeles County portion of Basin only for near-source monitors. Expect redesignation to attainment based on current monitoring data

a) ***No Impact*** – A significant impact could occur if the proposed Project conflicts with or obstructs the implementation of South Coast Air Basin 2016 Air Quality Management Plan (AQMP). Conflicts and obstructions that hinder implementation of the AQMP can delay efforts to meet attainment deadlines for criteria pollutants and maintaining existing compliance with applicable air quality standards. Pursuant to the methodology provided in Chapter 12 of the 1993 SCAQMD CEQA Air Quality Handbook, consistency with the AQMP is affirmed when a project; 1) Does not increase the frequency or severity of an air quality standards violation or cause a new violation and 2) Is consistent with the growth assumptions in the AQMP. A consistency review is presented below:

1. The proposed Housing Element update would not result in short-term construction and long-term pollutant emissions, since no development is directly proposed. As such, emission levels would be less than the CEQA significance emissions thresholds established by the SCAQMD. Therefore, the Project could not result in an increase in the frequency or severity of any air quality standards violation and will not cause a new air quality standard violation.

2. The proposed Housing Element update does not propose any land use changes nor vary notably from the existing Housing Element certified by the State Department of Housing and Community Development. The proposed Housing Element Update is consistent with the development and use standards specified in the City General Plan. The latest City General Plan update was adopted in 2012 and has not been comprehensively updated since its original adoption. Therefore, the land use projections used in the General Plan are assumed to be equivalent to the growth projections utilized in the 2016 AQMP.

Based on the consistency analysis presented above, the proposed Project would not conflict with the 2016 AQMP and no mitigation would be required.

b) ***Less Than Significant Impact*** – The Project area is designated as a non-attainment area for Ozone (State and Federal), PM2.5 (State and Federal), and PM10 (State). The Project would comply with the mandatory requirements of SCAQMD's Rule 403 (fugitive dust control) during construction, as well as all other adopted AQMP emissions control measures.

In determining whether or not the Project would result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors), the non-attainment pollutants of concern for this impact are ozone, PM2.5, and PM10. In developing the thresholds of significance for air pollutants, SCAQMD considered the emission levels for which a project's individual emissions would be cumulatively considerable. If a project exceeds the identified significance thresholds, its emissions would be cumulatively considerable, resulting in significant adverse air quality impacts to the region's existing air quality conditions. Due to

the fact no specific development is proposed as part of the Housing Element update, the proposed Project would not exceed the identified significance thresholds. As such, emissions would not be cumulatively considerable.

c) ***No Impact*** – A sensitive receptor is a person in the population who is particularly susceptible to health effects due to exposure to an air contaminant. The following are land uses (sensitive sites) where sensitive receptors are typically located:

- Schools, playgrounds and childcare centers
- Long-term health care facilities
- Rehabilitation centers
- Convalescent centers
- Hospitals
- Retirement homes
- Residences

Since future housing development would occur within in-fill areas, potential effects to sensitive receptors would occur. However, no new housing is proposed as part of the proposed Housing Element update and no impacts would occur under this issue and no mitigation is required.

Localized Significance Thresholds (LST) Analysis

LSTs are only applicable to the following criteria pollutants: oxides of nitrogen (NOX), carbon monoxide (CO), particulate matter less than 10 microns in aerodynamic diameter (PM10) and particulate matter less than 2.5 microns in aerodynamic diameter (PM2.5).

LSTs represent the maximum emissions from a project that are not expected to cause or contribute to an exceedance of the most stringent applicable federal or state ambient air quality standard and are developed based on the ambient concentrations of that pollutant for each source receptor area and distance to the nearest sensitive receptor. Since the proposed Housing Element update does not directly propose to develop any new housing, the potential impact would not exceed identified thresholds and no mitigation measures are required.

d) ***No Impact*** – According to the CEQA Air Quality Handbook, land uses associated with odor complaints include agricultural operations, wastewater treatment plants, landfills, and certain industrial operations (such as manufacturing uses that produce chemicals, paper, etc.). The proposed Housing Element update would not produce odors that would substantially affect the residential sensitive receptors. The Project is also required to comply with the provisions of South Coast Air Quality Management District Rule 402 "*Nuisance.*" Adherence to Rule 402 reduces the release of odorous emissions into the atmosphere.

Adherence to this mandatory performance standard will ensure that the project will not create objectionable odors affecting a substantial number of people. Since odors are typically associated with asphalt paving, minimal effects would occur due to the existing developed pattern of the area. As such, no impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
IV. BIOLOGICAL RESOURCES: Will the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	☐	☐	☒	☐
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	☐	☐	☒	☐
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☒	☐
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☒
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☒
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☒	☐

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – The City of Canyon Lake is urbanized and virtually built out. The only significant undeveloped open space resources that could potentially be used for species habitat is the lake, vacant and undeveloped parcels owned by the Bureau of Land Management (BLM) in the northerly and westerly portions of the City, and open space areas used for active recreation activities, such as the golf course and parks that do not support sensitive habitat or species. There are a few larger vacant and undeveloped in-fill parcels in the southern portion of the City zoned for residential and mixed use. The value of the two BLM sections was recognized by the City in 1991 when it adopted an ordinance

Zoning these properties N-R (Natural Recreational Area). The protection of the habitat was a specific aim of that ordinance and will not be changed as a result of this Housing Element update. As such, these areas are to be utilized as recreational resource areas.

The Initial Study prepared for the City's previous Housing Element update and reflected in the General Plan Environmental Impact Report identified the following threatened or endangered biological resources within the City: Munz's Onion and Thread-leafed Brodiaea, and a number of animal species, including the Stephen's Kangaroo Rat. These species are located within the BLM properties. No development will occur in this area as part of the adoption of the proposed Housing Element update. The goals, policies, and programs in this Element and the development standards in the Zoning Ordinance serve to guide future development. Any environmental impact associated with new development would be analyzed later on a project by project basis, pursuant to applicable regulations existing at the time development is proposed.

Based upon these existing conditions and the fact no direct development is planned as part of the proposed Project, there is a less than significant potential for implementation of this project to have a significant adverse effect, on species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the CDFW or USFWS.

b) ***Less Than Significant Impact*** – Implementation of the proposed project will not have an adverse effect on any riparian habitat or sensitive natural community identified in local or regional plans, policies, regulations, or by the CDFW or USFWS. As discussed in the previous section, threatened and endangered species exist within the City. In addition, based upon a review of Elsinore and Romoland, CA, USGS Maps covering the City Limits, numerous blue line streams traverse the City. However, no development will occur as part of the adoption of the proposed Housing Element update and the potentially affect areas are not suitable for development. The goals, policies, and programs in this Element and the development standards in the Zoning Ordinance serve to guide future development and any environmental impact associated with would be analyzed at a later date on a project by project basis, pursuant to applicable regulations at the time development is proposed. As such, no significant impacts to riparian habitat or other sensitive communities are anticipated to occur as a result of implementation of the proposed project and no mitigation is required.

c) ***Less Than Significant Impact*** – As noted in the previous responses in this section, no development will occur as part of the adoption of the proposed Housing Element update. The goals, policies, and programs in this Element and the development standards in the Zoning Ordinance serve to guide future development and any environmental impact associated with would be analyzed later on a project by project basis, pursuant to applicable regulations existing at the time development is proposed. As such, no significant impacts to wetlands are anticipated to occur as a result of implementation of the proposed project and no mitigation is required.

d) ***No Impact*** – The City is urbanized and substantially built out and developed and does not support movement of migratory fish or terrestrial wildlife species. The lake may serve as a waypoint on the Pacific Flyway for migratory birds. However, the proposed General Plan Housing Element update does not include items that could affect the functioning of the lake.

As such, no impact to migratory fish or wildlife would occur as a result of implementation of the proposed Project and no mitigation is required.

e) ***No Impact*** – The City does not have local rules or ordinances designed to protect mature trees or other biological resources. No development will occur pursuant to the adoption of the proposed Housing Element update. Therefore, the potential for the Project to conflict with local policies or ordinances pertaining to biological resources would not occur and no mitigation is required.

f) ***Less Than Significant Impact*** – Projects within western Riverside County are subject to the Multiple Species Habitat Conservation Plan (MSHCP). There are several portions of the City that contain MSHCP cells that identify habitats proposed for conservation. These areas are zoned for a variety of different uses, including, mixed use, and open space. Therefore, development of these areas could have the potential to effect MSHCP areas. However, no development is planned as part of the proposed adoption of the Housing Element update. If, at some future date, development is proposed within these areas, it would be evaluated by the City for consistency with the MSHCP.

As such, adoption and implementation of this General Plan update would not conflict with any adopted provisions of the MSHCP and not result in a significant impact to any such plans. No mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
V. CULTURAL RESOURCES: Will the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?	☐	☐	☒	☐
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	☐	☐	☒	☐
c) Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☒	☐

SUBSTANTIATION:

a&b) ***Less Than Significant Impact*** – According to the City of Canyon Lake General Plan the area was occupied by the Luiseno people affiliated with Mission San Luis Rey de Francia, contained approximately 1500 square miles, and included the western extreme of the San Jacinto River and a portion of the Elsinore Valley. The General Plan environmental document and previous Housing Element update did not identify significant historical resources within the City. CEQA establishes that "a project that may cause a substantial adverse change in the significance of a historical resource is a project that may have a significant effect on the environment" (PRC §21084.1). "Substantial adverse change," according to PRC §5020.1(q), "means demolition, destruction, relocation, or alteration such that the significance of a historical resource would be impaired."

As referenced throughout this document, no new development is directly proposed as part of this Housing Element update. Historically, new development within the City has occurred within existing developed areas associated with single family subdivisions approved in the late 1960's. The contemplated Specific Plan for the Towne Center would occur within an existing shopping center. Therefore, the continued development of the City with additional residential housing is not anticipated to result in an impact upon cultural resources.

Based upon the above discussion and definition, as well as the information contained in previous environmental documents no historical or archaeological sites are located within the City boundaries. In light of this information and pursuant to PRC §21084.1, the following conclusions have been reached for the Project:

- No historical or archaeological resources are known to exist within or adjacent to the Project area nor will the proposed Housing Element update have a potential to disturb such resources.

- No further cultural resources investigation is necessary for the proposed Project unless development plans are subsequently filed that necessitate the need to evaluate potential site specific impacts.

No significant impacts are anticipated and no mitigation is required. If future discretionary development is proposed within undeveloped areas that have the potential for uncovering historical or archaeological resources due to extensive grading or proximity to water courses, completion of a cultural resource assessment would be appropriate.

c) ***Less Than Significant Impact*** – As noted in the discussion above, no available information suggests that human remains may occur within the City of Canyon Lake and, as such, the potential for such an occurrence is considered very low. Human remains discovered during the project will need to be treated in accordance with the provisions of HSC §7050.5 and PRC §5097.98, which is mandatory. State law (Section 7050.5 of the Health and Safety Code) as well as local laws requires that the County Sheriff and Coroner's Office receive notification if human remains are encountered. Compliance with these existing laws is considered adequate mitigation for any potential impacts and no further measures are required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
VI. ENERGY: Would the project:				
a) Result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operations?	☐	☐	☒	☐
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	☐	☐	☒	☐

SUBSTANTIATION:

a&b) ***Less Than Significant Impact*** – The proposed Project does not propose any new development. When new development does occur, consistent with existing development criteria in the General Plan and Zoning Ordinance, it will be required to meet the energy requirements to verify compliance with the 2019 Building and Energy Efficiency Standards. The California Energy Commission Web Site establishes the basis for the Building Energy Efficiency Standards – Title 24 by stating:

> "California's energy code is designed to reduce wasteful and unnecessary energy consumption in newly constructed and existing buildings. The California Energy Commission updates the Building Energy Efficiency Standards (Title 24, Parts 6 and 11) every three years by working with stakeholders in a public and transparent process."

The Web Site addresses the specific topic of Energy Efficiency as meaning:

> "...adapting technology to meet consumer needs while using less energy. The California Energy Commission adopts energy efficiency standards for appliances and buildings, which reduces air pollution and saves consumers money."

Future development would also be required to adhere to the provisions of CALGreen, which established planning and design standards for sustainable site development, energy efficiency (in excess of the California Energy Code requirements), water conservation, material conservation, and internal air contaminants. Based upon these requirements, no significant impacts are anticipated and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
VII. GEOLOGY AND SOILS: Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
(i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	☐	☐	☐	☒
(ii) Strong seismic ground shaking?	☐	☐	☒	☐
(iii) Seismic-related ground failure, including liquefaction?	☐	☐	☒	☐
(iv) Landslides?	☐	☐	☒	☐
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☒	☐
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in onsite or offsite landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☒	☐
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?	☐	☐	☒	☐
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	☐	☐	☒	☐
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☒	☐

SUBSTANTIATION:

a) i) Ground Rupture

No Impact – The project site is located in Southern California and subject to strong seismic ground shaking due to the proximity of surrounding regional faults, including those in Lake

Elsinore to the west. The City's Safety Element, updated in 2012, does not identify any faults within the City Limits. No Alquist-Priolo Earthquake Fault Zones exist within the City. Therefore, no impacts would occur under this issue and no mitigation is required.

ii) Strong Seismic Ground Shaking

Less Than Significant Impact – As stated in the discussion above, faults exist within the surrounding area, and as with much of southern California, the proposed structures will be subject to strong seismic ground shaking impacts should any major earthquakes occur in the future, though the City is not within an Alquist-Priolo fault zone. No development is proposed as part of the proposed Housing Element update. Should any future development occur, those projects would be required to comply with all applicable seismic design standards contained in the 2019 California Building Code (CBC), Structural Design, including those Sections starting with Section 1601. The CBC provides procedures for earthquake resistant structural design that include considerations for on-site soil conditions, occupancy, and the configuration of the structure including the structural system and height. Therefore, impacts associated with strong ground shaking will be less than significant and no mitigation is required.

iii) Seismic-Related Ground Failure Including Liquefaction

Less Than Significant Impact – Liquefaction is a phenomenon in which loose, saturated, relatively cohesion-less soil deposits lose shear strength during strong ground motions. The factors controlling liquefaction are:

- Seismic ground shaking of relatively loose, granular soils that are saturated or submerged can cause soils to liquefy and temporarily behave as a dense fluid. For liquefaction to occur, the following conditions need to occur:

  - ✓ Intense seismic shaking;
  - ✓ Presence of loose granular soils prone to liquefaction; and
  - ✓ Saturation of soils due to shallow groundwater.

A substantial portion of the City is within an area subject to liquefaction. However, according to Exhibit SF-2 of the General Plan Safety Element, the susceptibility for liquefaction is low. Virtually all of the area subject to liquefaction in the City is developed with single family residences. The liquefaction potential can be attenuated upon adherence to appropriate design standards and requirements contained in the Building Code for the design of the proposed structure. The General Plan Safety Element includes policies that address liquefaction requiring compliance with the California Building Code, preparation of liquefaction assessments, and evaluation of geotechnical considerations. Compliance with the Building Code requirements is mandatory upon issuance of a Building Permit. Any future development within these areas will be subject to environmental review to determine the potential for liquefaction and landslides and would incorporate site specific design features to address potential hazards. Therefore, it is not anticipated that the proposed project would be susceptible to seismic-related ground failure, including liquefaction. Less than significant impacts are anticipated for future development and no mitigation is required.

iv) Landslides

Less Than Significant Impact – The City has variable terrain, with hills and slopes. According to Exhibit SF-3 of the General Plan Safety Element, portions of the City are susceptible to moderate and high potential for landslides. As with the liquefaction potential, these areas are extensively developed. Utilization of Building Code requirements and appropriate Geotechnical criteria reduce this potential adverse effect. Without a specific development proposal to evaluate the impact upon these particular site conditions and with the utilization of mandatory development requirements, future development effects are reduced to less than significant and no mitigation is required.

b) ***Less Than Significant Impact*** – A number of different soil classifications and soil types exist within the City, including Cajalco rocky fine sandy loam, Garretson gravelly very fine sandy loam, Hanford coarse sandy loam, Hanford sandy loam, Honcut sandy loam, Porterville clay, and Ysidora gravelly very find sandy loam. Since no development is proposed there would be no loss of topsoil. The proposed Housing Element update is a policy document that enumerates a variety of policies and programs to further housing development and meet identified housing needs. Due to the existing level of development within the City the potential for soil erosion, loss of topsoil, and/or placing structures on unstable soils is considered less than significant and no mitigation measures are required.

c) ***Less Than Significant Impact*** – As noted in the previous responses to issues in this section of the Initial Study, a certain level of instability is associated with the local geologic structure. However, utilization of existing requirements within the California Building Code and the ability to require and employ the findings contained in geotechnical studies has allowed development to overcome potential hazards associated with potential slope or soil instability.

Therefore, it is not anticipated that future development would be susceptible to potential unstable site conditions, such as landslides, lateral spreading, subsidence, or liquefaction. Less than significant impacts are anticipated for future development and no mitigation is required.

d&e) ***Less Than Significant impact*** – The previously identified soils within the City have a very low expansion potential, as defined in Table 18-1-B of the Uniform Building Code (1994). Most of the City is connected to a sanitary sewer system, however, developed portions of the City on large lots in the southeast portion of the City are on septic systems. Due to the hillside nature of the unsewered area of the City and depth to bedrock, a percolation test would be required prior to issuance of a Building Permit to ensure adequate on-site suitability exists for subsurface disposal. Therefore, it is not anticipated that future development would be adversely affected by soil conditions. Therefore, less than significant impacts are anticipated for future development and no mitigation is required.

f) ***Less Than Significant Impact*** – The potential for discovering paleontological resources during development within the City is considered highly unlikely based on the fact that significant development has already occurred. No unique geologic features are known or suspected to occur on or beneath the area. Since no development is directly proposed as part of the Housing Element update no adverse impacts to unique paleontological resource

or unique geologic features would occur. Therefore, less than significant impacts are anticipated for future development and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
VIII. GREENHOUSE GAS EMISSIONS: Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☐	☒
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	☐	☒

SUBSTANTIATION:

Significance Thresholds

California has passed several bills and the Governor has signed at least three executive orders regarding greenhouse gases. GHG statues and executive orders (EO) include Assembly Bill (AB) 32, State Bill (SB) 1368, EO S-03-05, EO S-20-06 and EO S-01-07.

AB 32 is one of the most significant pieces of environmental legislation that California has adopted. Among other things, it is designed to maintain California's reputation as a "national and international leader on energy conservation and environmental stewardship." It will have wide-ranging effects on California businesses and lifestyles as well as far reaching effects on other states and countries. A unique aspect of AB 32, beyond its broad and wide-ranging mandatory provisions and dramatic GHG reductions are the short time frames within which it must be implemented. Major components of the AB 32 include:

- Require the monitoring and reporting of GHG emissions beginning with sources or categories of sources that contribute the most to statewide emissions.
- Requires immediate "early action" control programs on the most readily controlled GHG sources.
- Mandates that by 2020, California's GHG emissions be reduced to 1990 levels.
- Forces an overall reduction of GHG gases in California by 25-40%, from business as usual, to be achieved by 2020.
- Must complement efforts to achieve and maintain federal and state ambient air quality standards and to reduce toxic air contaminants.

Statewide, the framework for developing the implementing regulations for AB 32 is under way. In response to the requirements of SB97, the State Resources Agency developed guidelines for the treatment of GHG emissions under CEQA. These new guidelines became state laws as part of Title 14 of the California Code of Regulations in March 2010. The CEQA Appendix G guidelines were modified to include GHG as a required analysis element. A project would have a potentially significant impact if it:

- Generates GHG emissions, directly or indirectly, that may have a significant impact on the environment, or,
- Conflicts with an applicable plan, policy or regulation adopted to reduce GHG emissions.

a&b) ***No Impact*** – The South Coast Air Quality Management District has set a quantitative significance threshold of 3,000 metric tons per year for Greenhouse Gases, below which a project is considered less than significant. As noted previously, the proposed Housing Element update does not propose any direct new development, other than attempting to allow for the achievement of State housing allocation numbers that can be achieved through existing General Plan density. In addition, the City has generally developed 10 to 12 new residences per year. This minor number of dwelling units would not exceed greenhouse gas annual threshold emission levels for construction and operation. As such, no impacts would occur under this issue and no mitigation measures are required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
IX. HAZARDS AND HAZARDOUS MATERIALS: Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☒
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☐	☒
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☒
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☒	☐
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	☐	☐	☐	☒
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☒	☐
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	☐	☐	☒	☐

SUBSTANTIATION:

a&b) ***No Impact*** – It is possible that development projects may create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials; or may create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. During construction, for example, there is a potential for accidental release of petroleum products in sufficient quantity to pose a significant hazard to people and the environment. In certain situations, a Storm Water Pollution Prevention Plan (SWPPP) or Water Quality Management Plan (WQMP) may be prepared for a project

and its implementation can reduce potential hazards to a less than significant level. In this particular circumstance, however, no development is proposed. As such, no impacts would occur under this issue and no mitigation is required.

c) ***No Impact*** – No schools are located within the City of Canyon Lake. The closest public school is Tuscany Hills Elementary School, approximately one-quarter mile west of the City Limits, which in that location represents Bureau of Land Management property in the City. Other public schools in the area include Quail Valley Elementary School, approximately 0.65 miles to the east and Herk Bouris Elementary School, approximately 0.4 miles to the southeast, both of which are within the Menifee Union School District. As noted previously, no development is proposed as part of the Housing Element update. As such, no Impacts would occur under this issue and no mitigation is required.

d) ***Less Than Significant Impact*** – No properties within the City of Canyon Lake are listed on the hazardous materials sites compiled pursuant to Government Code Section 65962.5, also referenced as the Hazardous Waste and Substances Site List (Cortese) on the Department of Toxic Substance Control Web Site. According to a review of the California State Water Board's GeoTracker website (consistent with Government Code Section 65962.5) undertaken on August 4, 2021, which provides information on hazardous waste sites, including Leaking Underground Storage Tanks (LUST) is one open case at the Eastport Market related to gasoline service station. This station is within one of the three commercial centers within the City and is in continuous operation. Since no residential development is proposed as part of the Housing Element update impacts under this issue are considered less than significant and no mitigation is required.

e) **No Impact** – According to a review of Google Maps (8/4/21) the residential areas within the City of Canyon Lake are not located within two miles of an airport or private airstrip. The closest airport is Skylark Airport located approximately 3.5 miles southwest of the City at 20701 Cereal Street, Lake Elsinore and Perris Valley Airport approximately 4.0 miles to the northeast of the City at 2091 Goetz Road, Perris. Given that the proposed Project is not located within an airport land use plan and the distance from the project area to the nearest airport, any construction and operation of housing and related activities is not anticipated to result in exposure of people working or residing in the area to excessive noise levels. No impacts would occur under this issue and no mitigation is required.

f) ***Less Than Significant Impact*** – The City's existing roadway system is completely improved and affords adequate access throughout the City. Multiple routes are available for evacuation in the event of an emergency. The proposed General Plan Housing Element update does not directly propose any new development. Emergency access for residents in the City is afforded by Greenwald Avenue to the north, Goetz Road to the east and Railroad Canyon Road traversing through the City on the south. Both Greenwald and Railroad Canyon Road are listed as Evacuation Routes on Exhibit SF-9 in the City's Safety Element. Future development would not affect these emergency access roadways. Thus, the lack of adverse impact on local circulation eliminates the potential for significant impacts on emergency access that could occur during construction or operation. No further mitigation is required. Therefore, there is no potential to physically interfere with any adopted emergency response plans, or evacuation plans. No further mitigation is required.

g) ***Less Than Significant Impact*** – As discussed in Section XX Wildfire, the City of Canyon Lake contains areas that are within a very high fire hazard zone, as recommended and mapped by CALFire and displayed on their Web Site and in the City's Seismic Safety Element, Exhibit SF-6. These areas are generally located around the perimeter of the City and are adjacent to BLM land in the northerly portion of the City, include a portion of the large lot subdivision area in the southeast corner of the City, or cover undeveloped hillsides near the lake. Portions of the mapped areas include existing residential and mobile home lots with existing residences. The existing fire station in the northerly portion of the City is also located within the mapped very high fire hazard zone.

Areas within the City that are mapped as high fire hazard areas have access to improved roadways that provide emergency access to the surrounding area roadway system. Although the proposed Housing Element update does not propose any new development projects within the City, if development were to occur, it would be required to have access to existing roadways. New single family housing is also required to provide fire sprinklers to abate potential fires. Weed abatement is also required in the City and unincorporated County areas to reduce potential fire hazards. Utilization of existing roadways required Building Codes, and the enforcement of weed abatement programs would assist in the reduction of exposure to risk of fire damage. Adoption of the proposed Housing Element update would not change this exposure level. As such, less than significant impacts are anticipated and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
X. HYDROLOGY AND WATER QUALITY: Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality?	☐	☐	☐	☒
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☒	☐
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				
(i) result in substantial erosion or siltation onsite or offsite?	☐	☐	☐	☒
(ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding onsite or offsite?	☐	☐	☒	☐
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?; or,	☐	☐	☒	☐
(iv) impede or redirect flood flows?	☐	☐	☐	☒
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☒	☐
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	☐	☒

SUBSTANTIATION:

a) ***No Impact*** – Water quality control standards and discharge regulations within the City are determined by Regional Water Quality Control Board, Santa Ana Region. No direct development is proposed as part of the proposed Housing Element update. Historically, development within the City has occurred as part of individual home construction on relatively small lots. Generally, individual home construction is not subject to waste discharge requirements since an adequate area of disturbance would on occur on these smaller single family lots. Erosion control measures are required for each new residence

based upon the Building Code. As such, the proposed Housing Element update will not directly violate any water quality standards or waste discharge requirements and no mitigation measures are required.

b) ***Less Than Significant Impact*** – Implementation of the proposed Project will not decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin. Water is provided to the City by both Elsinore Valley Municipal Water District (EVMWD) and Eastern Municipal Water District (EMWD). Both agencies obtain water from imported sources, groundwater, and surface water runoff. Based upon the District's Urban Water Management Plan, EVMWD services most of the City and groundwater supplies from the District are obtained from the Elsinore and Coldwater Basins. Neither Basin is in an overdraft condition nor are they adjudicated. Groundwater levels in both Basins have decreased over time and the District has adopted a Groundwater Management Plan for the Elsinore Basin, which covers an area in and around Lake Elsinore. The District's portion of water withdrawn from the Coldwater Basin is approximately 25 percent of the current water use derived from the Basin.

Since no direct development is proposed as part of the proposed Housing Element update, the amount of water withdrawn from the Basins would not affect existing supplies. As such, the proposed Housing Element update would not have a significant impact upon ground recharge capability or capacity and no mitigation measures are required.

c) i. Result in substantial erosion or siltation onsite or offsite?

No Impact – The proposed Project would not change the volume of flows downstream of the project site, since no development is proposed. New development within the City is required to provide on-site erosion control features and best management practices that ensure on site sedimentation would not discharge off-site. As such, no impacts would occur under this issue and no mitigation is required.

c) ii. Substantially increase the rate or amount of surface runoff in a manner which would result in flooding onsite or offsite?

Less Than Significant Impact – The proposed Project would not increase the amount of surface runoff that would result in onsite or offsite flooding, because no development is proposed as part of the proposed Housing Element update. New development would occur in existing developed areas with existing stormwater drainage systems that would adequately convey the limited amount of any new water discharged from the property.

Thus, the implementation of onsite drainage improvements and applicable requirements will ensure that drainage and stormwater will not substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site. Impacts under this issue are considered less than significant with no mitigation required.

c) iii. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

Less Than Significant Impact – The predominate number of areas available for future residential development within the City are within developed areas of the City that have an existing storm drain system. The system was designed for full buildout of the residential area within the gated portion of the City and existing commercial areas. This system has been designed to intercept the stormwater flows from area development. Thus, the existing onsite drainage improvements ensure that drainage and stormwater will not create or contribute runoff that would exceed the capacity of existing or planned offsite stormwater drainage systems or provide substantial additional sources of polluted runoff. Impacts under this issue are considered less than significant with no mitigation required.

c) iv. Impede or redirect flood flows?

No Impact – Based upon a review of Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps and Exhibit SF-4, Flood Map, of the General Plan Safety Element, areas within the City subject to flooding are restricted to the lake area and points leading into the City from the San Jacinto River on the north and Salt Creek and the east. Since no development is proposed as part of the proposed Housing Element update, no development would be affected by flood flows. In addition, based upon existing FEMA mapping, no flooding would occur in areas planned for residential development. Therefore, no impacts would occur under this issue and no mitigation is required.

d) ***Less Than Significant Impact*** – Portions of the City of Canyon Lake could be affected by upstream dams, including Perris Dam and Diamond Valley Dam. Inundation areas are generally restricted to areas adjoining the existing lake. The City of Canyon Lake is located more than 25 miles from the Pacific Ocean with an intervening mountain range, which would eliminate the potential for a tsunami to occur within the Project area. The proposed Housing Element update does not propose any new development. Therefore, impacts under this issue are considered less than significant and no mitigation is required.

e) ***No Impact*** – The purpose of the proposed Housing Element update is to address potential housing needs in the City. As with many programs and development activity in general, regulatory requirements overlap or interlock. As such, water quality control plans or groundwater management plan could be related to the needs of new development depending upon the type of development proposed, available infrastructure, and its location. In this particular circumstance the proposed Housing Element update does not directly require land use changes or new design criteria would not affect water quality control plans or sustainable groundwater management plans. Therefore, no impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XI. LAND USE AND PLANNING: Would the project:				
a) Physically divide an established community?	☐	☐	☐	☒
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☒

SUBSTANTIATION:

a) ***No Impact*** – The proposed Project consists of an update to the City's General Plan Housing Element, which is a City-Wide document. The City of Canyon Lake is substantially developed. The remaining vacant land is primarily suitable for single family development, although, as discussed initially, a specific plan is contemplated for the Towne Center Shopping Center. As such, new development would represent in-fill construction due to the existing urban pattern. As such, any future development would not physically divide an established community. No impacts would occur under this issue and no mitigation is required.

b) ***No Impact*** – The proposed Project is an update to the City's existing General Plan Housing Element. The General Plan is an integrated document which discusses various topics. The proposed update builds upon the existing General Plan Housing Element and, as such, would not conflict with the provisions of the General Plan or its policies. The Housing Element contains measures that intend to address potential housing needs, established by State and based upon the local needs of its citizens. Therefore, since the proposed Housing Element is similar to the existing Housing Element, it is not anticipated that the proposed project would cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. The potential focus of new development within the existing Towne Center, rather than utilizing the Village Overlay area, would significantly reduce potential environmental impacts. As such, no impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XII. MINERAL RESOURCES: Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☒	☐
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☒	☐

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – The proposed Project is an update to the existing General Plan Housing Element. According to the Mineral Land Classification Map of the Southern Temescal Valley Area, Riverside County, California, 1991, published by the State Division of Mines and Geology, Department of Conservation, Canyon Lake and surrounding lands are identified as MRZ-3a. This category is defined in the document as "Areas containing known mineral occurrences of undetermined mineral resource significance. Further exploration work within these areas could result in the reclassification of specific localities into MRZ-2a or MRZ-2b categories." Since the City has been predominately developed for many years and mining operations typically encompass large areas of land and would be incompatible with existing residential land uses, it is unlikely mining of resources would occur. Therefore, the continued development of the City with additional residential development is not anticipated to result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state. No significant impacts are anticipated and no mitigation is required.

b) ***Less Than Significant Impact*** – As noted above, the potential for mineral resources exist within the City. However, due to the significant level of residential development that has occurred and limited vacant land area, which is primarily planned for residential development, it is unlikely mining of resources would occur. Therefore, the continued development of the City with additional residential homes is not anticipated to result in the loss of availability of a locally important mineral resource. No significant impacts are anticipated and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XIII. NOISE: Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of a project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☒	☐
b) Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☒	☐
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒

SUBSTANTIATION:

Background

The proposed Project is an update to the General Plan Housing Element that generally relates to uses City-Wide, which are primarily single family residential in nature. A potential effect of noise is generally described as unwanted sound. As such, these existing residences represent sensitive receptors and would be adversely affected by adverse noise levels generated by particular uses or activities. This could include construction activities as well as traffic noise from surrounding streets.

The unit of sound pressure ratio to the faintest sound detectable to a person with normal hearing is called a decibel (dB). Sound or noise can vary in intensity by over one million times within the range of human hearing. A logarithmic loudness scale, similar to the Richter scale for earthquake magnitude, is therefore used to keep sound intensity numbers at a convenient and manageable level. The human ear is not equally sensitive to all sound frequencies within the entire spectrum. Noise levels at maximum human sensitivity from around 500 to 2,000 cycles per second are factored more heavily into sound descriptions in a process called "A-weighting," written as "dBA."

Leq is a time-averaged sound level; a single-number value that expresses the time-varying sound level for the specified period as though it were a constant sound level with the same total sound energy as the time-varying level. Its unit is the decibel (dB). The most common averaging period for Leq is hourly.

Because community receptors are more sensitive to unwanted noise intrusion during more sensitive evening and nighttime hours, state law requires that an artificial dBA (A-weighted

decibel) increment be added to quiet time noise levels. The State of California has established guidelines for acceptable community noise levels that are based on the Community Noise Equivalent Level (CNEL) rating scale (a 24-hour integrated noise measurement scale). The guidelines rank noise land use compatibility in terms of "normally acceptable," "conditionally acceptable," and "clearly unacceptable" noise levels for various land use types. State Guidelines prepared for the Preparation and Content of the Noise Element of the General Plan, Community Noise Exposure table, identify single-family homes as "normally acceptable" in exterior noise environments up to 60 dB CNEL and "conditionally acceptable" up to 70 dB CNEL based on this scale. Multiple family residential uses are "normally acceptable" up to 65 dB CNEL and "conditionally acceptable" up to 70 CNEL. Schools, libraries and churches are "normally acceptable" up to 70 dB CNEL, as are office buildings and business, commercial and professional uses with some structural noise attenuation.

a) ***Less Than Significant Impact*** – Development activity is not proposed as part of this Project. The Housing Element, as an integral component of the City's General Plan, provides mechanisms for development of residential uses needed by the City that would occur within areas identified in the Land Use Element. Due to the development design of the City and the permitted uses planned within the City, the balance of the existing vacant potential developable lots would be split between single family homes within existing subdivision tracts recorded in the late 1968/1969 and potential multiple family housing within the Village Overlay Zone. A Specific Plan is also being prepared for additional housing as part of a Mix-Use design in the Towne Center Shopping Center. Construction of housing would represent a noise increase above ambient noise levels in the City. The City has adopted several Noise Ordinances to regulate amplified or unnecessary noise levels (Section 11.15 of the Municipal Code) and the operation of power tools and equipment (Section 11.30 of the Municipal Code). However, construction activities, while representing an increase in noise levels, are not identified as either amplified or unnecessary noise that is regulated by the ordinance. The operation of power tools is permitted during specified times provided it is not audible within 200 feet of the property. The Noise Element of the General Plan does not provide for specific noise levels within the City.

   In addition, the Property Owners Association (POA) has adopted and enforces various regulations, including noise levels within the geographic area of their membership boundaries. At present, the POA has established the following noise restrictions: 1) October 1st through April 30th, 7:00 am to 6 pm; 2) May 1st through September 30th, 6:00 am to 6:00 pm, and; 3) Saturday hours year-round, 7:00 am to 6:00 pm. The POA prohibits work on Sundays and Holidays.

   Based upon the existence of buildings and other structures surrounding potential buildable lots, the propagation of noise over an extended distance would be difficult and the time periods utilized by the City and POA would further restrict noise levels. As such, the proposed Housing Element would not conflict with existing noise regulations and represents a less than significant impact.

b) ***Less Than Significant Impact*** – Vibration is the periodic oscillation of a medium or object. The rumbling sound caused by vibration of room surfaces is called structure borne noises. Sources of groundborne vibrations include natural phenomena (e.g., earthquakes, volcanic eruptions, sea waves, landslides) or human-made causes (e.g. explosions, machinery, traffic, trains, construction equipment). Vibration sources may be continuous or transient.

Vibration is often described in units of velocity (inches per second) and discussed in decibel (VdB) units in order to compress the range of numbers required to describe vibration. Vibration impacts related to human development are generally associated with activities such as train operations, construction, and heavy truck movements.

The background vibration-velocity level in residential areas is generally 50 VdB, while the groundborne vibration directly adjacent to an industrial facility requiring movement of heavy machinery might be greater. Groundborne vibration is normally perceptible to humans at approximately 65 VdB, while 75 VdB is the approximate dividing line between barely perceptible and distinctly perceptible. Construction activity can result in varying degrees of groundborne vibration, but is generally associated with pile driving and rock blasting. Other construction equipment, such as air compressors, light trucks, hydraulic loaders, etc. generates little or no ground vibration.

The City of Canyon Lake does not have requirements on Vibration. Vibration typically occurs with street repaving or construction. Future development would be located within areas with existing streets. As such, the potential for adverse effects from vibration are less than significant.

c) ***No Impact*** – According to a review of Google Maps (8/4/21) the residential areas within the City of Canyon Lake are not located within two miles of an airport or private airstrip. The closest airport is Skylark Airport located approximately 3.5 miles southwest of the City at 20701 Cereal Street, Lake Elsinore and Perris Valley Airport approximately 4.0 miles to the northeast of the City at 2091 Goetz Road, Perris. Given that the proposed Project is not located within an airport land use plan and the distance from the Project site to the nearest airport is beyond two miles, any construction and operation of housing and related activities is not anticipated to result in exposure of people working or residing in the area to excessive noise levels. No impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XIV. POPULATION AND HOUSING: Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☒	☐
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – The proposed Housing Element update is intended to respond to the requirements of State law, which include addressing potential housing needs that could result in new housing. The location of this future housing would occur within areas currently identified as having the potential for housing, based upon the established subdivision pattern and General Plan Land Use Map. It is estimated that the remaining number of residential vacant lots within the City is approximately 226. The City projects an estimated 10 to 12 residential building permits would be issued each year based upon historic trends. Development of these individual residences would occur within areas that have existing infrastructure

The Land Use Element and the current Housing Element also identify the potential for development within the Village Overlay Zone, which would provide for multiple family development. Prior to that time the City adopted a Mixed-Use Category that allowed higher density development, up to 24 dwellings per acre in several areas, including the Towne Center Shopping Center. Although the Village Overlay Zone area is not currently subdivided nor been approved for a specific development, it has been designated for higher density development since Year 2012 and infrastructure is available to the Village Overlay area due to its proximity to surrounding development and pipelines, according to the Elsinore Valley Municipal Water District. The currently contemplated specific plan for the Towne Center is intended to address the RHNA housing needs established by the State, rather than utilize the Village Overlay Zone. Existing infrastructure design serving the Towne Center and any future specific plan for that shopping center would evaluate the suitability of those facilities for such a use. The adoption of the proposed Housing Element update is not expected to change the potential level of development activity that may occur, since the Mix-Use Land Use for that site is already established. Infrastructure, including streets, water, and sewer facilities, is currently available to meet future housing demand.

Thus, based on the type of proposed Project and the small increment of potential population generated each year associated with project implementation, the proposed Project will not induce substantial population growth either directly or indirectly. As such, the potential impact is less than significant.

b) ***No Impact*** – The proposed Project is intended to meet the housing needs of local residents. Vacant land is currently available for additional residential development. The proposed Project does not call for the destruction of homes or displacement of the population, nor is any envisioned that would necessitate the construction of replacement housing elsewhere. No impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XV. PUBLIC SERVICES: Will the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?	☐	☐	☒	☐
b) Police protection?	☐	☐	☒	☐
c) Schools?	☐	☐	☒	☐
d) Parks?	☐	☐	☐	☒
e) Other public facilities?	☐	☐	☒	☐

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – The proposed Project area is a developed City with approximately 11,025 residents, according to the information from the State Department of Finance, as of January 2021. The County of Riverside/CALFire, through a contract with the City, provide fire protection services. The County also serves the surrounding cities of Menifee and Lake Elsinore. Station 60 is located in the northerly portion of the City and includes one Type 1 fire engine and a three-person crew. Stations in the surrounding area include Stations 85, 94 and 95 in Lake Elsinore and Stations 5, 68, and 76 in Menifee. The entire City of Canyon Lake is within approximately two miles of Station 60, measured in a straight line. Due to the proximity of Station 60 and other surrounding stations to the City, any new development within the City would not pose a significant fire hazard, nor is the proposed Project projected to cause a significant demand for fire protection services, since new development would represent in-fill development within an existing urban environment. The City will require standard building construction techniques for the new structures to minimize fire hazard, and standard conditions will be imposed to ensure adequate fire flow for the new facilities.

As mentioned throughout this document, the proposed Housing Element update does not propose any new development. However, as a component of the General Plan that establishes land uses, and in association with the Zoning Ordinance, which provides specific design criteria, any new development consistent with these documents would have the effect of contributing property and sales taxes to the City's general fund to offset the potential increased demand for public services. Thus, the proposed project will have a less than significant impact to parks and recreation facilities. The citizens of the City have also agreed to levy a special tax upon themselves to provide additional funding for fire protection services. These requirements

are considered adequate measures to prevent any significant impacts under this issue, thus no mitigation is required.

b) ***Less Than Significant Impact*** – The City of Canyon Lake contracts for police services through the Riverside County Sheriff Department. The Department enforces local, state, and federal laws; performs investigations and makes arrests; administers emergency medical treatment; and responds to City emergencies. The City contracts with the County for one full-time deputy, dispatched from the Perris Patrol Station 137 North Perris Boulevard, Perris.

The Property Owners Association (POA) also provides security personnel for various activities and events and enforcement of certain POA regulations, such as traffic and parking control and they have the authority to issue citations. If necessary, Sheriff Deputies would support the security personal depending upon the type of planned activity or event or if enforcement of particular laws is required.

Due to the nature of the proposed Project its implementation would not substantially increase the demand for law enforcement services beyond that already provided to the City. As such, no additional measures are necessary to reduce potential impacts to less than significant under this issue and no mitigation is required.

c) ***Less Than Significant Impact*** – The City of Canyon Lake is served by the Lake Elsinore Unified School District. The District has established specific boundaries for schools that serve the City, which include Tuscany Hills Elementary School, Canyon Lake Middle School, and Temescal Canyon High School. The proposed Project would not generate a new demand upon area schools due to the fact no new direct development is proposed. Even if ongoing development generated new demands for schools, this would be limited based upon the average number of permits issued each year and required Development Impact Fees to the local school district. New housing units are required to contribute Development Impact Fees to the Lake Elsinore Unified School District in accordance with the Leroy F. Greene School Facilities Act of 1998 (Senate Bill 50). According to the District their current development impact fee for single family residences is $4.08 per square foot. Pursuant to Senate Bill 50, payment of school impact fees constitutes complete mitigation under CEQA for project related impacts to school services. No other mitigation is identified or needed. Since this is a mandatory requirement, no mitigation measures are required to reduce school impacts of the proposed Project to a less than significant level.

d) ***No Impact*** – The proposed Project will not adversely add to the existing demand on local recreational facilities. The POA provides for a number of parks and recreational facilities within the City, paid for by residents as part of their local assessment fees. These facilities are intended to meet the needs of the entire City upon buildout. As such, any incremental increase in population is not anticipated to generate a notable new direct demand for parks. Thus, no impacts would occur for parks and recreation facilities that would necessitate the construction of new facilities and no mitigation is required.

e) ***Less Than Significant Impact*** – Other public facilities include library and general municipal services. Since the proposed Project will not induce substantial population growth, it is not forecast that the use of such facilities will increase as a result of its implementation. The proposed Project will contribute to the City's General Fund through payment of property and

sales tax, which is considered sufficient to offset any impacts to other public facilities as a result of implementing the Project. Thus, any impacts under this issue are considered less than significant, and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XVI. RECREATION:				
a) Will the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☒	☐
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	☐	☐	☐	☒

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – As discussed previously, the proposed Project does not include a specific use that would substantially induce population growth. In addition, the discussion under Section XIV Population and Housing, indicated vacant parcels are available for future development. Such development and use of those properties would contribute towards the increased use of existing recreational facilities. These facilities are currently operated by the POA and funded by property owner assessments. The number of recreational facilities operated by the POA are adequate to meet the needs of the City upon its buildout. As such, the increased use of these facilities due to new development and the increased assessments paid by the new homeowners would provide adequate funding to ensure continued maintenance of these facilities. Therefore, any impacts under this issue are considered less than significant and mitigation is required.

b) ***No Impact*** – The proposed Project does not include recreational facilities. Recreational facilities are available within the City and are provided by the POA to their members. Since these facilities are based upon the buildout of the City no new facilities are required. Therefore, the proposed Project would not result in a physical effect on the environment as a result of construction or expansion of recreational facilities, since no new facilities are required. No impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XVII. TRANSPORTATION: Would the project:				
a) Conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☐	☐	☒	☐
b) Conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	☐	☐	☒	☐
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☒	☐
d) Result in inadequate emergency access?	☐	☐	☐	☒

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – The proposed Housing Element update does not propose specific development within any location of the City, but is a City-Wide policy document enumerating a variety of policies and programs to further residential development and meet identified housing needs. No specific transit or circulation improvements are proposed or necessary to meet the needs specified in the proposed Housing Element update. Depending upon the type of future development proposed improvements required for area roadways, including its potential use for public transit, bicycle, and pedestrians, would be evaluated at that time depending upon the specific nature of development. Historically, development within the City consists of single family homes, built on individual lots scattered throughout the City. Any new multiple family development would require additional evaluation to confirm the need for modified services. Street improvements would utilize the County's design specifications, since the area was originally subdivided when it was governed by the County of Riverside. As such, the project would not decrease the performance of existing transportation facilities or be in conflict with the policies, plans, or programs supporting various types of transportation methods. Therefore, any impacts under this issue are considered less than significant. No mitigation is required.

b) ***Less Than Significant Impact*** – The City of Canyon Lake has adopted a Vehicle Miles Traveled (VTM) methodology utilizing methodology provided by the Western Riverside Council of Governments (WRCOG). CEQA Guidelines provide that in the event such criteria are not available, a qualitative analysis is permitted. Such a qualitative analysis would identify the type of use, which is residentially related uses that are located in close proximity to other residential uses. The overall nature of existing residential development within the City is predominately within gated areas, either for mobile homes or single family residences. As such, much of the future development would occur within the gated areas and be restricted in its accessibility to surrounding arterial roadways that connect to surrounding cities. Future single family development within the gated areas would represent

in-fill housing within developed neighborhoods, complete with a fully completed roadway network and local park and recreation facilities that reduce the need for out of town travel. In addition, the entire City is easily accessible from Goetz Road to the east and Railroad Canyon Road to the south for those individuals commuting to other areas, thereby minimizing the number of vehicle miles traveled due to their ease of accessibility. Development outside the gated area and within existing commercial areas, for example, would require an evaluation utilizing the adopted VMT criteria. As such, the proposed project would not conflict with or be inconsistent with the goal of reducing vehicle miles traveled and potential impacts are less than significant.

c) ***Less Than Significant Impact*** – The Housing Element is a City-Wide policy document that addresses the housing needs of its citizens. No specific development proposal is encompassed within this Project. Future development could occur within a number of areas of the City. However, each potential development area has access to adjacent improved streets or can be connected to improved streets. For the most part, future residential development will be single family development on individual lots within developed neighborhoods. The overall design of the residential streets was approved and operated under the County of Riverside criteria prior to incorporation. No hazardous conditions are known to exist that would adversely affect future development or residents. The development of future uses would be similar to surrounding uses, and the design of future projects would not create any hazards to surrounding roadways. Thus, any impacts are considered less than significant and no mitigation is required.

d) ***No Impact*** – Emergency access for residents in the area is afforded by Greenwald Avenue to the north, Goetz Road to the east and Railroad Canyon Road traversing through the City on the south. Both Greenwald and Railroad Canyon Road are listed as Evacuation Routes on Exhibit SF-9 in the City's Safety Element. Any future development would not affect these emergency access roadways. Thus, the lack of adverse impact on local circulation eliminates the potential for significant impacts on emergency access that could occur during construction or operation. No impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XVIII. TRIBAL CULTURAL RESOURCES: Will the project:				
a) Would the project cause a substantial change in the significance of tribal cultural resources, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to the California Native American Tribe, and that is?				
i. Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or?	☐	☐	☒	☐
ii. A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe?	☐	☐	☒	☐

SUBSTANTIATION: Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21083.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Public Resources Code section 21082.3(c) contains provisions specific to confidentiality.

a) i & ii) ***Less Than Significant Impact.*** As noted previously in Section V, Cultural Resources, the City of Canyon Lake General Plan area was occupied by the Luiseno people affiliated with Mission San Luis Rey de Francia, contained approximately 1500 square miles, and included the western extreme of the San Jacinto River and a portion of the Elsinore Valley. The General Plan environmental document and previous Housing Element update did not identify significant historical resources within the City.

As referenced throughout this document, no new development is proposed as part of this Housing Element update. Historically, new development within the City has occurred within existing developed areas associated with single family subdivisions approved in the late 1960's. New in-fill development has occurred incrementally on these relatively small single

family lots, developed by individual homeowners. Therefore, the continued development of the City with additional residential homes is not anticipated to result in an impact upon historic resources. Mixed-Use development within existing commercially developed areas is also not anticipated to result in an impact upon historic resources.

Based upon information contained in previous environmental documents prepared as part of planning related documents, no historical or archaeological resources are known to exist within the Project area, nor will the proposed Housing Element update have a potential to disturb such resources. Thus, any impacts are considered less than significant and no mitigation is required. No further cultural resources investigation is necessary for the proposed Project unless development plans are filed that necessitate the need to evaluate potential site specific impacts.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XIX. UTILITIES AND SERVICE SYSTEMS: Would the project:				
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment, or stormwater drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	☐	☐	☐	☒
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☐	☒
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	☒
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☐	☒
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	☐	☒

SUBSTANTIATION:

a) Water

No Impact – Domestic water is provided to City residents by both Elsinore Valley Municipal Water District (EVMWD) and Eastern Municipal Water District (EMWD). The proposed Project involves an update to the City's Housing Element that enumerates a variety of policies and programs to further residential development and meet identified housing needs. No new development is proposed at this time, although a variety of options are available to meet potential needs. Water is provided throughout the City for domestic and fire protection purposes. Both agencies have adopted Urban Water Management Plans that identify the ability to provide adequate water in single and multiple dry years. No impacts would occur under this issue and no mitigation is required.

Wastewater

No Impact – EVMWD provides wastewater treatment facilities for those connected to a sanitary system. Any new development would be required to connect to the existing sewer system, unless located in the hillside area in the southeasterly portion of the City where on-

site septic systems are necessary. No new development is proposed as part of the Housing Element update. No impacts would occur under this issue and no mitigation is required.

Stormwater

No Impact – The City of Canyon Lake is significantly built out and developed with storm water drainage facilities. The proposed Housing Element update does not propose construction or expansion of these facilities or new housing that would necessitate these facilities. The goals, policies, and programs in the Housing Element assist in guiding future development and any potential environmental impact would be analyzed on a project specific basis at the time such development is proposed, utilizing the development criteria in place at that time. No impacts would occur under this issue and no mitigation is required.

Electric Power

No Impact – Southern California Edison provides electrical service to the City. Connection to their local system would be required for all new housing development. However, no development is proposed as part of the Housing Element update. As such, no impacts would occur under this issue and no mitigation is required.

Natural Gas

No Impact – Natural gas is not available in most of the City, particularly the area within the primary gated portion of the City that contains the predominate amount of housing. Since no new housing is proposed as part of the proposed Housing Element update no new facilities are required. No impacts would occur under this issue and no mitigation is required.

Telecommunications

No Impact – Telecommunication facilities are provided through a variety of businesses, especially wireless internet service. However, no new housing is proposed as part of the proposed Housing Element update and no new facilities are required. No impacts would occur under this issue and no mitigation is required.

b) ***No Impact*** – As noted above, both EVMWD and EMWD have adequate capacity to provide water to new development in dry years. In addition, the historic demand for housing within the City has been between 10 and 12 units per year. This will generate an additional demand for service by the local water agencies. However, this is not a significant increase in housing that would affect the ability of either District to provide water service. However, no new housing is proposed as part of this Housing Element update. As such, no new facilities are required. No impacts would occur under this issue and no mitigation is required.

c) ***No Impact*** – As noted above the historic demand for housing within the City has been between 10 and 12 units per year. This will generate an additional demand for service by the local wastewater treatment facility. However, this is not a significant increase in housing that would affect the ability of EVMWD to provide sewer service. Since, no new housing is proposed as part of this Housing Element update, no new facilities are required. No impacts would occur under this issue and no mitigation is required.

d&e) ***No Impact*** – New residential development will generate demand for solid waste service system capacity and has a minimal potential to contribute to potentially significant cumulative demand impacts on the solid waste system. Solid waste generation rates outlined on the CalRecycle website indicates the Statewide average disposal rate is 6.3

pounds per resident per day. This could increase the yearly waste disposal amount to approximately 370 tons per year to meet the State RHNA unit count for the City if developed in one year. The general year rate of 10-12 would equal approximately 34.5 tons. This could decrease 50% utilizing an assumed diversion factor to be recycled per the state's solid waste diversion requirements under AB 939. This level of waste generation would not significantly change potential landfill capacity or adversely affect solid waste collection patterns. However, no new development is proposed that would generate additional solid waste. Since, no new housing is proposed as part of this Housing Element update, no new facilities or systems are necessary to meet an increased demand. Any future development would need to comply with applicable solid waste collection regulations at the time of development. No impacts would occur under this issue and no mitigation is required.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XX. WILDFIRE: If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☒	☐
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of wildfire?	☐	☐	☒	☐
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	☒
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☒	☐

SUBSTANTIATION:

a) ***Less Than Significant Impact*** – The proposed Project area, which represents the City of Canyon Lake, contains areas that are within a very high fire hazard zone, as recommended and mapped by CALFire and displayed on their Web Site and provided for within the Canyon Lake Safety Element. These areas are generally located around the perimeter of the City and include lands adjacent to the BLM property in the northerly portion of the City, a portion of the large lot subdivision area in the southeast corner of the City, and the undeveloped hillsides near the lake. Portions of the mapped areas include existing residential and mobile home lots with existing residences. The existing fire station in the northerly portion of the City is also located within the mapped very high fire hazard zone.

Areas within the City that are mapped as high fire hazard areas have access to improved roadways that provide emergency access to the surrounding area roadway system. Although the proposed Housing Element update does not propose any new development projects within the City, if development were to occur, it would be required to have access to existing roadways. Utilization of these existing roadways would not conflict with an adopted emergency response plan or emergency evacuation plan. As such, less than significant impacts are anticipated and no mitigation is required.

b) ***Less Than Significant Impact*** – The proposed Housing Element update does not propose new development. Development can occur within the City at present, provided it is consistent with current development requirements. The Housing Element update provides

policies and programs to be utilized, if appropriate, for the development of housing or to meet the related housing needs of residents. It is possible that the effects of wildfires, such as smoke, which would potentially affect a broad area would also affect future development. Due to the proximity of mapped hazard areas, it is possible the entire City would be affected by wildfire related smoke. However, adoption of the Housing Element would not change that potential occurrence over the life of the Housing Element update. As such, less than significant impacts are anticipated and no mitigation is required.

c) ***No Impact*** – The proposed Housing Element update is intended to address potential housing needs within the City of Canyon Lake. The City is substantially developed, with limited ability to expand development beyond the areas that were subdivided in the 1960's, due to the corporate boundaries, BLM property, and surrounding jurisdictions. No infrastructure related improvements are proposed that would exacerbate the potentially adverse effect of wildfires or fire risk. No impacts would occur under this issue and no mitigation is required.

d) ***Less Than Significant Impact*** — As stated under issue XX(a) above, the proposed Project does not propose new development. At the time new development is proposed, the potential environmental effects of that development would be evaluated through CEQA and include the effects associated with post-fire conditions. No impacts are anticipated under this issue.

Issues	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporated*	*Less Than Significant Impact*	*No Impact*
XXI. MANDATORY FINDINGS OF SIGNIFICANCE:				
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☒	☐
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	☐	☒	☐
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☐	☒

SUBSTANTIATION: The analysis in this Initial Study and the findings reached indicate that the proposed project can be implemented without causing any new Project specific or cumulatively considerable unavoidable significant adverse environmental impacts. Mitigation is not required to control potential environmental impacts of the proposed Project to a less than significant impact level. The following findings are based on the detailed analysis of the Initial Study of all environmental topics and summarized following this section.

a) ***Less Than Significant Impact*** – The proposed Project has no potential to cause a significant impact on any biological or cultural resources. The proposed Housing Element update has been identified as having no potential to degrade the quality of the natural environment, substantially reduce habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, or reduce the number or restrict the range of a rare or endangered plant or animal. The Project area is a developed City and potential residential development areas, as reflected in the General Plan Land Use Map, have been designed for such use for approximately 50 years as part of the subdivisions recorded in the late 1960's.
Although no residential development is proposed as part of the proposed Housing Element update and no land use changes are proposed, the planning area does have general biological value, such as the lake and historical value as part of its relationship to the Luiseno people affiliated with Mission San Luis Rey de Francia. However, no resources have been

identified that would be affected by potential future residential development, since the residential areas primarily relate to in-fill locations or developed areas that have been previously disturbed, are isolated properties due to adjoining development, or are removed from either the lake, Bureau of Land Management property or other potential resource areas. As such, the less than significant response reflects the general characteristics of the City due to the existing development pattern, rather than the potential effect of the project, which is negligible.

Therefore, the Project will not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory. Please see biological and cultural sections of this Initial Study.

b) ***Less Than Significant Impact*** – The Project is not considered growth-inducing, as defined by *State CEQA Guidelines*. The issues analyzed within this document do not require implementation of mitigation measures to reduce impacts to a less than significant level and ensure that cumulative effects are not cumulatively considerable. All environmental issues were found to have no significant impacts without implementation of mitigation. The potential cumulative environmental effects of implementing the proposed project have been determined to be less than considerable and thus, would have a less than significant cumulative impact.

c) ***No Impact*** – The proposed Project has not identified activities that could have a potential to cause direct substantial adverse effects on humans. All other environmental issues were found to have no significant impacts on humans without implementation of mitigation. The potential for direct human effects from implementing the proposed Project have been determined to be less than significant or no impact.

Conclusion

This document evaluated all CEQA issues contained in the latest Initial Study Checklist form. The evaluation determined that either no impact or less than significant impact would be associated with all topical issues contained in this Initial Study. No mitigation has been proposed in this Initial Study to reduce impacts for these issues to a less than significant impact.

Based on the findings in this Initial Study, the City of Canyon Lake proposes to adopt a Negative Declaration (ND) for the proposed Housing Element update, which is an amendment to the City's General Plan. A Notice of Intent to Adopt a Negative Declaration (NOI) will be issued for this Project by the City. The Initial Study and NOI will be circulated for 30 days of public comment because this project does not involve the State as either a responsible or trustee agency. At the end of the 20-day review period it will be reviewed by the City for a possible adoption at a future City Council hearing, the date for which has not yet been determined.

GENERAL REFERENCES

CEQA Guidelines, Appendix G

City of Canyon Lake Zoning Ordinance

City of Canyon Lake General Plan and Environmental Impact Report, 2012

California Department of Toxic Substances Control; https://dtsc.ca.gov/

Canyon Lake's General Plan Safety and Housing Element Update Initial Study and Negative Declaration, prepared by Hogle-Ireland, March 2012.

Elsinore Valley Municipal Water District Urban Water Management Plan, Final, July 2011, http://www.evmwd.com/civicax/filebank/blobdload.aspx?blobid=8029

Environmental Impact Report, San Bernardino County General Plan, 2007

Farmland Mapping and Monitoring Program, California Resources Agency; DLRP Important Farmland Finder (ca.gov)

Federal Emergency Management Agency Flood Insurance Rate Map and Flood Boundary Maps

Mineral Land Classification of the Temescal Valley Area, Riverside County, California, Special Report 165ifornia, dated 1991, prepared by the California Department of Conservation ftp://ftp.consrv.ca.gov/pub/dmg/pubs/sr/SR_165/

NETROnline Website; https://www.netronline.com/

State of California CalRecycle Website; https://www.calrecycle.ca.gov/

South Coast Air Quality Management District; http://www.aqmd.gov/

2021-2029 Housing Element, Draft, August 2021.

EXHIBIT "D"

Addendum to Adopted Negative Declaration
(attached)

Addendum to the Adopted Negative Declaration for Housing Element Amendment GPA 25-01

The proposed Amendment to the Housing Element contains various changes that include either: 1) An expansion and/or greater in-depth evaluation of existing housing and population data from such sources as the United State Census; or 2) Modifications to the proposed implementing programs, including both programs modified from prior versions of the Housing Element or new programs that to respond comments from the California Department of Housing and Community Development (HCD). The Towne Center Specific Plan was prepared and adopted to provide for housing required by the State as part of the Regional Housing Needs Assessment (RHNA). The modifications do not result in a change in the physical environment nor an expansion of potential development that was not evaluated in the prior documentation, including the Towne Center Specific Plan. The additional information does provide greater detail as to existing conditions and circumstances that may affect housing conditions and needs.

Topical Sections

I. AESTHETICS

Response

Canyon Lake is predominately a gated City with private roadways and internal access restricted to residents. The developed areas of the City surround an existing water body created to provide domestic water storage and recreational opportunities. New development in the City is reviewed by both the Property Owners Association (POA) and the City of Canyon Lake for compliance with adopted property restrictions, including architecture/design and zoning and building regulations. City review of new development on residential property occurs upon completion of POA review. Review of any new development within the Towne Center would occur solely through the City, based upon compliance with the adopted Towne Center Specific Plan and other applicable development criteria, such as the Mixed Use Zone.

Future development would occur either as part of new single family residences on vacant lots, accessory dwelling units on developed lots or new multiple family housing within the existing Towne Center for which a specific plan was prepared and adopted and included the completion of a Mitigated Negative Declaration. No unique scenic vistas have been identified as part of the City's General Plan that would be affected by new development. Due to the fact the City is predominately developed and single family residential building heights, which represent the dominate development features in the City, are currently restricted to either 40 or 45 feet to provide for two and three story single family homes depending upon their location, no change in aesthetics would occur. Development within the Towne Center, which would provide mixed use development (residential and commercial) at an increased building height, was evaluated prior to adoption of the Specific Plan to ascertain potential effects upon scenic vistas, scenic resources, visual character and lighting and was found less than significant.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

II. AGRICULTURE AND FORESTRY RESOURCES

Response

Any new potential housing units envisioned in the Housing Element would occur primarily in urban in-fill areas, as part of the construction of single family homes and accessory dwelling Units within existing residential subdivisions, for example, or located with an existing Towne Center commercial shopping center upon which the City has approved a Specific Plan to provide both residential and commercial uses, consistent with the City's adopted General Plan Mixed Use Land Use District. An environmental evaluation of the Towne Center Specific Plan was completed and a Mitigated Negative Declaration adopted that found no significant impact. The City of Canyon Lake does not contain agricultural lands identified as significant by the California Department of Conservation.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

III. AIR QUALITY

A number of the Housing Element programs respond to particular needs, such as lower income housing and interactions with other entities to assist in their development. The City issues a relatively limited number of permits for housing, although the 10 permits issued last year is higher than normal. Construction generally occurs over an extended period, since these are individual homes built by the landowners, rather than production style housing from a merchant builder that are constructed at a rapid pace. As such, air emissions occur over an extended timeframe and would be less intensive, rather than collapsed into a shorter period to ensure greater profitability. Any additional development occurring in future years would be consistent with the adopted General Plan and other adopted City and State regulations and would not result in additional housing causing additional air emissions or activities that would exceed established air quality thresholds. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan, which is identified as the location for new housing to meet RHNA numbers, found potential air quality impacts to be less than significant.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

IV. BIOLOGICAL RESOURCES

Canyon Lake is predominantly built-out, with minimal vacant land available for new development in those areas. New housing within the City would occur, with the exception of a few lots in the southeast hills of the City, as in-fill development on existing small vacant lots planned for single family homes or commercial areas planned for redevelopment. No unique or significant biological resources exist within these future development areas.

It is acknowledged that several areas have potential resources and are federal lands managed by the Bureau of Land Management. The General Plan designation for those areas is Open Space – Natural Recreation. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan, which is identified as the location for new housing to meet RHNA numbers, found potential biological impacts to be less than significant with mitigation and no changes to those measures would be required.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

V. CULTURAL RESOURCES

Canyon Lake is predominantly built-out, with minimal vacant land available for new development. New housing within the City would occur primarily as in-fill type development on existing small vacant lots planned for single family homes or an existing commercial area planned for redevelopment. All new development would occur through ministerial or by-right non-discretionary actions. No known significant or notable cultural resources exist within future development areas. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan, which is identified as the location for new housing to meet RHNA numbers, found potential biological impacts to be less than significant with mitigation, due to the potential effect upon resources during future excavations.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

VI. ENERGY

Future development would occur predominately as part of new single family residences on existing vacant lots, accessory dwelling units on developed lots or new multiple family housing within the existing Towne Center for which a specific plan was prepared and adopted upon completion of a Mitigated Negative Declaration (MND). New development within the City would be required to comply with adopted State energy standards for new construction. Any new or modified programs would not result in new or unforeseen energy use. The findings of the Mitigated Negative Declaration for the Towne Center would not change with the adoption of the amended Housing Element.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

VII. GEOLOGY AND SOILS

There are no known active or potentially active earthquake faults within the City. The nearest major faults are the Elsinore fault, approximately 5 miles west of the City, and the San Jacinto Fault, about 15 miles northeast of the City. New housing would comply with the latest requirements of the California Building Code. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan, which is identified as the location for new housing to meet RHNA numbers, found potential geologic impacts to be less than significant with mitigation, due to the potential for paleontological resources due to future excavations and no changes to those measures would be required.

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

VIII. GREENHOUSE GAS EMISSIONS

As noted in the Air Quality section, the City issues a relatively limited number of permits for housing, although the 10 permits issued last year were higher than normal. Due to the fact these homes are constructed by individual landowners, construction of each home generally occurs over an extended period, rather than at the rapid pace found for production style homes built in groups by a merchant builder. As such, greenhouse gas emissions would continue to occur over an extended timeframe, thereby further reducing their already limited effect that is far below South Coast Air Quality Management District threshold levels. The proposed housing programs could affect the pace of new development on existing lots, although the amount of development it is constrained by the scarcity of vacant land in the City. Potential greenhouse gas emissions occurring as part of the development of the Towne Center Specific Plan have already been evaluated as part of the adopted Towne Center Specific Plan Mitigated Negative Declaration, which found that future development impacts would be less than significant and, as such, would not change due to the adoption of the Housing Element Amendment.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

IX. HAZARDS AND HAZARDOUS MATERIALS

Development projects can create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials; or may create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. During construction, for example, there is a potential for accidental release of petroleum products in sufficient quantity to pose a significant hazard to people and the environment. Given the City's topographic conditions that predominately drain into Canyon Lake (the water body), a Water Quality Management Plan (WQMP) is required for the construction of each new single family home, to ensure construction activities do not cause a significant impact upon this critical water body.

According to the City's recently updated General Plan Safety Element, portions of the City along the boundaries of the City Limits are within Very High Fire Hazard Severity zones. These areas, which include the City's Fire Station, also abut vacant and unimproved Bureau of Land Management (BLM) property. The Housing Element does not propose new development, but requires various actions to ensure future development activities meet specific housing needs. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan found potential hazardous impacts to be less than significant for future development at that location. No changes to the conclusions contained in the previously adopted Negative Declaration or new mitigation measures would be required due to information contained in the updated Safety Element.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

X. HYDROLOGY AND WATER QUALITY

Implementation of the Housing Element will not adversely decrease groundwater supplies or interfere substantially with groundwater recharge such that development would impede sustainable groundwater management of the basin. Implementation of the Housing Element will not decrease groundwater supplies or interfere substantially with groundwater recharge, because water is provided to the City by both Elsinore Valley Municipal Water District (EVMWD), the largest provider, and Eastern Municipal Water District (EMWD), both of which obtain water from imported sources, groundwater, and surface water runoff. EVMWD services most of the City of Canyon Lake. Based upon EVMWD's Urban Water Management Plan, most of the groundwater supplies from the District are obtained from the Elsinore and Coldwater Basins. Neither Basin is in an overdraft condition nor are they adjudicated. Groundwater levels in both Basins have decreased over time and the District has adopted a Groundwater Management Plan for the Elsinore Basin, which covers an area in and around Lake Elsinore.

The proposed Project would not change the volume of flows downstream of the project site, since no development is proposed as part of the adoption of the Housing Element amendment. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan found potential water quality impacts to be less than significant.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XI. LAND USE AND PLANNING

Canyon Lake is predominantly built-out, with minimal vacant land available for new development. New housing within the City would occur consistent with the existing General Plan and Zoning and provide in-fill non-discretionary (permitted by right) development on existing small vacant lots planned for single family homes or areas planned for mixed-use

redevelopment. No General Plan amendments or rezoning actions are necessary to provide for future residential development.

The adopted Towne Center Specific Plan is intended to provide for development to meet required State RHNA numbers. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan found potential land use impacts to be less than significant.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XII. MINERAL RESOURCES

The General Plan text notes there is a diverse level of mineral deposits of value in the region. Although similar resources may are believed to exist in the City, the City does not have active mining or quarry sites, the extraction of which would be inconsistent with the goals and strategies of the General Plan. In addition, the City is substantially developed with a limited number of vacant lots characterized predominately as potential in-fill development. The lots available for development are zoned for single family development and generally less than one acre in size. As such, mining would not be suitable on any of these lots and would reduce the number of lots available for residential use and further erode the prospect of the City meeting its housing needs.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in the prior documentation.

XIII. NOISE

The Housing Element, as an integral component of the City's General Plan, provides mechanisms for development of residential uses needed by the City that would occur consistent with the General Plan Land Use Element. Due to the development design of the City and the permitted uses planned within the City, the balance of the existing vacant developable lots would include single family homes within existing single family subdivision tracts recorded in the late 1968/1969 and separate potential multiple family housing within the Towne Center, as delineated in the Towne Center Specific Plan. Housing construction would represent a noise increase above ambient noise levels. The City has adopted several Noise Ordinances to regulate amplified or unnecessary noise levels (Section 11.15 of the Municipal Code) and the operation of power tools and equipment (Section 11.30 of the Municipal Code). Potential noise from new development within the Towne Center was evaluated as part of the Mitigated Negative Declaration and found less than significant. However, construction activities, while representing a short-term increase in noise levels, would not result in a change associated with the proposed Housing Element, since the Housing Element does not propose increased development beyond that permitted in the current General Plan, Zoning or adopted Specific Plan.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XIV. POPULATION AND HOUSING

The primary purpose of the various proposed Housing programs is to ensure the housing needs of the City and region are met, with respect to the number of units constructed and their availability to the broader population, based upon demographic and economic factors. This would not result in the need to undertake a land use change beyond what has originally been planned as part of the existing General Plan, Zoning or adopted Towne Center Specific Plan.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XV. PUBLIC SERVICES

The City provides a limited number of public services that are not as extensive as other jurisdictions in the region, due to the City's size and unique characteristics. The City has its own Fire Department and contracts with the County of Riverside for law enforcement. The City is in the process of forming its own Police Department. The City does not have a public works department and is only responsible for maintaining a portion of Railroad Canyon Road, with the POA responsible for the balance of the City roadways, and most of the drainage facilities. The City does not operate or provide domestic water service or sewer service. The proposed Housing Element programs would not affect these services, since no additional development is proposed that would necessitate a change in those services. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan, which is identified as the location for new housing to meet RHNA numbers, found potential public service impacts to be less than significant with mitigation, due to the potential service needs in new high rise buildings planned as part of the Specific Plan. No changes to that conclusion or new mitigation measures would be required due to the proposed amendment.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XVI. RECREATION

The City is substantially developed, with minimal vacant land. Recreational facilities exist throughout the City and new development would not generate a demand for additional recreational facilities or services. These facilities are provided for and maintained by the

Canyon Lake Property Owners Association (POA). Each residential landowner is part of the City-wide POA.

The adopted Mitigated Negative Declaration for the Towne Center Specific Plan found potential recreation impacts to be less than significant due to the lack of significant affect upon existing recreational facilities or the need for new facilities.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XVII. TRANSPORTATION

Future housing development would occur primarily within in-fill areas that are currently subdivided for single family homes, the Towne Center shopping area planned for redevelopment, and on al few large vacant hillside lots existing outside of the City's gated areas in the southeasterly portion of the City. No new housing is proposed as part of the Housing Element update. New housing has been planned within the City consistent with the General Plan, Zoning Ordinance, and adopted Towne Center Specific Plan. Existing transportation facilities and services are adequate to meet existing projected demand as established by these documents.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XVIII. TRIBAL CULTURAL RESOURCES

The City is primarily developed, with limited vacant land suitable for development. The vacant land is primarily intended for single family homes on small lots with a minimum size of 7,200 square feet. Future development activity consistent with the General Plan and adopted Towne Center Specific Plan would not involve coordination with Indian Tribes due to the non-discretionary nature established for single family homes and the use of the existing Specific Plan and completed environmental action for its development. Adoption of the Towne Center Specific Plan involved coordination with the Tribes as part of SB 18 consultation undertaken during the preparation of that Plan.

The City contacted the Native American Heritage Commission (NAHC) to obtain a list of Tribal contacts for SB 18 compliance for the Housing Element Amendment and received a response from NAHC on May 21, 2025. Requests for comments were distributed through e-mail contact on June 12, 2025 and mailed to individual representatives. Four responses were received:

- Fort Yuma: City received e-mail response on July 24, 2025. No comment.
- Morongo: City received letter dated August 15, 2025. No comment.
- Pala: City received letter dated July 30, 2025. Tribe indicated the area was not within the Tribal Reservation or recognized use areas.

- Rincon: City received letter July 21, 2025. Tribe requested consultation.

Based upon the Rincon letter, the City responded with a letter dated August 12, 2025, providing information on the City's development pattern and development potential to inform the Tribe of the City's unique characteristics. A telephone Consultation call occurred with the Tribe on September 4, 2025. Documentation was subsequently provided to the Tribe at their request. A letter was received from the Rincon Tribe, dated September 24, 2025, in which the Tribe wanted to "encourage the City to strengthen its Housing Element policies to ensure that cultural resource studies and tribal consultation are completed before development moves forward. In the event that cultural materials are discovered during construction, we hope the City will adopt clear steps for respectful treatment, including stopping work and notifying the Rincon Band immediately. Whenever possible, we believe avoidance and preservation of cultural resources in place is the most appropriate approach, and we welcome the opportunity to collaborate on thoughtful alternatives when avoidance is not feasible."

Due to the City's developed nature, the minimal number of discretionary projects, and the fact virtually none of the discretionary projects rise to the level requiring a Negative Declaration, Mitigated Negative Declaration or an Environmental Impact Report, the Housing Element was amended to memorialize the existing requirements of State Law with the following new policy and objective to enhance Tribal involvement:

Policy: The City shall ensure meaningful consultation with California Native American tribes.

Objective: In accordance with Senate Bill 18 and Assembly Bill 52, ensure meaningful consultation with California Native American tribes during the preparation, adoption, and implementation of the Housing Element and other land use planning activities that are encompassed within this legislation.

The prior finding in the adopted Negative Declaration for Tribal Cultural Resources was less than significant. The changes incorporated into the Housing Element reflect existing State law and would not change that finding.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XIX. UTILITIES AND SERVICE SYSTEMS

Utility systems would not be affected by the updated Housing Element, since no new development is proposed. Utilities and service systems would be necessary at the time new development occurs. Water and sewer services are provided by both Elsinore Valley Municipal Water District (the primary provider of service) and Eastern Municipal Water District. Electrical Service is provided by Southern California Edison and natural gas services outside of the residential areas is provided by Southern California Gas Company. These services would need to be responsive to future development needs, which would represent in-fill development or redevelopment of existing commercial areas, such as the Towne Center.

Finding

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in prior documentation.

XX. WILDFIRE

As noted in the Hazards and Hazardous Materials section above, the City's recently updated General Plan Safety Element has delineated Very High Fire Hazard Severity zones along the perimeter of the City. These zones identify areas that are most prone to future wildfire occurrences based on vegetation types, topography, and past wildfire incidence. The primary areas of concern are the undeveloped hillsides in and adjacent to the City. These areas also abut vacant and unimproved Bureau of Land Management (BLM) property. BLM lands are the most susceptible to wildland fires due to unauthorized off-road vehicle use of these areas, campfires, and hikers. Ignition of wildfires could occur from these uses and ignite brush and other combustible materials in the area. This threat greatly increases during the dry summer months and during strong Santa Ana wind events. The Fire Department reviews new house plans to ensure adequate defensible space around homes or appropriate landscaping is provided within the very high fire hazard areas. The Housing Element does not propose new development that would increase the potential for wildfire incidents, nor does the General Plan propose housing within the BLM lands. The adopted Mitigated Negative Declaration for the Towne Center Specific Plan found potential wildfire impacts to be less than significant. No changes to the conclusions contained in the previously adopted Negative Declaration or new mitigation measures would be required due to information contained in the updated Safety Element.

The modifications to the Housing Element would not result in a change to the existing conditions in the physical environment nor an expansion of potential development that was not evaluated in the prior documentation.

Table 2-1 City of Canyon Lake 2021-2029 Housing Programs

Program Category	List of Programs
Category 1: Actions to Make Sites Available to Accommodate the RHNA	1.1: Annual Housing and Vacant Lot Reporting Program (new)
	1.2a: Facilitate the full buildout of the TCSP to accommodate RHNA (new)
	1.2b: Rezone and Lot Consolidation Program on Mixed-use Sites within the TCSP (new)
	1.2c: Displacement Prevention of Existing Businesses within the TCSP (new)
	1.2d: City-owned Sites/Surplus Land Act (new)
	1.3: No Net Loss Program (continuation)
Category 2: The Development of Adequate Housing to Meet the Needs of All Economic Segments	2.1: Section 8 Housing Choice Voucher Program (continuation)
	2.2: First Time Homebuyer Program (continuation)
	2.3: Lower-Income and Special Needs Housing Incentives Program (new)
	2.4: ADU Incentives Plan (modified)
	2.5: Area Agency on Aging Outreach Program (continuation)
	2.6: Inland Regional Center Outreach Program (new)
	2.7: Density Bonus Ordinance (continuation)
Category 3: Address and Remove Governmental and Nongovernmental Housing Constraints	3.1: Zoning Ordinance Amendments (continuation)
	3.2: Reasonable Accommodation Procedure (continuation)
	3.3: SB 35 Streamlining Information (new)
	3.4: Support the Development of a Variety of Housing Types (new)
Category 4: Conserve and Improve the Condition of the Existing Housing Stock	4.1: Housing Code Enforcement (new)
	4.2: Homeowner Housing Rehabilitation Program (continuation)
Category 5: Promote and Affirmatively Further Housing Opportunities for All Persons	5.1: AFFH Outreach Program (continuation)
	5.2: Fair Housing Services Program (continuation)
	5.3: Affirmative Fair Housing (Marketing AFHM) Plan (new)
	5.4: Displacement Risk Program (new)
	5.5: Transit Expansion Program (new)
	5.6: Equitable Quality of Life Program (new)

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Jim Morrissey, City Planner

DATE: 11/12/2025

SUBJECT: Introduction and First Reading of Ordinance No. 266 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning and Zoning), Chapter 9.30 (Mixed Use Zones), Section 9.30.030 (Zones Established) of the Canyon Lake Municipal Code

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Recommendation:

(1) Open the public hearing and take public testimony; (2) find the proposed Zoning Ordinance amendment is exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; and (3) waive full reading and introduce by title only Ordinance No. 266 - An Ordinance of the City Council of the City of Canyon Lake, California, Amending Title 9 (Planning and Zoning), Chapter 9.30 (Mixed Use Zones), Section 9.30.030 (Zones Established) of the Canyon Lake Municipal Code.

Background/Analysis:

The City Council adopted the Mixed Use Zone in March 2020, as a two-fold effort to achieve the following goals:

- Provide the City a method of implementing the General Plan Land Use Map designation of Mixed Use, thereby allowing both residential and commercial uses.
- Provide a mechanism to adopt a Specific Plan that covers the Towne Center and achieve both an upgraded design of the Center and meet State mandated housing requirements through the establishment of unique development criteria.

The Mixed Use Zone was subsequently amended in April 12, 2023, to specifically incorporate the uses permitted in the C-1 Zone, which was the zoning that previously covered the Towne Center.

Discussion

The Towne Center Specific Plan (TCSP) provides the details for the development of the Center as a mixed-use project with multi-story residential and ground floor commercial in specific areas of the property. The TCSP references certain components of the Housing Element, since the development of residential uses on the property is intended to meet the Regional Housing Needs Allocation (RHNA) housing units established by the State Department of Housing and Community Development.

The State Department of Housing and Community Development has indicated, as part of the State's Certification of the Housing Element, an amendment to the Mixed Use needs to occur to ensure the types of housing developed in the Towne Center will meet the parameters contained in the Housing Element. State HCD has reviewed the Ordinance and requested certain modifications, which are listed

below:

- Development can occur "By Right". This refers to the method of evaluating projects as Ministerial or Non-Discretionary, in which no public hearing is required, the conditions of approval are standard measures typically applied to projects, no environmental action is required, and Staff could approve the Project, if it is consistent with the adopted Ordinance and Specific Plan. An example of a Discretionary Project would be a Conditional Use Permit in which the City has the ability to establish special conditions related to a particular use at a special geographic location. Note: A grant was obtained from State HCD to financially assist the City in the preparation of the TCSP and the required environmental documentation with the intention of reducing the future development review processing time and cost, thereby expediting project construction, including the elimination or reduction in discretionary review.
- Minimum Density Standards. HCD has requested each of the four residential development sites achieve a minimum density of 20 units per acre. The original intent of the TCSP was to have an overall density of over 20 units per acre, although the density of each individual site would vary. It is the philosophy of the State that this level of density will increase the potential for achieving more affordable housing. This level of density is achievable within the current Plan design.
- Minimum Development Criteria. At least 50 percent of the total floor area of the mixed-use buildings shall be residential if intended to accommodate all of the very low- and low-income housing needs. The ordinance change would also permit 100 percent residential uses. Please be aware the adopted Towne Center Specific Plan currently has three buildings with a mixture of residential and ground floor commercial uses, specifically designed for the purpose of achieving the required number of units allotted to the City by the State. Should a design change occur in which one or more of these buildings no longer retains ground floor commercial uses, a specific plan amendment may be required depending upon the extent of the change.

In addition to the changes listed above, a reference to the Village Overlay area is to be eliminated, since it was included in the original Mixed Use Ordinance as part of the last Housing Element Cycle (5th Cycle). It is no longer necessary and would conflict with the purpose of the subsequently adopted Towne Center Specific Plan and the 6th Cycle Housing Element.

The changes listed above are intended to reflect the programs listed in the Housing Element, which is scheduled to be approved by the City Council as part of a separate action. The standard 10-day public hearing notice is applicable, since no land use changes are part of the ordinance amendment. If land use changes were part of the amendment, 20-day notice would be required.

Subsequent City Council Action

City Staff believes the changes proposed as part of the Mixed Use Zone amendment should also be incorporated into the Towne Center Specific Plan (TCSP). Typically, an adopted Specific Plan is the primary focus of any development review process. Amending the TCSP with similar language will ensure both documents reflect the same information and ensure a consistent level of review. However, amending the TCSP requires an extended process under the Government Code. As such, changes to the TCSP will occur later to comply with this requirement.

Fiscal Impact Yes/No: No

Attachments:
1 - Ordinance

ORDINANCE NO. 266

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING TITLE 9 (PLANNING AND ZONING), CHAPTER 9.30 (MIXED USE ZONES), SECTION 9.30.030 (ZONES ESTABLISHED) OF THE CANYON LAKE MUNICIPAL CODE

WHEREAS, the City of Canyon Lake ("City") is a municipal corporation, duly organized and existing under the Constitution and laws of the State of California; and

WHEREAS, the City's Municipal Code establishes regulations to guide land use and development within the City consistent with the goals, policies, and objectives of the General Plan; and

WHEREAS, Section 9.30.030 of the Municipal Code provides standards and requirements applicable to Canyon Lake Towne Center ("Towne Center"), and the City Council has determined that amendments to this section are necessary to provide further detail for implementing the adopted Specific Plan applicable to the site; and

WHEREAS, this Ordinance seeks to implement regulations to achieve compliance with the City's Housing Element; and

WHEREAS, the City Council finds that the proposed amendment will not be detrimental to the public interest, health, safety, convenience, or general welfare of the City; and

WHEREAS, the City Council finds that the proposed amendment will further the orderly development of Towne Center while maintaining consistency with the City's General Plan and ensuring protection of the public interest.

THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES ORDAIN AS FOLLOWS:

Section 1. Incorporation. The above recitals are all true and correct and are incorporated herein by this reference.

Section 2. CEQA Exemption. The adoption of this Ordinance is exempt from California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 3. Municipal Code Amendment. Title 9, Chapter 9.30, Section 9.30.030 (Zones established) is hereby amended to read as follows:

(c) Village Overlay.

(1) The Village Overlay area is currently undeveloped land within an existing hillside. The General Plan Land Use Element designates this area for Mixed Use Development. ~~The Housing~~

~~Element of the General Plan requires that a portion of land within this area be developed for a mixture of housing types at a minimum of 20 dwelling units per acre in order to accommodate the City's share of the regional housing need for the 2013-2021 time period. The balance of the land can be developed for nonresidential and other types of residential land uses.~~

(d) Towne Center. The Canyon Lake Towne Center is currently a fully developed commercial shopping center. The purpose of utilizing Mixed Use Zone within the shopping center is to: (1) incorporate multifamily residential development within the existing or any future development design of the Center; (2) enhance the Center's commercial viability and attractiveness; and (3) provide upgraded amenities and design features. Mixed Use development in the Towne Center is subject to the ~~approval of a~~ Towne Center Specific Plan, as may be amended, ~~and as described in Section 9.30.040 and rezoning of the property to~~ and in compliance with the Mixed Use Zone.

(1) To implement the 6th Cycle (Housing Element) and achieve compliance with the City's Regional Housing Needs Assessment (RHNA), the Towne Center was rezoned to Mixed Use and the Towne Center Specific Plan (TCSP) was adopted. The TCSP permits owner-occupied and rental multifamily uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households, notwithstanding applications pursuant to density bonus law (Government Code Section 65915), as amended. As such, a conditional use permit, planned unit development permit, or other discretionary review or approval of housing development is not required for new development.

(2) Residential development within the Specific Plan must achieve the following criteria:

i. The density requirements for individual housing sites shall be a minimum of 20 units per acre.

ii. At least 50 percent of the total floor area of the mixed-use buildings shall be residential.

iii. 100 percent residential use is permitted.

iv. Housing within the mixed-use buildings shall be established through a Memorandum of Understanding (MOU) or Development Agreement.

(e) Additional Mixed Use Locations.

(1) The General Plan Mixed Use land use designations established throughout the City are intended to provide development opportunities for a mixture of multifamily residential and commercial development and to incorporate unique design requirements and features that are tailored to the site specific needs of each location. ~~The Village Overlay and Towne Center are either specifically referenced in the Housing Element for multiple family development or currently operate an existing use without residential development.~~

(3) It is acknowledged in the Housing Element and the TCSP that modifications to the existing parcel design and the parcel numbers identified in the Housing Element Sites Inventory, may occur to reflect new building arrangements. As such, multiple existing parcels currently identified within each of the four Site areas listed above could subsequently include 100 percent residential use within a new consolidated parcel.

Section 4. **Concluding Facts and Reasons.** Based on the substantial evidence presented to the City Council during the public hearing on the Ordinance, and the specific findings set forth in the Recitals, and Sections 1 and 2, above, the City Council hereby concludes that the proposed Amendment to the City of Canyon Lake Municipal Code is consistent with the goals, policies, plans, and exhibits of the General Plan. Staff has thoroughly reviewed the proposed Municipal Code Amendment and the conditions under which it will be implemented and has determined the proposed Municipal Code provisions to be consistent with the applicable goals, policies, plans, and exhibits of the General Plan. Additionally the City Council finds that the proposed Amendment to the City of Canyon Lake Municipal Code would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City. Lastly, the proposed amendment is consistent with the existing intent and development criteria applied to the Towne Center site by providing further detail to achieve the implementation of the adopted Specific Plan, thereby not resulting in an increase in development potential that could result in an environmental impact.

Section 5. Clerical Errors. The City Council directs the City Clerk to correct any clerical errors found in this Ordinance including, but not limited to, typographical errors, irregular numbering and incorrect section references.

Section 6. Severability. Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 7. Effective Date. In accordance with California Government Code section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

Section 8. Publication. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

PASSED APPROVED AND ADOPTED this _____ day of _____, 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

_____
Steven Graham, City Attorney

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Madalyne Gonzales, Community Engagement Coordinator

DATE: 11/12/2025

SUBJECT: Adopt a Resolution Approving a Facility Use Policy and Associated Fee Schedule for the Use of City Council Chambers

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Recommendation:
(1) Open the public hearing and take public testimony; and (2) adopt Resolution No. 2025-48 approving a Facility Use Policy and fee schedule governing the use of City Council Chambers.

Background/Analysis:
During the recent renovation of the City Council Chambers, the City's intent was to create a space that not only meets the operational needs of City government but also serves as a shared community meeting area for civic and educational purposes. The Council Chambers now represents the only City-owned facility available for reservation by the public.

As community interest in hosting civic and educational meetings has grown, staff recognized the need to establish a clear policy governing the use of this space. The proposed Facility Use Policy outlines eligibility criteria, scheduling procedures, conditions of use, and general facility rules.

The policy is designed to ensure that the facility remains accessible for community use while protecting City assets and ensuring fair, consistent administration. It also provides flexibility for public benefit activities by allowing discounted rates for 501(c)(3) nonprofit organizations and the potential for fee waivers for other qualified community groups, subject to City Manager approval.

In addition to the policy, the proposed resolution establishes the official Facility Use Fee Schedule. These fees were developed to promote community access while supporting cost recovery for administrative, maintenance, and custodial costs associated with facility use.

By implementing this policy and fee structure, the City formalizes its long-term vision of offering the Council Chambers as a shared community resource while maintaining fiscal responsibility and operational oversight.

Fiscal Impact Yes/No: Yes

Additional Fiscal Information:
Approval of the proposed resolution establishes the Facility Use Fee Schedule associated with the City's Facility Use Policy. These fees are designed to offset costs related to administrative processing, janitorial services, and facility maintenance associated with public use of City facilities. Revenues collected through rental fees, deposits, and approved cleaning fees will be applied to the City's General Fund to recover related operational expenses.

As the fee schedule establishes new cost recovery measures rather than additional expenditures, there is no net fiscal impact to the City's General Fund.

Attachments:
1 - Resolution
2 - Facility Use Policy

RESOLUTION NO. 2025-48

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING A FACILITY USE POLICY AND FEE SCHEDULE FOR CITY FACILITIES

WHEREAS, the City of Canyon Lake owns and operates public facilities used for civic meetings, public workshops, and other City-related or community-benefit purposes; and

WHEREAS, the City of Canyon Lake owns and operates public facilities used for civic meetings, public workshops, and other City-related or community-benefit purposes; and

WHEREAS, the City of Canyon Lake desires to support civic engagement and community use of City facilities in a way that promotes equitable access and fiscal responsibility; and

WHEREAS, the City Council recognizes the importance of supporting community-led efforts that provide public benefit, including those organized by nonprofit organizations, other government agencies, and informal neighborhood groups; and

WHEREAS, the City desires to provide clear, transparent, and consistent guidelines for the public use of City-owned facilities, while maintaining a reasonable cost recovery framework for facility maintenance, staffing, and operations; and

WHEREAS, the City has developed a Facility Use Policy to standardize the process for reserving and using City facilities, and to identify eligibility, usage limitations, scheduling expectations, and fee structures; and

WHEREAS, the proposed fee schedule includes a minimum two-hour rental rate, a refundable security deposit, and a discounted rate for IRS-recognized 501(c)(3) nonprofit organizations, as well as the ability for Qualified Community Groups to request a fee waiver.

WHEREAS, the Facility Use Policy also clarifies that a non-refundable cleaning fee shall only be assessed if food or beverage service is approved by the City Manager or designee, to offset the cost of janitorial services; and

WHEREAS, Council Members and City staff may utilize City facilities for City-related meetings or official committee functions without charge, provided they are physically present and acting in their official capacity; and

WHEREAS, the City Council finds the proposed Facility Use Policy and Fee Schedule to be fair, reasonable, and necessary to ensure community access while safeguarding City resources.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The City Council hereby adopts the updated Facility Use Policy, establishing uniform standards for facility reservations, usage, scheduling priorities, and administrative review.

Section 3. The following fees are hereby adopted as the official City of Canyon Lake Facility Use Fee Schedule, effective immediately upon approval:

Fee Type	**Amount**
Minimum Facility Rental (2 hours)	$100.00
Additional Hourly Rate	$50.00 (no partial hours allowed)
Cleaning Fee (if food/beverage approved)	$150.00 (non-refundable)
Security Deposit	$50.00 (refundable, if no damages or violations occur)
501(c)(3) Nonprofit Discount	50% off standard rental rates (deposit still applies)
Qualified Community Group Waiver	Eligible for full or partial fee waiver, subject to City Manager approval
Council/Staff Official Use	Fee waived if the host is present and acting in official capacity

Section 4. A Qualified Community Group shall be defined as any organized or informal group that provides a demonstrable public benefit within the City of Canyon Lake. This includes, but is not limited to:

- IRS-recognized 501(c)(3) nonprofit organizations;
- Unincorporated associations or cultural collectives;
- Neighborhood-based or volunteer-led civic efforts; and
- Other community-oriented groups determined eligible by the City Manager.

Qualified Community Groups may request a fee waiver or reduction by submitting a written request demonstrating public benefit, financial need, and alignment with the City's goals of civic engagement and community enrichment.

Section 5. The City Manager shall have the authority to administer and interpret the Facility Use Policy and Fee Schedule, to evaluate eligibility for fee waivers or discounts, and to impose reasonable conditions on facility use as necessary to protect City property and operation

Section 6. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 7. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

Section 8. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl L. Garcia, MMC, CPM
City Clerk

City of Canyon Lake

Facility Use Policy

Intent and Purpose

The purpose of this policy is to establish the rules, regulations, and procedures governing the use of facilities owned and operated by the City of Canyon Lake ("City"). It is the intent of the City to allow the use of the specified facilities for the benefit of the applicant (approved user), without the interference of City operations. Fees charged for the use of City facilities are intended to partially recoup ongoing maintenance and operation costs of the facility. This policy applies to all applicants.

This policy may be amended by the City Manager at any time to reflect changes in technology, regulations, organizational needs, or unforeseen circumstances.

Definitions

a. **Department Head** shall mean an individual who holds a senior management position overseeing and leading a specific department or division.

b. **Staff** shall mean all employees not classified as department heads.

c. **Designee** shall mean an individual selected or appointed by the City Manager to carry out specific duties.

d. **Facility** shall mean the designated facility authorized areas within the City of Canyon Lakes owned buildings (i.e., Council Chambers)

e. **Applicant** shall mean an individual or group, which submits a completed City Facility Use Application and required deposit to use the facility, pursuant to the terms of this Use Policy.

f. **Qualified Community Group** shall mean any group of individuals organized around a common purpose that provides public benefit within the City of Canyon Lake. This includes 501(c)(3) and other registered nonprofit organizations, unincorporated associations, neighborhood groups, cultural organizations, or similar collectives. The group need not be a formal legal entity but must demonstrate an established purpose, public benefit, and a clear connection to the City of Canyon Lake.

g. **Rental Fee** shall mean the charge levied for the use of the facility.

h. **Cleaning Fee** shall apply to reservations to offset routine janitorial services after the event.

i. **Hold** shall mean temporary reservation or interest placed on a facility by an applicant prior to final confirmation of booking.

j. **Security Deposit** shall mean a deposit that covers potential damage or excessive cleaning costs required for reservations.

k. **User** shall mean the user or organization granted use of the facility.

Applicant Classifications

- **I:** Other government, school district, official public service agencies
- **II:** Qualified Community Groups
- **III:** Non-profit organizations (501(c)(3)
- **IV:** Private Canyon Lake resident or Canyon Lake business use/Outside Entity

Fees, Deposits, and Refunds

All applicants are subject to rental, cleaning, cancellation fees, and deposit requirements as established by the City Council and adopted by formal resolution (Resolution No. [Insert Resolution Number]).

Rental and associated fees may be paid by personal check, or credit card. A refundable security deposit is due upon application approval and must be paid in full no later than seven (7) calendar days prior to the scheduled reservation date. Failure to remit payment by this deadline may result in cancellation of the reservation.

Qualified Community Groups (including registered 501(c)(3) nonprofits and other eligible entities) may be eligible for reduced rental rates as described in this policy. A cleaning fee applies only if food or beverages are approved as part of the reservation. When charged, the fee is non-refundable.

Refunds of security deposits will be issued following a post-event inspection that confirms the facility was returned to its original condition and no policy violations occurred. Additional charges may be assessed if damages or excess cleaning are required beyond standard janitorial services.

City Council Members and City staff may reserve the facility for official City business at no charge, provided that the hosting Council Member or staff representative is present for the duration of the meeting. City staff and City Council Members must still comply with all other terms of this policy, including scheduling, setup, and cleanup requirements.

Rental fees shall be increased annually, effective July 1, 2025, and on each July 1 thereafter, based on the percentage change in the Consumer Price Index (CPI) for the prior calendar year, not to exceed three percent (3%) annually. Such adjustments will be incorporated into the adopted fee resolution and publicly posted.

Rental Fee Waivers for Qualified Community Groups

Qualified Community Groups may request waiver of the facility rental fee. Request for a waiver must be submitted in writing at the time of application and must include:

- A description of the groups mission and purpose
- A description of the event or activity
- An explanation public benefit and financial need
- The requested fee(s) to be waived
- Confirmation that the event is non-commercial and not intended to generate private profit

In determining whether to grant a fee waiver, the City Manager shall consider the following criteria:

- **Public Benefit:** Whether the event, program, or activity serves or is open to the general public or benefits a significant segment of the community.
- **Mission Alignment:** Whether the purpose of the activity aligns with the City's goals, such as civic participation, youth development, public health, or environmental sustainability.
- **Non-Commercial Intent:** Whether the event is non-commercial in nature and not intended to generate private profit.
- **Financial Need:** Whether the applicant demonstrates a financial need or lack of access to other resources.
- **Impact on City Resources:** The cost to the City, staff impacts, and scheduling considerations.

The City Manager may attach reasonable conditions to any fee waiver and may require the applicant to report on the outcome of the event of the event or activity. Fee waivers may be revoked if the event purpose is misrepresented or if conditions are not met.

The total value of fee waivers granted on any fiscal year may be subject to an annual cap as determined by the City Council. Fee waivers are discretionary and are not guaranteed.

Applicant Procedures and Policies:

An individual or representative of a group can secure a hold to City facilities by submitting the required reservation application. Reservations will be finalized after the security deposit (payment) has been received.

The applicant shall be classified and assigned a Classification Ranking in accordance with the definitions and priority rankings set forth in this policy.

Applicant/User shall observe all applicable City of Canyon Lake rules, regulations, and all Federal, State, and local laws that apply to the facility use. The use permit may be revoked for failure to observe City's policies or for improper conduct, or for City necessity.

All reservations are subject to State, County, and City health and safety guidelines. The user may be required to provide additional liability insurance, security, or additional special permits for use during their event.

Reservation Requirements

All reservations require a minimum rental of two hours. To secure a date for the use of any City facility, a completed reservation application must be submitted thirty (30) working days prior to the requested reservation date and approved by the City Manager or designee. Reservations are confirmed on a first-come, first-served basis. A standard processing and review period of 7-10 business days is required to allow for event approval and staffing review. Reservations are confirmed by email. It is the responsibility of the applicant to read, understand, and agree to comply with all policies and rules related to the use of the City facilities. Reservations made less than thirty (30) days in advance of the event will be accepted only if the facility and required staffing elements are readily available.

As a part of the reservation application, an expected room set up plan (including number of tables and chairs and layout) must be submitted and is subject to approval by City staff

No reservation shall be confirmed until the appropriate fees, deposits, permits/licenses, and insurance are obtained and/or paid.

Security Deposit

A refundable security deposit is due after the application has been received and approved. All fees must be paid in full one (1) week prior to the event, or the reservation will be subject to cancellation. The security deposit may be withheld if City staff determine that excessive cleaning, damage repair, or restoration is necessary following the event.

Cleaning Fee

A non-refundable cleaning fee will be applied only if food or beverage service is approved as part of the reservation. This fee may be waived upon approval of the City Manager or designee. This fee helps offset standard janitorial services required after events involving food or drink. The cleaning fee is due after the application is received and approved. All fees must be paid in full one (1) week prior to the event, or the reservation will be subject to cancellation.

Scope of Use

Any and all events held at City facilities are to be conducted only in the Facility Authorized areas. Users shall adhere to the following:

- Events shall take place between 8:00 a.m. and 6:00 p.m., Monday-Thursday.
    - This period shall include set-up and cleanup time.
- A minimum 2-hour rental is required per reservation
- To allow for staff teardown and setup, events may not be booked back-to-back (e.g., one ending at 5 p.m. followed by another starting at 8 a.m. the next day).
- A security deposit must be paid at the time of the application approval.

- Only bottled or dispensed water is permitted, unless otherwise approved by the City Manager. The presence of any other food or beverage without prior approval may result in forfeiture of the security deposit. If food or beverages are approved, a cleaning fee will automatically apply to the reservation.

Prohibited Use

The following activities and items are prohibited:

- User shall not use the antechamber, Council dais, or any related furniture. Use of electronic equipment must be approved by City Staff
- No decorations or displays may be attached to any facility surface, windows, ceiling etc. Any exceptions to this policy must be reviewed and approved by the City Manager at the time of the application submission.
- No lit candles or any open flame.
- No alcohol is to be served, consumed, or sold.
- There is no smoking in the facility.
- Animals are not allowed. Exceptions will be made for service animals.
- The possession, use, or engagement in any unlawful, unsafe, or prohibited activity is strictly forbidden on City property.
- The facility may not be used for any campaign or election activities not administered by the City or County.

Non-Profit 501(c)(3) Organizations:

Non-profit organizations (501(c)(3) may reserve facilities according to the classification and fee schedule. Fees will be reduced upon submission and verification of valid 501(c)(3) non-profit status. Availability may be subject to facility needs and prior bookings.

Availability

The City of Canyon Lake and official meetings, including city-run elections, shall have scheduling priority. To ensure community availability, no applicant/organization can reserve the room more than three times a month.

Cancellations

Reservations must be cancelled at a minimum of 7 days prior to the event for the user to receive a full refund of fees paid. Cancellations made less than 7 days prior to the event, will forfeit the security deposit paid, which shall serve as the cancellation fee.

Cancellation of Permission Due to City Closure

In the event City government is declared closed due to inclement weather or other reasons; any permission to use the facility or grounds is automatically withdrawn during the closure period.

- City government closure information is available on the City's website and social media.

- In such an event, the City shall not provide notice of cancellation.
- Applicant/User shall be solely responsible for notifying event participants.
- If an approved reservation is canceled due to a City closure, the applicant will receive a full refund of all fees and deposits paid.

Room Capacity & Set-up Guidelines

Room capacity is dependent on the selected layout and must comply with fire code and accessibility requirements. The following guidelines apply:

Set-up Type	Max Occupancy	Max Number of Tables	Notes
Chairs Only (Audience Style)	110 People	0	○ Must maintain clear aisles and emergency access routes ○ Layout must comply with ADA and fire code requirements
Tables and Chairs	85 People	15	○ Must maintain clear aisles and emergency access routes ○ Layout must comply with ADA and fire code requirements

All setups must maintain clear pathways and accessible routes in accordance with ADA standards. Final layout and set up plan must be approved by City staff prior to the event.

Furnishings & Equipment Availability

Applicants must submit a room setup description or diagram at the time of reservation. The City will provide any available tables, chairs, and standard furnishings in its inventory; however, availability of specific quantities cannot be guaranteed. The City is unable to supply equipment or furnishings beyond what is currently in stock. Applicants are responsible for providing any additional furniture, materials, or equipment needed for their event.

Use of the antechamber, Council dais, or any related furniture, technology, or equipment is strictly prohibited. The facility's presentation equipment is limited to a wall-mounted display screen, which may only be used to show meeting visuals or presentation materials approved in advance by City staff.

Use of microphones, speakers, or amplified music is generally not permitted during regular business hours. Exceptions may be approved by the City Manager or designee, based on the nature of the event and its potential impact on adjacent City operations. The City does not provide additional audiovisual or electronic equipment for public use unless specifically authorized by the City Manager.

Cleaning

The User is responsible for all setup and cleanup of the facility and must return the space to its original condition. A refundable security deposit is required for all reservations. The security deposit may be withheld if City staff determine that excessive cleaning, damage repair, or restoration is necessary following the event.

Designated City staff will conduct a walkthrough of the facility with the applicant (or a representative) both before and after the event. The pre-event walkthrough will document the condition of the space, and the post-event walkthrough will determine whether the facility has been properly restored to its original condition and inform any decisions regarding the security deposit.

- At no time may City property be removed from the premises.
- The User must supply any other needed equipment or furniture.

Insurance, Liability, Loss and Damage

All users of the facility shall procure and maintain insurance, at their own expense and for the duration of the event covered. Comprehensive general liability in an amount no less than 2,000,000 per occurrence is required. All applicable insurance is subject to review and acceptance by the City.

The User hereby assumes full financial responsibility for any and all loss or damage to the Facility to be used as well as all personal property of the City of Canyon Lake. The City of Canyon Lake is not liable for any property loss/damage or injury to individuals.

In no event shall the City be liable, or responsible for any bodily injury, or loss to, or damage to any property, owned by, rented by, or in care of the User or invitees, including or resulting from theft, destruction, or damage of any kind, or nature whatsoever in connection with this policy and provided agreement.

CITY COUNCIL STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Arron Brown, City Manager

BY: Steven Graham, City Attorney

DATE: 11/12/2025

SUBJECT: Adopt Urgency Ordinance No. 267 Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations), Including the 2025 California Fire Code, with Local Amendments; Repealing Conflicting Ordinances; and Declaring the Urgency Thereof; and Introduction and First Reading of Ordinance No. 268 Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations) with Local Amendments and Repealing Conflicting Ordinances

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Recommendation:

(1) Adopt Urgency Ordinance No. 267 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations), Including the 2025 California Fire Code, with Local Amendments; Repealing Conflicting Ordinances; and Declaring the Urgency Thereof." by at least a four-fifths vote of the City Council; and (2) introduce and read by title only Ordinance No. 268 - An Ordinance of the City Council of the City of Canyon Lake, California Adopting by Reference the 2025 California Building Standards Code (Title 24, California Code of Regulations) with Local Amendments and Repealing Conflicting Ordinances.

Background/Analysis:

Every three years, the California Building Standards Commission (CBSC) adopts a new edition of the California Building Standards Code (the "Code" or "Title 24, CCR"). The 2025 edition has been published to take effect statewide on January 1, 2026. To maintain seamless enforcement and align the Canyon Lake Municipal Code (CLMC) with current State standards, staff prepared two coordinated ordinances: (1) an Urgency Ordinance that becomes effective immediately upon a 4/5ths vote, and (2) a companion regular (non-urgency) ordinance that follows the standard two-reading process and becomes effective 30 days after adoption. Taking both actions ensures there is no gap in enforceability across the year-end transition and that the City's codified provisions reflect the 2025 Code moving forward.

State Adoption Cycle and City Authority

Title 24 is the State's minimum building standard. Cities must enforce it and may adopt reasonable local amendments where climatic, geological, or topographical conditions justify departures from the State text. Adoption "by reference" is expressly authorized for the uniform codes. The proposed ordinances satisfy these requirements by (a) adopting the full 2025 California Building Standards Code (Title 24) and expressly including the 2025 California Fire Code, and (b) incorporating Canyon Lake's local amendments supported by written findings tied to local conditions.

Need for Urgency Adoption

Government Code § 36937(b) permits an urgency ordinance for the immediate preservation of public peace, health, or safety. The City's building and fire regulations are a core life-safety program; without an effective update by January 1, 2026, the City could experience: (i) enforcement uncertainty at the turn of the year for plan checks and permits spanning December--January; (ii) delays in applying updated life-safety provisions (e.g., structural, fire and WUI, egress, energy systems, and critical equipment requirements); and (iii) administrative inefficiencies for builders and staff navigating two different standards. Adopting the Urgency Ordinance now ensures continuous, up-to-date standards apply to all applications and inspections and provides clear notice to applicants as of January 1, 2026.

Local Amendments and Findings

The Fire Chief and Deputy Building Official have reviewed the 2025 Code and identified targeted local amendments based on Canyon Lake's local climatic, geological, and topographical conditions,

CEQA

Adoption of State-mandated building standards with limited, health-and-safety local amendments does not result in a reasonably foreseeable physical change in the environment and is therefore not a project under CEQA Guidelines § 15061(b)(3). Any future, site-specific development remains subject to project-level CEQA review, as applicable.

Implementation and Timing

If adopted on November 12, 2025, the Urgency Ordinance is effective January 1, 2026 and will govern permit intake, plan check, and inspections as of that date. Introducing the regular ordinance on November 12 and setting second reading for December 10, 2025 positions it to take effect 30 days after adoption, thereby superseding the urgency version and providing the City's permanent, codified update. Following adoption, staff will (1) file local-conditions findings with the CBSC; (2) update the CLMC; (3) publish/post the ordinance(s) as required; and (4) issue applicant bulletins clarifying effective dates and submittal cut-offs.

Fiscal Impact

No General Fund appropriation is required.

Alternatives

The Council could decline to adopt the urgency ordinance and proceed only with the regular ordinance; however, that approach risks a temporal enforcement gap at the new year and inconsistent application of the 2025 Code to pending permits. Staff therefore recommends the paired urgency/regular approach described above.

Fiscal Impact Yes/No: No

Attachments:
1 - Urgency Ordinance
2 - Ordinance (Non-Urgency)

ORDINANCE NO. 267

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE (TITLE 24, CALIFORNIA CODE OF REGULATIONS), INCLUDING THE 2025 CALIFORNIA FIRE CODE, WITH LOCAL AMENDMENTS; REPEALING CONFLICTING ORDINANCES; AND DECLARING THE URGENCY THEREOF

WHEREAS, the California Building Standards Commission has adopted the 2025 edition of the California Building Standards Code, California Code of Regulations, Title 24 (the "2025 Code"), which becomes effective statewide on January 1, 2026; and

WHEREAS, the California Health and Safety Code requires the City to enforce the California Building Standards Code and authorize the City to make reasonable local amendments to the State standards based on local climatic, geological, or topographical conditions, supported by express findings; and

WHEREAS, Government Code section 50022.2 provides that "[a] local agency ordinance may adopt a code, the adoption of which is expressly required or permitted as a condition of compliance with a state statute, by reference without complying with the procedures and requirements of this article," and the City's adoption by reference of the 2025 California Building Standards Code (Title 24, California Code of Regulations) is expressly required and permitted to comply with State law; and

WHEREAS, the City Council desires to adopt by reference the 2025 Code including, without limitation, the 2025 California Building Code, Residential Code, Electrical Code, Mechanical Code, Plumbing Code, Fire Code, Energy Code, Historical Building Code, Existing Building Code, and Green Building Standards Code and to adopt local amendments reasonably necessary to address Canyon Lake's unique local climatic, geological, and topographical conditions; and

WHEREAS, the Fire Chief and Deputy Building Official have recommended, and the City Council has considered, local amendments and corresponding findings; and

WHEREAS, the City Council finds and determines that each local amendment to the 2025 Code is reasonably necessary due to local climatic, geological, or topographical conditions, and directs that the required findings be filed with the California Building Standards Commission; and

WHEREAS, adoption of State building standards with limited health-and-safety local amendments does not constitute a project under the California Environmental Quality Act ("CEQA") because it can be seen with certainty that it will not have a reasonably foreseeable direct or indirect physical change in the environment (CEQA Guidelines § 15061(b)(3)); and

WHEREAS, to ensure continuity of life-safety regulation and to avoid uncertainty for permit applicants and inspectors across the year-end transition, the City Council desires to adopt an

urgency ordinance effective immediately and, in tandem, to introduce a regular ordinance that will become effective 30 days after its adoption; and

WHEREAS, the City Council further finds that this ordinance is necessary for the immediate preservation of the public peace, health, and safety within the meaning of Government Code section 36937(b), in that it provides for the immediate application of current building and fire-life-safety standards at the outset of the State's 2025 Code effectiveness period, thereby ensuring consistent and enforceable standards for plan review, permitting, and inspections; and

WHEREAS, upon the effective date of the regular ordinance, the urgency ordinance will be superseded and of no further force and effect, and all ordinances or parts of ordinances in conflict herewith shall be repealed to the extent of such conflict.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Chapter 8.02 of the Canyon Lake Municipal Code is repealed and readopted to read as follows:

Chapter 8.02
Adoption of California Building Standards Codes

Section

8.02.010 Adoption by Reference; Purpose
8.02.020 Codes and Editions Adopted; Appendices
8.02.030 Precedence; Conflicts
8.02.040 Transitional Application
8.02.050 Permit Exemptions Not Authorization to Violate Law

8.02.010 Adoption by Reference; Purpose.

Pursuant to Health and Safety Code sections 17958, 17958.5, 17958.7, and 18941.5, and Government Code section 50022.2, the City adopts by reference the California Building Standards Code, California Code of Regulations, Title 24, 2025 Edition (the "2025 Code"), together with local amendments set forth in this Chapter, for the purpose of prescribing regulations for the erection, construction, enlargement, alteration, repair, improvement, removal, conversion, demolition, occupancy, equipment use, height, and area of buildings and structures within the City of Canyon Lake.

8.02.020 Codes and Editions Adopted; Appendices.

A. Title 24 Parts. The following Parts of the 2025 California Building Standards Code are adopted by reference, including the editions and base model codes indicated, and as limited or expanded by each Part's matrix adoption tables:

1. Part 1. California Administrative Code (2025).

2. Part 2. California Building Code (CBC), 2025, including Chapter 1, Division II, and Appendix J, based on the 2024 International Building Code (ICC).

3. Part 2.5. California Residential Code (CRC), 2025, including Appendices J and V, based on the 2024 International Residential Code (ICC).

4. Part 3. California Electrical Code (CEC), 2025, based on the 2023 National Electrical Code (NFPA 70).

5. Part 4. California Mechanical Code (CMC), 2025, based on the 2024 Uniform Mechanical Code (IAPMO).

6. Part 5. California Plumbing Code (CPC), 2025, based on the 2024 Uniform Plumbing Code (IAPMO).

7. Part 6. California Energy Code, 2025.

8. Part 8. California Historical Building Code, 2025.

9. Part 10. California Existing Building Code, 2025.

10. Part 11. California Green Building Standards Code (CALGreen), 2025.

11. Part 12. California Referenced Standards Code, 2025.

B. Supplemental Codes. To the extent not preempted by Title 24 and for purposes of property maintenance and the abatement of dangerous buildings as public nuisances, the City adopts:

1. International Property Maintenance Code, 2021 Edition (ICC).

2. Uniform Code for the Abatement of Dangerous Buildings, 1997 Edition (ICC).

These codes apply only where not superseded by Title 24 or by this Chapter and may be enforced through the City's nuisance and code-enforcement procedures.

C. Matrix Adoption Tables and Appendices. Adoption is subject to each Part's matrix adoption tables, including inclusions/exclusions therein. The specific appendices expressly identified in subsections A(2) and A(3) are adopted; other appendices are not adopted unless expressly stated in this Chapter.

8.02.030 Precedence; Conflicts.

A. The provisions of the Codes adopted by this Chapter, as locally amended herein, constitute the Building Regulations of the City of Canyon Lake.

B. Where any conflict exists between (i) a City-adopted supplemental code and (ii) Title 24 or a local amendment thereto, Title 24 and the local amendment control.

C. Where any conflict exists between (i) unamended model code text referenced in a California Code Part and (ii) California amendments contained in that Part, the California amendments control.

D. Where the California Code of Regulations and the California Building Standards Codes differ from any sections of the Construction Codes, State regulations prevail.

8.02.040 Transitional Application.

A. Effective Date. The 2025 Code becomes effective on January 1, 2026, or as otherwise provided by State law.

B. Applications and Permits.

1. Building permit applications deemed complete on or after the effective date above shall comply with the 2025 Code as adopted and amended by this Chapter.

2. Building permit applications deemed complete before the effective date above may be reviewed and permitted under the codes in effect at the time the application was deemed complete, unless State law requires otherwise, all at the discretion of the Building Official and applicable law.

Nothing herein authorizes work in violation of State law or reduces any minimum life-safety standard.

8.02.050 Permit Exemptions Not Authorization to Violate Law.

Exemptions from permit requirements within any adopted Code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of any adopted Code, this Chapter, or any other applicable laws or ordinances of this jurisdiction.

Section 2. The City Council of the City of Canyon Lake, California, hereby makes the following findings in support of local amendments to the 2025 California Fire Code:

The City of Canyon Lake may establish more restrictive standards reasonably necessary to provide fire protection for life and property because of local climatic, geological, or topographical conditions.

1. Climatic Conditions:

The City of Canyon Lake is located in southern California and in western Riverside County. This part of the County is subject to high temperatures, high velocity wind conditions which may reach

or exceed 70 m.p.h., and extended periods with little to no precipitation. These dry climatic conditions and high winds cause drying of vegetation and building materials and contribute to rapid spread of fires leading to a need for increased levels of protection.

After many years of drought there are times when significant rainfall can affect the City. The runoff from this rainfall can cause flooding and mudslides putting lives and property at risk and cause emergency response delays. Frequent periods of drought and low humidity add to the fire danger. This predisposes the area to large destructive fires (conflagrations) which necessitates rapid identification, locating, and extinguishment of all fires in the smallest stage possible. In addition to directly damaging or destroying buildings, these fire are also prone to disrupt utility services throughout the County. Obstacles generated by a strong wind, such as fallen trees, street lights, and utility poles, will greatly impact the response time to reach in incident scene.

Water demand in densely populated southern California far exceeds the quantity supplied by natural precipitation; and although the population continues to grow, the already-taxed water supply does not. California is projected to increase in population by nearly 10 million residents over the next quarter of a century with 50 percent of that growth centered in southern California. Due to storage capacities and consumption, and a limited amount of rainfall, future water allocation is not fully dependable. This necessitates the need for additional and on-site fire protection features. It would also leave tall buildings vulnerable to uncontrolled fire due to a lack of available water and an inability to pump sufficient quantities of available water to upper floors in a fire.

2. Topographical Conditions:

Traffic and circulation congestion, along with limited access routes to the area, contribute to increased response times to emergencies. These conditions increase response times and makes it necessary to require additional life safety requirements to protect lives and property.

3. Geological Conditions:

The City of Canyon Lake is located in an area of substantial seismic activity. Several faults, including the San Andreas, San Jacinto, and Elsinore Fault, are located near the City. These faults can be expected to have a major impact on the City of Canyon Lake and pose a threat to lives and property. Bridges are particularly vulnerable to collapse, and dam failure may generate major downstream flooding. Buildings vary in susceptibility, dependent upon construction and the types of soils on which they are built. Earthquakes destroy power and telephone lines; gas, sewer, or water mains; which in turn may set off fires and/or hinder firefighting or rescue efforts. Ground shaking may occur in areas 65 miles or more from the epicenter (the point of ground surface about the focus). Ground shaking can change the mechanical properties of some fine grained, saturated soils, where upon they liquefy and act as a fluid (liquefaction). Damage to building construction, bridges, gas lines, water, and sewer lines would have a catastrophic impact on the community and City resources would be taxed beyond capabilities.

Previous earthquakes in southern California have been accompanied by disruption of traffic flow and fires. A severe seismic event has the potential to negatively impact any rescue or fire

suppression activities because it is likely to create obstacles similar to those indicated under the high wind section above. With the probability of strong aftershocks there exists a need to provide increased protection for anyone on upper floors of buildings.

Road circulation features located throughout the County and City of Canyon Lake also make amendments reasonably necessary. Located through the County and the City of Canyon Lake are major roadways, highways, and flood control channels that create barriers and slow response times. Hills, slopes, street and storm drain design, accompanied with occasional heavy rainfall, causes roadway flooding and landslides and at times may make an emergency access route impassable. There are areas in Riverside County that naturally have extended emergency times that exceed our seven minute forty-five second response time goal.

California Health and Safety Code Sections 17958.7 and 18941.5 require that the modification or change be expressly marked and identified as to which each finding refers. Therefore, the City Council finds that the following table sets forth the 2025 California Fire Code sections that have been modified and the associated local climatic, geological, and/or topographical conditions described above supporting the modification.

2025 CA Fire Code Section	Title/Subject	Findings
1.1.1	Title	Administrative
101.4	Severability	Administrative
102.5	Application of Residential Code	1, 2 & 3
103.1	Creation of Agency	Administrative
104.1.1	Authority of Fire Chief and Fire Department	Administrative
104.7	Liability	Administrative
104.12	Authority to close hazardous fire areas	Administrative
105.5.5	Carnivals, fairs, and special events	1, 2 & 3
105.5.60	General use permit	Administrative
108.1	Fees	Administrative
108.2	Schedule of Permit Fees	Administrative
108.4.1	Fees for Working or Performing W/out Permits	Administrative
108.7	Cost recovery	Administrative
108.8	Expense recovery	Administrative
110.7	Occupant count	Administrative
112.1	Board of Appeals established	Administrative
112.2	Limitations on Authority	Administrative
112.3	Qualifications	Administrative
113.4	Violation penalties	Administrative
114.4	Failure to comply	Administrative
202	Definitions	Administrative
307	Open Burning, Recreational Fires, Outdoor Fireplaces	1, 2 & 3
307.1.1	Prohibited Open Burning	1, 2 & 3

307.6	Outdoor Fireplaces, Fire Pits, or other similar devices used at Group R Occupancies	1, 2 & 3
307.6.1	Gas Fueled Devices	1, 2 & 3
307.6.2	Where Prohibited	1, 2 & 3
307.6.3	Outdoor Fireplaces Utilizing Wood or Solid	1, 2, & 3
308.1.7	Sky lanterns	1, 2 & 3
324	Mid-Rise Buildings	1, 2 & 3
501.1	Scope	1, 2 & 3
503.1	Fire Apparatus Access Roads	1, 2 & 3
503.1.2	Additional Access	1, 2 & 3
503.2.1	Dimensions	Administrative
503.2.2	Authority	Administrative
503.2.3	Surface	1, 2 & 3
503.6.1	Automatic Opener	Administrative
503.7	Loading Areas and Passenger Drop-Off Areas	Administrative
504.1	Required Access	Administrative
505.1	Address Numbers	Administrative
507.5.1.1	Hydrant for Fire Department Connections	1 & 2
507.5.7	Fire Hydrant Size and Outlets	1 & 2
507.5.8	Fire Hydrant Street Marker	1 & 2
508.1	General	1, 2 & 3
508.1.1	Location and Access	1, 2 & 3
508.1.3	Size	1, 2 & 3
508.1.6	Required Features	1, 2 & 3
509.2.1	Minimum Clearances	A, 2 & 3
608.11.1.2	Manual Operation	1 & 2
903.2	Where Required	1 & 2
903.2.8	Group R	1, 2 & 3
903.2.10	Group S-2 Parking Garages	1 & 2
903.2.10.1	Commercial Parking Garages	1 & 2
903.3.5.3	Hydraulically Calculated Systems	1, 2 & 3
907.1.6	Fire Alarm Control Panel	1 & 2
907.5.1	Occupant Notification Systems Required in Multi-tenant Buildings	1 & 2
914.12	General	Administrative
914.12.1	Automatic Fire Sprinkler and Standpipes	1, 2 & 3
914.12.2	Smoke Detection	1, 2 & 3
914.12.3	Fire Alarm System	1, 2 & 3
914.12.4	Emergency Voice Alarm Signaling System	1, 2 & 3
914.12.5	Fire Command Center	1, 2 & 3
914.12.6	Elevators	1, 2 & 3
914.12.7	Fire Department Communication System	1, 2 & 3
914.12.8	Means of Egress	1, 2 & 3
914.12.8.1	Extent of the Enclosure	1, 2 & 3

914.12.8.2	Pressurized Enclosures and Stairways	1, 2 & 3
914.12.8.3	Vestibules	1, 2 & 3
914.12.8.4	Pressure Differences	1, 2 & 3
914.12.8.5	Locking of Stairway Doors	1, 2 & 3
3204.2.1	Minimum Requirements for Client Leased or Occupant Owned Warehouses	Administrative
5601.7	Seizure of Fireworks	Administrative
5608.2	Firing	Administrative
5614	Explosives and Blasting	Administrative
5701.1	General	Administrative
Appendix B	Fire-flow requirements for buildings	1, 2 & 3
Appendix C	Fire hydrant locations and distribution	1, 2 & 3

The additional requirements included herein are necessary to properly protect the health, safety, and welfare of the residents and workers of the City of Canyon Lake.

Revenue shortages make it difficult to locate additional fire stations and provide staffing sufficient to control fires in single and multi-story retail, commercial, and industrial buildings, making enhanced built in protection necessary.

The purpose of this ordinance is to adopt the 2025 California Fire Code, California Code of Regulations, Title 24, Part 9, as amended, to govern the safeguarding of life and property from fire, explosion hazards, and hazardous conditions, and to regulate the issuance of permits and collection of fees.

This ordinance is adopted pursuant to Health and Safety Code Sections 17958 and 17958.7 which allow City adoption of modifications or changes to the California Fire Code that are reasonably necessary because of local climatic, geological, and topographical conditions.

The sections of the California Fire Code may be referred to by the same number used in said published compilation preceded by the words “City of Canyon Lake Fire Code Section” or “California Fire Code Section” or “Fire Code Section.”

Notwithstanding the provisions of this Ordinance, the City of Canyon Lake reserves the right to determine the extent and level of its fire services.

Section 3. Chapter 8.12 of the Canyon Lake Municipal Code is repealed and readopted to read as follows:

Chapter 8.12
Adoption of the California Fire Code as Amended

Section

8.12.010 **Adoption.**
8.12.020 **Alternative Materials and Methods.**
8.12.030 **Title.**
8.12.040 **Severability.**
8.12.050 **Application of Residential Code.**
8.12.060 **Creation of agency.**
8.12.070 **Authority of Fire Chief and the Fire Department.**
8.12.080 **Authority of Fire Chief to close Hazardous Fire Areas.**
8.12.090 **Carnivals, Fairs, and Special Events.**
8.12.100 **General Use Permit.**
8.12.110 **Fees.**
8.12.120 **Schedule of Permit fees.**
8.12.130 **Fees for Working or Performing without Necessary Permits.**
8.12.140 **Cost Recovery.**
8.12.150 **Expense Recovery.**
8.12.160 **Occupant Count.**
8.12.170 **Board of Appeals Established.**
8.12.180 **Limitations on Authority.**
8.12.190 **Qualifications.**
8.12.200 **Violation Penalties.**
8.12.210 **Failure to Comply.**
8.12.220 **Definitions.**
8.12.230 **Open Burning, Recreational Fires, Fire Pits, Fire Rings, and Portable Outdoor Fireplaces.**
8.12.240 **Prohibited Open Burning.**
8.12.250 **Outdoor Fireplaces, Fire Pits, Fire Rings, or other similar devices used at Group R Occupancies.**
8.12.260 **Gas Fueled Devices.**
8.12.270 **Where Prohibited.**
8.12.280 **Outdoor Fireplaces Utilizing Wood or Solid Fuels.**
8.12.290 **Sky Lanterns.**
8.12.300 **Mid-Rise Buildings.**
8.12.310 **Scope.**
8.12.320 **Fire Apparatus Access Roads.**
8.12.330 **Additional Access.**
8.12.340 **Dimensions.**
8.12.350 **Authority.**
8.12.360 **Surface.**
8.12.370 **Automatic Opener.**
8.12.380 **Loading Areas and Passenger Drop-off Areas.**
8.12.390 **Required Access.**
8.12.400 **Address Numbers.**

8.12.410 Hydrant for Fire Department Connections.
8.12.420 Fire Hydrant Size and Outlets.
8.12.430 Fire Hydrant Street Marker.
8.12.440 General.
8.12.450 Location and Access.
8.12.460 Size.
8.12.470 Required Features.
8.12.480 Minimum Clearances.
8.12.490 Manual Operation.
8.12.500 Where Required.
8.12.510 Group R.
8.12.520 Group S-2 Parking Garages.
8.12.530 Commercial Parking Garages.
8.12.540 Hydraulically Calculated Systems.
8.12.550 Sprinkler System Supervision and Alarms.
8.12.560 Fire Alarm Control Panel.
8.12.570 Occupant Notification Systems Required in Multi-tenant Buildings.
8.12.580 General.
8.12.590 Automatic Fire Sprinkler Systems and Standpipes.
8.12.600 Smoke Detection.
8.12.610 Fire Alarm Systems.
8.12.620 Emergency Voice Alarm Signaling System.
8.12.630 Fire Command Center.
8.12.640 Elevators.
8.12.650 Fire Department Communication System.
8.12.660 Means of Egress.
8.12.670 Extent of the Enclosure.
8.12.680 Pressurized Enclosures and Stairways.
8.12.690 Vestibules.
8.12.700 Pressure Differences.
8.12.710 Locking of Stairway Doors.
8.12.720 Minimum Requirements for Client Leased/Occupant Owned Warehouses.
8.12.730 Prohibition.
8.12.740 Seizure of Fireworks.
8.12.750 Firing.
8.12.760 Explosives and Blasting.
8.12.770 General.
8.12.780 Appendix B.
8.12.790 Appendix C.

8.12.010 Adoption.

The City Council of the City of Canyon Lake does hereby adopt the California Fire Code, as amended. Except as stated in this Section or as amended below in this Ordinance, all of the provisions and appendices of the 2025 California Fire Code, inclusive of all of the inclusions and exclusions set for in each chapter's matrix, are hereby adopted and shall apply to the City of

Canyon Lake. In addition, the following provisions that are excluded in the 2025 California Fire Code are hereby adopted - Chapter 1, Division II of the California Fire Code is hereby adopted, except that Section 111.3 is not adopted, and Chapters 3, 25, and Sections 403.11, 503, 510.2, and 1103.2, and 5707 are adopted. One copy of this Code has been and is now filed in the office of the Fire Chief of the City of Canyon Lake Fire Department and the same is hereby adopted and incorporated.

8.12.020 Alternative Materials and Methods.

The fire code official is authorized to render interpretations of this code and to make and enforce rules and supplemental regulations and to develop fire protection standards to carry out the application and intent of its provisions. Requirements that are essential for the public safety of an existing or proposed activity, building or structure, or for the safety of occupants thereof, which are not specifically provided for by this code, shall be determined by the fire code official

8.12.030 Title.

Section 1.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 1.1.1 Title. These regulations shall be known as the Fire Code of the City of Canyon Lake, hereinafter referred to as "this Code."

8.12.040 Severability.

Section 101.4 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 101.4 Severability. If any provision, clause, sentence or paragraph of this ordinance or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions of this ordinance which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

8.12.050 Application of Residential Code.

Section 102.5 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 102.5 Application of residential code. Where structures are designed and constructed in accordance with the California Residential Code, the provisions of this code shall apply as follows:

1. Construction and design provisions of this code pertaining to the exterior of the structure shall apply including, but not limited to, premises identification, fire apparatus

access, and water supplies. Where interior or exterior systems or devices are installed, construction permits required by Section 105.6 of this code shall apply.

2. Administrative, operational, and maintenance provisions of this code shall apply.

3. Automatic fire sprinkler system requirements of this code shall apply to detached accessory buildings 3,600 square feet or greater in accordance with Section 903.2. The provisions contained in Section 903.2.18 of the California Fire Code or Section R309.6 of the California Residential Code may be used for the design of the automatic fire sprinkler system for detached private garages or similar uses.

8.12.060 Creation of Agency.

Section 103.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 103.1. Creation of agency. The Canyon Lake Fire Department is hereby created and the official in charge thereof shall be known as the fire code official. The function of the agency shall be the implementation, administration, and enforcement of the provisions of this code.

8.12.070 Authority of the Fire Chief and Fire Department.

Section 104.1.1 is added to Section 104 of the California Fire Code to read as follows:

Section 104.1.1. Authority of the Fire Chief and the Canyon Lake Fire Department.

1. The Fire Chief is authorized and directed to enforce all applicable State fire laws and provisions of this ordinance and to perform such duties as directed by the Canyon Lake City Council.

2. The Fire Chief is authorized to administer, interpret, and enforce this ordinance. Under the Fire Chief's direction, the Canyon Lake Fire Department is authorized to enforce ordinances of the City of Canyon Lake pertaining to the following:

    2.1. The prevention of fires.

    2.2. The suppression or extinguishment of dangerous or hazardous fires.

    2.3. The storage, use, and handling of hazardous materials.

    2.4. The installation and maintenance of automatic, manual, and other private fire alarm systems and fire extinguishing equipment.

    2.5. The maintenance and regulation of fire escapes.

2.6. The maintenance of fire protection and the elimination of fire hazards on land, in buildings, structures and other property, including those under construction.

2.7. The maintenance of means of egress.

2.8. The investigation of the cause, origin, and circumstances of fire, and unauthorized releases of hazardous materials.

3. The following persons are hereby authorized to interpret and enforce the provisions of this code and to make arrests and issue citations as authorized by law:

3.1. The Fire Chief, Fire Marshal, Battalion Chief, and all members of the Canyon Lake Fire Department.

3.2. The Canyon Lake Police Department, Police Chief, Lieutenant, and all members of the Canyon Lake Police Department.

3.3 The Riverside County Sheriff and any Deputy Sheriff.

3.4. Officers of the California Highway Patrol.

3.5. Code Enforcement Officers of the City of Canyon Lake Code Enforcement Department.

3.6. Peace Officers of the California Department of Parks and Recreation.

3.7. The law enforcement officers of the Federal Bureau of Land Management.

8.12.080 Authority of the Fire Chief to Close Hazardous Fire Areas.

Section 104.12 is added to Section 104 of the California Fire Code to read as follows:

Section 104.12. Authority of the Fire Chief to close hazardous fire areas. Except upon National Forest Land, the Fire Chief is authorized to determine and announce the closure of any hazardous fire area or portion thereof. Any closure by the Fire Chief for a period of more than fifteen (15) calendar days must be approved by the Canyon Lake City Council within thirty (30) calendar days of the Fire Chief's original order of closure. Upon such closure, no person shall go in or be upon any hazardous fire area, except upon the public roadways and inhabited areas. During such closure, the Fire Chief shall erect and maintain at all entrances to the closed area sufficient signs giving notice of closure. This section shall not prohibit residents or owners of private property within any closed area, or their invitees, from going in or being upon their lands. This section shall not apply to any entry, in the course of duty, by a peace officer, duly authorized public officer or fire department personnel. For the purpose of this section, "hazardous fire area" shall mean public or private land that is covered with grass, grain, brush, or forest and situated in a location that makes suppression difficult resulting in great damage. Such areas are designated on Hazardous Fire Area maps filed with the Canyon Lake Fire Department.

8.12.090 Carnivals, Fairs, and Special Events.

Section 105.5.5 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 105.5.5 Carnivals, fairs, and special events. An operational permit is required to conduct a carnival, fair, or special event. A detailed plan must be submitted, and an operational permit issued, to conduct a carnival, fair, or special event.

8.12.100 General Use Permit.

Section 105.5.60 is added to Section 105 of the California Fire Code to read as follows:

Section 105.5.60 General Use Permit. A General Use Permit shall be required for any activity or operation not specifically described in this section, which in the judgement of the fire code official is likely to produce conditions hazardous to life or property.

8.12.110 Fees.

Section 108.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 108.1 Fees. For each and every permit issued (or amended) pursuant to this code, there shall be paid to the City of Canyon Lake a fee in such amount as established by the agency issuing the permit or providing the service. Failure to pay such fees shall be cause for revocation of the permit.

8.12.120 Schedule of Permit Fees.

Section 108.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 108.2 Schedule of permit fees. Fees for services and operational permits shall be set forth in the City of Canyon Lake fee schedule.

8.12.130 Fees for Working or Performing Without Necessary Permits

Section 108.4.1 is added to Section 108 of the California Fire Code to read as follows:

Section 108.4.1 Fees for working or performing without necessary permits. A person who commences any construction work regulated by the Fire Code within the City before first obtaining necessary construction permits may be fined as follows:

1. First offense is double fees for each building or permit required to be issued that is in violation and a complaint is filed to the Contractors State License Board.

2. Second offense is double fees as indicated in item 1 above plus a $500.00 fine and a complaint filed to the Contractors State License Board.

3. Third offense is double fees as indicated in item 1 above plus a $1,000.00 fine and a complaint filed to the Contractors State License Board.

4. Fourth or subsequent violations will result in a misdemeanor citation and/or additional legal action for failing to comply with the requirement of the Fire Code.

8.12.140 Cost Recovery.

Section 108.7 is added to Section 108 of the California Fire Code to read as follows:

Section 108.7 Cost Recovery. Fire suppression, investigation, rescue, or emergency medical costs are recoverable in accordance with Health and Safety Code Sections 13009 and 13009.1, as may be amended from time to time. Additionally, any person who negligently, intentionally, or in violation of law causes an emergency response, including, but not limited to, a traffic accident, spill of toxic or flammable fluids, or chemicals, or any individual who is under the influence of an alcoholic beverage or any drug or the combined influence of an alcoholic beverage and drug, and whose operation of a motor vehicle, boat or vessel caused by that influence proximately cause any incident, is liable for the costs of securing such emergency, including those costs pursuant to Government Code Section 53150, et seq, as may be amended from time to time. Any expense incurred by the City of Canyon Lake or the Canyon Lake Fire Department for securing such emergency shall constitute a debt of such person and shall be collectable by the City of Canyon Lake in the same manner as in the case of an obligation under contract, express or implied.

8.12.150 Expense Recovery.

Section 108.8 is added to Section 108 of the California Fire Code to read as follows:

Section 108.8 Expense Recovery. The fire code official may impose a fee for recovery of expenses incurred to enforce the provision of the Fire Code including approved third-party billing.

8.12.160 Occupant Count.

Section 110.7 is added to Section 110 of the California Fire Code to read as follows:

Section 110.7 Occupant Count. The supervisor of each place of assembly shall have an effective system to maintain a count of the number of occupants present in order to keep the number at or below the allowable occupant load. If the fire code official determines at any time that an accurate count of occupants is not being maintained, the occupancy shall be cleared to obtain an accurate count.

8.12.170 Board of Appeals Established.

Section 112.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 112.1 Board of appeals established. The Board of Appeals shall be the City Manager. If he or she determines an outside board is needed, he or she shall designate an outside hearing officer to hear the appeal. The Fire Chief or designee shall be notified of any appeal and the Fire Chief or designee shall be in attendance at the appeal hearing. Depending on the subject of the appeal, specialized expertise may be solicited, at the expense of the applicant, for the purpose of providing input to the Board of Appeals.

8.12.180 Limitations on Authority.

Section 112.2 Limitations on authority is hereby deleted in its entirety.

8.12.190 Qualifications.

Section 112.3 Qualifications is hereby deleted in its entirety.

8.12.200 Violation Penalties.

Section 113.4 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 113.4 Violation penalties. It shall be unlawful for any person, firm, corporation or association of persons to violate any provision of this ordinance, or to violate the provisions of any permit granted pursuant to this code or ordinance. Punishments and penalties for violations shall be in accordance with the City of Canyon Lake ordinances, City fee schedule, and Health and Safety Code Sections 17995 through 17995.5.

8.12.210 Failure to Comply.

Section 114.4 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 114.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be in violation of this Code and be subject to citations and penalties in amounts as determined by the Canyon Lake City Council as identified in the City's Fee Schedule.

8.12.220 Definitions.

Section 202 Definitions. The following definitions are amended/added to Section 202 of the California Fire Code and reads as follows:

ALL WEATHER DRIVING SURFACE. An all-weather driving surface is a concrete, asphalt, or other approved systems to support heavy fire apparatus (approximately 75,000 gross vehicle weight) with a grade of no more than fifteen percent (15%) and a minimum width of twenty-four (24) feet, unless approval for a lesser amount is obtained from the Fire Code official.

FIRE CHIEF. The Fire Chief of the Canyon Lake Fire Department or designee.

FIRE HAZARD. Any condition, arrangement, or act which will increase, or may cause an increase of, the hazard or menace of fire to a greater degree than customarily recognized as normal by persons in the public service of preventing, suppressing or extinguishing fire; or which may obstruct, delay, or hinder, or may become the cause of obstruction, delay or hindrance to the prevention, suppression, or extinguishment of fire.

FUEL MODIFICATION ZONE. A strip of land where combustible vegetation has been thinned or modified or both and partially or totally replaced with approved fire resistant and/or irrigated plats to provide an acceptable level of risk from vegetation fires. Fuels modification reduces the radiant and convective heat on a structure and provides valuable defensible space for firefighter to make a stand against an approaching fire front.

HAZARDOUS FIRE AREA. Includes all areas identified within Section 4906.2 and other areas as determined by the Fire Code Official due to the presence of combustible vegetation or the proximity of property to an area that contains combustible vegetation.

MID-RISE BUILDING. A building four or more stories high but not exceeding 75 feet in height and not defined as a high-rise building by section 202 of the California Building Code. Measurements shall be made from the underside of the roof or floor above the topmost space that may be occupied to the lowest fire apparatus access road level.

JURISDICTION. The City of Canyon Lake and/or the Canyon Lake Fire Department.

8.12.230 Open Burning, Recreational Fires and Portable Outdoor Fireplaces

Section 307 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 307. Open Burning, Recreational Fires, Fire Pits, Fire Rings, and Portable Outdoor Fireplaces.

8.12.240 Prohibited Open Burning.

Section 307.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 307.1.1. Open burning shall be prohibited within the jurisdictional boundaries of the City of Canyon Lake.

8.12.250 Outdoor Fireplaces, Fire Pits, Fire Rings, or other similar devices used at Group R Occupancies.

Section 307.6 is added to Section 307 of the California Fire Code to read as follows:

Section 307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or other similar devices used at Group R Occupancies. Outdoor fireplaces, fire pits, fire rings, or similar exterior devices shall comply with this section.

Exception. Barbeques, grills, and other portable devices intended solely for cooking.

8.12.260 Gas Fueled Devices.

Section 307.6.1 is added to Section 307 of the California Fire Code to read as follows:

Section 307.6.1 Gas Fueled Devices. Outdoor fireplaces, fire pits, and similar devices fueled by natural gas or liquefied-petroleum gas are allowed when approved by the Building and Fire Departments and the device is designed to only burn a gas flame and not wood or other solid fuel. At R-3 occupancies, combustible construction and flammable vegetation shall not be located within 10 feet. At other R occupancies, the minimum distance shall be 20 feet. Where chimneys or vents are installed, they shall have a spark arrester as defined in California Mechanical Code Section 221.

8.12.270 Where Prohibited.

Section 307.6.2 is added to Section 307 of California Fire Code to read as follows:

Section 307.6.2 Where Prohibited. The burning of wood and other solid fuels shall not be conducted within the very high fire hazard severity zone, fuel modification zones, wildfire risk areas, or the wildland urban interface or intermix, or in locations where conditions could cause the spread of fire to the wildfire risk area or wildland urban interface/intermix. No burning of any type shall occur during declared “Red Flag” conditions within the City of Canyon Lake.

8.12.280 Outdoor Fireplaces Utilizing Wood or Solid Fuels.

Section 307.6.3 is added to Section 307 of the California Fire Code to read as follows:

Section 307.6.3 Outdoor fireplaces utilizing wood or solid fuels. Permanent outdoor fireplaces burning wood or other solid fuel shall be constructed in accordance with the California Building Code with clearance from combustible construction and building openings as required therein. Fires in a fireplace shall be contained within a firebox with an attached chimney. The opening in the face of the firebox shall have an installed and maintained method of arresting sparks. Chimneys shall have an approved spark arrester as defined in California Mechanical Code, Section 221.

8.12.290 Sky Lanterns.

Section 308.1.7 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 308.1.7 Sky lanterns or similar devices. A person shall not release or cause to be released a sky lantern or similar device.

8.12.300 Mid-Rise Buildings.

Section 324 of the California Fire Code is added to read as follows:

Section 324 Mid-Rise Buildings.

Section 324.1 General. A newly constructed mid-rise building or mid-rise building which undergoes a complete renovation that requires the building to be completely vacated shall comply with this section.

Exception:

1. Buildings used exclusively as an open parking garage.

2. Buildings where all floors above the fourth floor level are used exclusively as an open parking garage.

3. Building such as a power plant, lookout tower, steeple, grain house, and other similar structures with intermittent human occupancy.

Section 324.1.1 Automatic fire sprinkler systems and standpipes. Mid-rise buildings shall be protected throughout by an automatic fire sprinkler system designed and installed in conformance with the latest edition of NFPA 13 and in accordance with the following:

1. A shut-off valve and a water flow alarm shall be provided for each floor. Each shut-off valve and water flow alarm shall be electronically supervised.

2. Mid-rise building shall be provided with a class I standpipe system that is interconnected with the automatic fire sprinkler system. The system shall consist of 2 ½-inch hose valves located in each stair enclosure on every floor. Two hose outlets shall be located on the roof outside of each stair enclosure which penetrates the roof. The standpipe system shall be designed, installed, and tested in accordance with the latest edition of NFPA 14.

3. Fire department standpipe connections and valves serving each floor shall be located in the vestibule and located in a manner so as not to obstruct egress when hose lines are connected and charged.

Section 324.1.2 Smoke Detection. Smoke detectors shall be provided in accordance with this section. Smoke detectors shall be connected to an automatic fire alarm system and shall be installed in accordance with the latest edition of NPFA 72. The actuation of any device required by this sections shall operate the emergency voice alarm signal system and shall operate all equipment necessary to prevent the circulation of smoke through air return and exhaust ductwork. smoke detectors shall be located as follows:

1. In every mechanical equipment, electrical, transformer, telephone equipment, unstaffed computer equipment, elevator machinery or similar room and in all elevator lobbies. elevator lobby detectors shall be connected to an alarm verification zone or be listed as a releasing device.

2. In the main return air and exhaust air plenum of each air conditioning system. The smoke detector shall be located in a serviceable area downstream of the last duct inlet.

3. At each connection to a vertical duct or riser serving two or more stories from a return air duct or plenum of an air conditioning system. In Group R, Division 1 and 2 occupancies, an approved smoke detector is allowed to be used in each return air riser carrying not more than 5,000 cubic feet per minute and not serving more than 10 air inlet openings.

4. For Group R, Division 1 and 2 occupancies, in all corridors serving as a means of egress for an occupant load of 10 or more persons.

Section 324.1.3 Fire alarm system. An approved and listed, automatic and manual, fully addressable and electronically-supervised fire alarm system shall be provided in conformance with this code, the California Building Code, and the latest edition of NFPA 72.

Section 324.1.4 Emergency voice alarm signaling system. The operation of any automatic fire detector or water flow device shall automatically sound an alert tone followed by a pre-recorded voice instruction giving appropriate information and direction on a general or selective basis to the following terminal areas:

1. Elevators

2. Elevator lobbies

3. Corridors

4. Exit stairways

5. Rooms and tenant spaces

6. Dwelling units

7. Hotel guest rooms

8. Areas designated as safe refuge within a building

Section 324.1.5 Fire Command Center. A fire command center for fire department operations shall be provided for single structures in excess of 300,000 square feet in size. The location and accessibility of the fire command center shall be approved by the fire department. The room shall be separated from the remainder of the building by not less than a 1-hour fire barrier. The room shall be a minimum of 200 square feet with a minimum dimension of 10 feet. It shall contain the following facilities at a minimum:

1. Voice alarm and public address panels

2. Fire department communications panel

3. Fire alarm enunciator panel

4. Elevator enunciator panel (when building exceeds 55 feet in height)

5. Status indicators and controls for air-handling systems (stairwell pressurization)

6. Controls for unlocking stairwell doors
7. Fire pump status indicators (if required)

8. Set of complete building plans

9. Elevator control switches for switching emergency power

10. Work table

11. Access keys for all building spaces

Section 324.1.6 Annunciation identification. Control panels in the central control station shall be permanently identified as to their function. Water flow, automatic fire detection, and manually-activated fire alarms, and supervisory and trouble signals shall be monitored by an approved UL-listed central monitoring station and annunciated in the fire command center by means of an audible and visual indicator. For the purposes of annunciation, zoning shall be in accordance with the following:

1. When the system serves more than one building, each building shall be a separate zone.

2. Each floor in a building shall be a separate zone, and coincide with the floor level.

3. When one or more risers serve the same floor, each riser shall be a separate zone.

Section 324.1.7 Elevators. Elevators and elevator lobbies shall comply with Chapter 30 of the California Building Code. At least one elevator cab shall be assigned for fire department use and shall serve all floors of the building. The cab shall be provided large enough to

accommodate an ambulance-type stretcher in accordance with section 3002.4 of the California Building Code.

Section 324.1.8 Fire Department Communications Systems. An approved two-way fire department communication system designed and installed in accordance with the latest edition of NFPA 72 shall be provided for fire department use per section 907.2.13.2.

Section 324.1.9 Means of Egress. In addition to the requirements of Chapter 10, egress components of mid-rise buildings shall comply with section 324.1.9.1 through 324.1.9.5.

Section 324.1.9.1 Extent of Enclosure. Stairway enclosures shall be continuous and shall fully enclose all portions of the stairway. Exit enclosures shall exit directly to the exterior of the building or include an exit passageway on the ground floor leading to the exterior of the building. Each exit enclosure shall extend completely through the roof and be provided with a door that leads onto the roof.

Section 324.1.9.2 Pressurized Enclosures and Stairways. All required stairways and enclosures in a mid-rise building shall be pressurized as specified in section 909. Pressurized stairways shall be designed to exhaust smoke manually when needed.

Section 324.1.9.3 Vestibules. Pressurized stairway enclosures serving a mid-rise building shall be provided with a pressurized entrance vestibule on each floor that complies with section 909.

Section 324.1.9.4 Pressure Differences. The minimum pressure difference between a vestibule and adjacent areas shall comply with section 909.

Section 324.1.9.5 Locking of Stairway Doors. All stairway doors that are locked to prohibit access from the interior of the stairway shall have the capability of being unlocked simultaneously, without unlatching, upon a signal from the fire command center. Upon failure of normal electrical service or activation of any fire alarm, the locking mechanism shall automatically retract to the unlocked position.

A telephone or other two-way communication system connected to an approved emergency service which operates continuously shall be provided at not less than every third floor in each required exit stairway vestibule.

Approved signage stating doors are locked shall be provided in each stairwell vestibule on each floor in which entry may be made and on each floor in which a telephone is located. Hardware for locking stairway vestibules doors shall be State Fire Marshal listed and approved by the Fire Chief by permit before installation. Stairway doors located between the vestibules and the stairway shaft shall not be locked.

8.12.310 Scope.

Section 501.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 501.1 Scope. Fire service features for buildings, structures, and premises shall comply with this chapter. All features shall be in accordance with this code, national standards, the Canyon Lake Fire Department Guidelines for Fire Department Access and Water Requirements for Commercial and Residential Development.

8.12.320 Fire Apparatus Access Roads.

Section 503.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.1 Where Required. Fire apparatus access roads, including private residential driveways, shall be required for every building hereafter constructed when any portion of an exterior wall of the first story is located more than 150 feet from the closest point of an approved fire department vehicle access.

Fire apparatus access roads, except private residential driveways serving two homes or less, shall be provided and maintained for purposes of rapid and reliable fire apparatus access for an unobstructed traffic circulation for evacuation or relocating of civilians during a wildfire or other emergency. Fire apparatus access roads shall be provided and maintained in compliance with this section and the most recent edition and any amendments thereto, of public and private road standards as adopted by the City of Canyon Lake. The fire code official may modify the requirements of this section if the modification provides equivalent access.

8.12.330 Additional Access.

Section 503.1.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.1.2 Additional Access. The fire code official is authorized to require more than one fire apparatus access road based on the potential for impairment of a single road by vehicle congestion, condition of thee terrain, climatic conditions, or other factors that could limit access. When additional fire apparatus access roads are necessary, the additional fire apparatus access road must be remote from the primary fire apparatus access road and be approved by the fire code official.

8.12.340 Dimensions.

Section 503.2.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.2.1 Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 24-feet, exclusive of shoulders, except for single-family residential driveways

serving no more than two (2) single family dwellings, which shall have a minimum of 14-feet of unobstructed improved width. Any of the following, which have separated lanes of one-way traffic: gated entrances with card readers, guard stations or center medians, are allowed, provided that each lane is not less than 16-feet wide.

Fire apparatus access roads serving commercial, industrial, or buildings greater than two stories shall have an unobstructed improved width of not less than 26 feet to accommodate aerial fire apparatus. The fire code official may require additional access road improvements necessary to accommodate aerial fire apparatus.

All fire apparatus access roads shall have an unobstructed vertical clearance of not less than 13 feet 6 inches.

Vertical clearances or road widths shall be increased when the fire code official determines that vertical clearances or road widths are not adequate to provide fire department access.

Vertical clearances or road width may be reduced when the fire code official determines the reduction does not impair access by fire apparatus. In cases where the vertical clearance has between reduced, approved signs shall be installed and maintained indicating the amount of vertical clearance.

8.12.350 Authority.

Section 503.2.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.2.2 Authority. The fire code official shall be the only authority authorized to designate fire apparatus access roads and fire lanes and to modify the minimum fire lane access widths for fire or rescue operations.

8.12.360 Surface.

Section 503.2.3 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.2.3 Surface. Fire apparatus access road shall be designed and maintained to support the imposed loads of fire apparatus at 75,000 pounds and shall be paved or concrete so as to provide an all-weather driving capability. Pervious pavers may be used when designed, installed, and maintained to hold the imposed loads of fire apparatus at 75,000 pounds and are approved by the fire code official. In rural areas, all-weather surfaces may be utilized for fire apparatus access roads where slopes permit. All-weather surfaces must be maintained to engineered standards, failure to do so will result in violations as outlined in 8.12.200.

8.12.370 Automatic Opener.

Section 503.6.1 is added to Section 503 of the California Fire Code to read as follows:

Section 503.6.1 Automatic Opener. New motorized gates shall be provided with means to be automatically opened remotely by emergency vehicles in accordance with the requirements of the Canyon Lake Fire Department.

Exception: Gates serving individual one and two-family dwelling parcels do not need to have the automatic opener but are required to have a Canyon Lake Fire Department override "Knox" key switch.

8.12.380 Loading Areas and Passenger Drop-Off Areas.

Section 503.7 is added to Section 503 of the California Fire Code to read as follows:

Section 503.7 Loading areas and passenger drop-off areas. On private properties, where fire apparatus access roads are utilized for loading or unloading, or utilized for passenger drop-off or pick-up, an additional eight (8) feet of width shall be added to the minimum required width for the fire apparatus access road.

8.12.390 Required Access.

Section 504.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 504.1 Required access. Exterior doors and openings required by this code or the California Building Code shall be maintained with ready access for emergency access by the fire department. An approved access walkway leading from the fire apparatus access road from the street of the address of the property, to exterior openings, shall be provided. The walkway shall not exceed slope and any steps/stairs and surface materials shall be approved by the fire code official.

8.12.400 Address Numbers.

Section 505.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 505.1 Address numbers. Approved numbers and/or addresses shall be placed on all new and existing building and at appropriate additional locations, plainly visible and legible from the street or roadway fronting the property when approaching from either direction. All commercial addressing shall be illuminated, either internally or externally, to be visible from the street at all hours. Single-family residential numbers shall contrast with their background and shall meet the following minimum size standards: 4" high with a ½" stroke. Numbers shall not be spelled out. For commercial buildings up to 25 feet in height, address numbers shall be a minimum of 12" high with a minimum 2" stroke. For building(s) 25 feet in height or taller, address numbers

shall be a minimum of 24" in height with a minimum 4" stroke and be placed on all sides of the structure. Additional numbers shall be required where deemed necessary by the fire code official, such as rear access doors, building corners, and entrances to commercial centers. Where access is by means of a private road and the building cannot be viewed by the public ay, an approved monument, pole, or other approved sign or means shall be used to identify the structure. Address identification shall be maintained.

8.12.410 Hydrant for Fire Department Connections.

Section 507.5.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 507.5.1.1 Hydrant for Fire Department Connections. Building equipped with a fire sprinkler and/or a fire standpipe system installed in accordance with Section 905 shall have a fire hydrant within 100 feet of the fire department connections.

8.12.420 Fire Hydrant Size and Outlets.

Section 507.5.7 is added to Section 507 of the California Fire Code to read as follows:

Section 507.5.7 Fire Hydrant size and outlets. As determined by the fire code official, fire hydrant sizes and outlets shall be based on the following:

1. Residential Standard – one (1) four (4) inch outlet and one (1) two and one-half (2 ½) inch outlet.

2. Super Hydrant Standard – one (1) four (4) inch outlet and two (2) two and one-half (2 ½) inch outlet.

3. Super Hydrant Enhanced – two (2) four (4) inch outlets and one (1) two and one-half (2 ½) inch outlet.

8.12.430 Fire Hydrant Street Marker.

Section 507.5.8 is added to Section 507 of the California Fire Code to read as follows:

Section 507.5.8 Fire hydrant street marker. Fire hydrant locations shall be visually identified as required by the fire code official. Fire hydrants may be identified by a reflectorized blue marker with a minimum dimension of 3 inches, in the center of the travel lane and adjacent the water source, or by other methods approved by the fire code official. At intersections, a reflectorized blue marker may be required on each cross street. Any hydrant marker damaged or removed during the course of street construction or repair shall be immediately replaced by the contractor, developer, or person responsible for removal or damage.

8.12.440 General.

Section 508.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 508.1 General. Where required by other sections of this code and in all buildings classified as high-rise by the California Building Code, and mid-rise buildings as defined and Group I-2 Occupancies having occupied floors located more than 55 feet above the lowest level of fire department vehicle access and in all F-1 and S-1 Occupancies with a building footprint greater than 300,000 square feet, a fire command center for fire department operations shall be provided and comply with Section 508.1.1 through 508.1.8.

8.12.450 Location and Access.

Section 508.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 508.1.1 Location and access. The fire command center shall be located adjacent to the main lobby and shall be accessible from fire department vehicular access or as approved by the fire code official. The room shall have direct access from the building exterior at the lowest level of fire department access.

8.12.460 Size.

Section 508.1.3 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 508.1.3 Size. The fire command center shall be not less than 0.015 percent of the total building area of the facility served or 200 square feet in area, whichever is greater, with a minimum dimension of 0.7 Times the square root of the room area or 10 feet, whichever is greater.

Where a fire command center is required for a group F-1 and S-1 Occupancies with a footprint greater than 300,000 square feet, the fire command center shall have a minimum size of 96 square feet with a minimum dimension of 8 feet, where approved by the fire code official.

8.12.470 Required Features.

Section 508.1.6 of the California Fire Code is amended to include the following exception:

Section 508.1.6 Required features.

Exception: A fire command center solely required because a building is greater than 300,000 square feet in area shall comply with NFPA 72 and contain the features set forth in Subsection 508.1.6, subsection 5, 8, 10, 12, 13, and 14. The features set forth in Section 508.1.6 subsections 1, 2, 3, 4, 6, 9, 11, 15, 16, 17, 18, and 19 shall be required when such building contains systems or functions related to these features.

8.12.480 Minimum Clearances.

Section 509.2.1 is added to Section 509 of the California Fire Code to read as follows:

Section 509.2.1 Minimum clearances. A 3-foot clear space shall be maintained around the circumference of exterior fire protection system control valves, or any other exterior fire protection system component that may require immediate access, except as otherwise required or approved.

8.12.490 Manual Operation.

Section 608.11.1.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 608.11.1.2 Manual operation. When required by the fire code official, automatic crossover valves shall be capable of manual operation. The manual valves shall be located in an approved location immediately outside of the machinery room in a secure metal box or equivalent and marked as Emergency Controls.

8.12.500 Where Required.

Section 903.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 903.2 Where required. Approved automatic fire sprinkler systems, regardless of the occupancy classification, shall be provided throughout new buildings and structures which are 3,600 square feet or greater in size or more than two or more stories in height.

Exception: Group R Occupancies shall comply with section 903.2.8.

1. Regardless of the occupancy classification. Where sections of the California Fire Code require more strictive requirements than those listed below, the more restrictive requirement shall take precedence.

2. The elimination of fire sprinkler protection in the following areas is subject to approval by the fire code official. Spaces or areas in telecommunications buildings used exclusively for telecommunications equipment, associated electrical power distribution equipment, batteries, and standby engines, provided those spaces or areas are equipped throughout with an automatic fire alarm system and are separated from the remainder of the building by fire barriers consisting of not less than 1-hour fire -resistance-rated walls and 2-hour fire resistance-rated floor/ceiling assemblies.

Unless required elsewhere in the code or the California Building Code, automatic fire sprinkler systems shall not be required for the following:

1. Detached Group U Occupancies used for agricultural or livestock purposes, less that 5,500 square feet, and having setback distances of 50 feet or more from the property line and other buildings.

2. Detached non-combustible equestrian area shade canopies that are open on all sides and used for riding only – no commercial, assembly, or storage usages.

3. Detached fabric or non-combustimble shade structur3es that are open on all sides and used to shade playground equipment, temporary storage of vehicles, and dining areas with no cooking.Detached Group U occupancies used for agricultural purposes constructed in accordance with the California Building Code.

4. Detached non-combustible equestrian arena shade canopies that are open on all sides and used for riding only - no commercial, assembly, or storage uses.

5. Detached fabric or non-combustible shade structures that are open on all sides and used to shade playground equipment, temporary storage of vehicles, and dining areas with no cooking.

6. Detached Group U Occupancy greenhouses less than 5,500 square feet.

7. When determined by the Fire Chief that no major life safety hazard exists, and the fuel load does not pose a significant threat to firefighter safety or to other structures or property, automatic fire sprinklers may be exempted.

One and two family dwellings shall have an automatic fire sprinkler system regardless of square footage in accordance with the California Residential Code. Fire sprinkler systems shall be installed in mobile homes, manufactured homes, and multifamily manufactured homes with two dwelling units in accordance with Title 25 of the California Code of Regulations.

Fire sprinkler systems are required in existing residential buildings under the following conditions:

1. Additions are made to a building equipped with an automatic sprinkler system whether or not the building was required to have a sprinkler system.

2. When an addition is 33% or more of the existing building area, and the resulting building area exceeds 5,000 square feet.

3. When an addition exceeds 2,000 square feet and the resulting building area exceeds 5,000 square feet.

4. An additional story is added above the second floor regardless of fire areas or allowable area.

5. When additions, alterations or repairs are done where the building would be required to be sprinklered after the additions, alterations or repairs are completed and the additions, alterations, or repairs have a valuation of 50% or more of the building's valuation prior to the additional, alterations or repairs. The cumulative value of additions, alterations, and repairs done within any three year period is the valuation used to determine the 50% threshold compliance with this section. The valuation used for existing building and for the additions, alterations, and repairs is the valuations established in the City's resolution for computation of building permit fees.

The following exceptions in the California Fire Code shall not be allowed:

1. Exception in section 903.2.3

2. Exception in section 903.2.11.3

8.12.510 Group R.

Section 903.2.8 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 903.2.8 Group R. An automatic sprinkler system installed in accordance with section 903.3 shall be provided throughout all buildings with a Group R fire area as follows:

1. New Buildings: An automatic sprinkler system shall be installed throughout.

2. Existing Buildings: An automatic sprinkler system shall be installed throughout when one of the following conditions exists:

    a. Additions are made to a building equipped with an automatic sprinkler system whether or not the building was required to have a sprinkler system.

    b. When the addition is 33% or more of the existing building area as defined in Section 202, and greater than 1,000 square feet within a two-year period.

    c. When an existing Group R occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official or Fire Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.

    d. Additions, alterations, or repairs are done where the additions, alterations, or repairs have a valuation of 50% or more of the buildings valuation prior to the additions, alterations, or repairs. The cumulative value of additions, alterations, and repairs done within any three-year period is the valuation used to determine the 50% threshold compliance with this section. The valuations used for existing building and for the additions, alterations, and repairs is the valuations established in the City's resolution for computation for building permit fees.

Automatic fire sprinkler systems located in Group R Occupancies shall be installed with a passive purge system connected to the domestic water supply at least one toilet. The fire sprinkler systems shall be looped and have no dead end lines.

For the purposes of this section, firewalls, fire barriers, or fire partitions shall define separate buildings.

Exceptions:

1. Existing Group R-3 occupancies converted to R-3.1 occupancies not housing bedridden clients, not housing non-ambulatory clients above the fire floor, and not housing clients above the second floor.

2. Existing Group R-3 occupancies converted to Group R-3.1 occupancies housing only one bedridden client and complying with Section 435.8.3.3 of the California Building Code.

3. Pursuant to Health and Safety Code, Section 13113, occupancies housing ambulatory children only, none of whom are mentally ill children or children with intellectual disabilities, and the building or portions thereof in which such children are housed are not more than two stories in height, and building or portions thereof house such children have an automatic fire alarm system active by approved smoke detectors.

4. Pursuant to Health and Safety Code, Section 13143.6, occupancies licensed for protective social care which house ambulatory clients only, none of whom is a child (under the age of 18 years), or who is elderly (65 years of age or over).

8.12.520 Group S-2 Parking Garages.

Section 903.2.10 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 903.2.10 Group S-2 Parking Garages. An automatic fire sprinkler system shall be provided throughout buildings classified as parking garages.

8.12.530 Commercial Parking Garages.

Section 903.2.10.1 Commercial Parking Garages. This section is hereby deleted in its entirety and without replacement.

8.12.540 Hydraulically Calculated Systems.

Section 903.3.5.3 is added to Section 903 of the California Fire Code to read as follows:

Section 903.3.5.3 Hydraulically calculated systems. The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.

8.12.550 Sprinkler System Supervision and Alarms.

Section 903.4 of the California Fire Code is hereby amended to read as follows:

Section 903.4 Sprinkler system supervision and alarms. Sprinkler system supervision and alarms is hereby amended by modifying items 1 and 2, deleting items 5 and 8, and renumbering the exceptions as follows:

1. Automatic sprinkler systems protecting one and two-family dwellings.

2. Limited area sprinkler systems serving fewer than 20 sprinklers.

3. Automatic sprinkler systems are installed in accordance with NFPA 13R where the common supply main is used to supply both the domestic and automatic sprinkler system, and a separate shutoff valve for the automatic sprinkler system is not provided.

4. Jockey pump control valves that are sealed or locked in the open position.

5. Valves controlling the fuel supply to fire pump engines that are sealed or locked in the open position.

6. Trim valves to pressure switches in dry, pre-action, and deluge sprinkler systems that are sealed or locked in the open position.

8.12.560 Fire Alarm Control Panel.

Section 907.1.6 is added to section 907 of the California Fire Code to read as follows:

Section 907.1.6 Fire alarm control panel. The main fire alarm control panel (FACP) shall be located in the same room as, and sharing the same access as the fire sprinkler riser unless an alternate location is approved by the fire code official. The FACP shall have a minimum 36 inches of face clearance and 6 inches side clearance from any other wall or equipment.

8.12.570 Occupant Notification Systems Required in Multi-tenant Buildings.

Section 907.5.1 is added to section 907 of the California Fire Code to read as follows:

Section 907.5.1 Occupant notification system required in multi-tenant buildings. In multi-tenant buildings where the automatic fire sprinkler bell cannot be heard within the tenant space shall upon tenant improvement(s) requiring a building permit for that tenant space add one audio/visual device to alert occupants of an activation of one of the fire protection systems identified in section 907.5.

8.12.580 General.

Section 914.12 is added to section 914 of the California Fire Code to read as follows:

Section 914.12 General. A newly constructed mid-rise building shall comply with this section.

Exceptions:

1. Building used exclusively as an open parking garage.

2. Building where all floors above the fourth-floor are used exclusively as an open parking garage.

3. Building such as a power plant, lookout tower, steeple, grain house, and other similar structures with intermittent human occupancy.

8.12.590 Automatic Fire Sprinkler Systems and Standpipes.

Section 914.12.1 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.1 Automatic fire sprinkler systems and standpipes. Mid-rise building shall be protected throughout by an automatic fire sprinkler system designed and installed in conformance with the latest edition of NFPA 13 and in accordance with the following:

1. A shut-off valve and a water flow alarm shall be provided for each floor. Each shut-off valve and water flow alarm shall be electronically supervised.

2. Mid-rise building shall be provided with a Class I standpipe system that is interconnected with the automatic fire sprinkler system. The system shall consist of 2.5-inch valves located in each stair enclosure on every floor. Two hose outlets shall be located on the roof outside of each stair enclosure that penetrates the roof. The standpipe system shall be designed, installed, and tested in accordance with the latest edition of NFPA 14.

3. Fire department standpipe connections and valves servicing each floor shall be located in the vestibule and located in a manner so as not to obstruct egress when hose lines are connected and charged.

8.12.600 Smoke Detection.

Section 914.12.2 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.2 Smoke detection. Smoke detectors shall be provided in accordance with this section. Smoke detectors shall be connected to an automatic fire alarms system and shall be installed in accordance with the latest edition of NFPA 72. The actuation of any device required by this section shall operate the emergency voice alarm signal system and shall operate all equipment necessary to prevent the circulation of smoke through air returns and exhaust ductwork. Smoke detectors shall be located as follows:

1. In every mechanical equipment, electrical, transformer, telephone equipment, unmanned computer equipment, elevator machinery, or similar room and in all elevator lobbies. Elevator lobby detectors shall be connected to an alarm verification zone or be listed as a releasing device.

2. In the main return air and exhaust air plenum of each air conditioning system. The smoke detector shall be located in a serviceable area downstream of the last duct inlet.

3. At each connection to a vertical duct or riser serving no more than 4 stories from a return air duct or plenum of an air conditioning system. In Group R, Division 1 and 2 Occupancies, an approved smoke detector is allowed to be used in each return air riser carrying not more than 5,000 cubic feet per minute and not serving more that 10 air inlet openings.

4. For Group R, Division 1 and 2 Occupancies, in all corridors serving as a means of egress for an occupant load of 10 or more persons.

8.12.610 Fire Alarm System.

Section 914.12.3 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.3 Fire alarm system. An approved and listed, automatic and manual, fully addressable, and electronically supervised fire alarm system shall be provided in accordance with the provisions of this code and NFPA 72.

8.12.620 Emergency Voice Alarm Signaling System.

Section 914.12.4 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.4 Emergency voice alarm signaling system. The operation of any automatic fire detector or water flow device shall automatically sound an alert tone followed by a pre-recorded voice instruction giving appropriate information and direction on a general or selective basis to the following terminal areas:

1. Elevators

2. Elevator lobbies

3. Corridors

4. Exit stairways

5. Rooms and tenant spaces

6. Dwelling units

7. Hotel guest rooms

8. Areas designated as safe refuge within the building

8.12.630 Fire Command Center.

Section 914.12.5 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.5 Fire command center. A fire command center for fire department operations shall be provided for mid-rise buildings, as defined in Section 202 of this ordinance, in accordance with section 508.

8.12.640 Elevators.

Section 914.12.6 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.6 Elevators. Elevators and elevator lobbies shall comply with Chapter 30 of the California Building Code. At least one elevator cab shall be assigned for fire department use and shall service all floors of the building. This cab shall be provided large enough to accommodate an ambulance-type stretcher in accordance with section 3002.4 of the California Building Code.

8.12.650 Fire Department Communication System.

Section 914.12.7 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.7 Fire department communication system. An approved two-way fire department communication system designed and installed in accordance with the adopted edition of NFPA 72, shall be provided for fire department use per section 907.2.13.2.

8.12.660 Means of Egress.

Section 914.12.8 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8 Means of egress. In addition to the requirements of Chapter 10, egress components of mid-rise building shall comply with section 914.12.8.1 through 914.12.8.5.

8.12.670 Extent of the Enclosure.

Section 914.12.8.1 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.1 Extent of the enclosure. Stairway enclosures shall be continuous and shall fully enclose all portions of the stairway. Exit enclosures shall exit directly to the exterior of the building or include an exit passageway on the ground floor leading to the exterior of the building. Each exit enclosure shall extend completely through the roof and be provided with a door that leads onto the roof.

8.12.680 Pressurized Enclosures and Stairways.

Section 914.12.8.2 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.2 Pressurized enclosures and stairways. All required stairways and enclosures in a mid-rise building shall be pressurized as specified in Section 909. Pressurized stairways shall be designed to exhaust smoke manually.

8.12.690 Vestibules.

Section 914.12.8.3 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.3 Vestibules. Pressurized stairway enclosures serving a mid-rise building shall be provided with a pressurized entrance vestibule on each floor that complies with section 909.

8.12.700 Pressure Differences.

Section 914.12.8.4 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.4 Pressure differences. The minimum pressure difference between a vestibule and adjacent area shall comply with section 909.

8.12.710 Locking of Stairway Doors.

Section 914.12.8.5 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.5 Locking of stairway doors. All stairway doors that are locked to prohibit access from the interior of the stairway shall have the capability of being unlocked simultaneously, without unlatching, upon a signal from the fire command center. Upon failure of normal electrical service or activation of any fire alarm, the locking mechanism shall automatically unlock.

8.12.720 Minimum Requirements for Client Leased or Occupant Owned Warehouses.

Section 3204.2.1 is added to Section 3204 of the California Fire Code to read as follows:

Section 3204.2.1 Minimum requirements for client leased or occupant owned warehouses. Designs of an automatic sprinkler system for client leased or occupant owned buildings containing high pile storage shall be based on the requirements of NFPA 13. The responsible fire protection engineer shall perform a survey of the building to determine commodity classification, storage configuration, building height, and other information related to the development of an appropriate sprinkler system design. The fire protection engineer shall also make reasonable efforts to meet with the building owner or operator to understand seasonal or customer related fluctuations to the stored commodities, storage height, and configuration. The sprinkler design shall be based on the most demanding requirements determined through the onsite survey and discussions with the

building owner or operator. The technical report shall describe the basis for determining the commodity and sprinkler design selection, how the commodities will be isolated or separated, and include references to the design document(s). If a specific fire test is used as the basis of design, a copy of the fire test report shall be provided at the time of plan review.

8.12.730 Prohibition.

Section 5601.3.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 5601.3.1 Prohibition. No person shall have in his or her possession, or keep, store, use, shoot, discharge, set off, ignite, explode, manufacture, sell, offer to sell, give or transport any fireworks, dangerous fireworks, or safe and sane fireworks, except for use as agricultural and wildlife fireworks or for use in a public display of fireworks pursuant to a permit obtained from the Canyon Lake Fire Department under the provisions of California Health and Safety Code section 12640 – 12654 and the municipal code adopted by the City of Canyon Lake. Any storage, use, sale, possession, and handling of fireworks 1.4G (commonly referred to as Safe and Sane) and fireworks 1.3G is strictly prohibited.

Exception. Fireworks 1.4G and fireworks 1.3G may be part of an electrically fired display when permitted by the Canyon Lake Fire Department and conducted by a California licensed pyrotechnic operator.

8.12.740 Seizure of Fireworks

Section 5601.7 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 5601.7 Seizure of Fireworks. The fire code official and his or her designee shall have the authority to seize, take, and remove all fireworks stored, sold, offered for sale, used, or handled in violation of the provisions of Title 19 CCR, Chapter 6. Any seizure or removal pursuant to this section shall be in compliance with applicable statutory, constitutional, and decisional law.

8.12.750 Firing.

Section 5608.2 is added to Section 5608 of the California Fire Code to read as follows:

Section 5608.2 Firing. All fireworks displays shall be electrically fired.

8.12.760 Explosives and Blasting.

Section 5614 is added to a new section 5614 of the California Fire Code to read as follows:

Section 5614 Explosives and blasting. Explosives shall not be possessed, kept, stored, sold, offered for sale, given away, used, discharged, transported, or disposed of except by permit from the fire code official.

8.12.770 General.

Section 5701.1 is deleted in its entirety from the California Fire Code and replaced with the following:

Section 5701.2 General. On-demand mobile fueling operations that dispense Class I, II, and III liquids into fuel tanks of motor vehicles shall be prohibited.

5707.2 – 5707.6 are hereby deleted without replacement

8.12.780 Appendix B.

Appendix B, Table 105.2 of the California Fire Code is amended to read as follows:

TABLE B105.2 – REQUIRED FIRE FLOW FOR BUILDINGS OTHER THAN ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES

AUTOMATIC SPRINKLER SYSTEM (Design Standard)	MINIMUM FIRE FLOW (gallons per minute)	FLOW DURATION (hours)
No automatic sprinkler system	Value in Table B105.1(2)	Duration in Table B105.1(2)
Section 903.3.1.1 of the *California Fire Code*	50% of the value in Table B105.1(2)[a]	Duration in Table B105.1(2) at the reduced flow rate
Section 903.3.1.2 of the *California Fire Code*	50% of the value in Table B105.1(2)[b]	Duration in Table B105.1(2) at the reduced flow rate

For SI: 1 gallon per minute = 3.785 L/m.

a. The reduced fire-flow shall be not less than 1,000 gallons per minute.

b. The reduced fire-flow shall be not less than 1,500 gallons per minute.

8.12.790 Appendix C.

Section C103.1 of the California Fire Code is amended to read as follows:

Section C103.1 Hydrant spacing. Fire apparatus access roads and public streets providing required access to buildings in accordance with Section 503 of the California Fire Code shall be provided with one or more fire hydrants, as determined by Section C102.1. Where more than one fire hydrant is required, the distance between required fire hydrants shall be in accordance with Sections C103.2 and C103.3. Fire Hydrants shall be provided at street intersections.

Section 4. **California Environmental Quality Act.** The City Council finds that this Ordinance is not a project under the California Environmental Quality Act ("CEQA") because it can be seen with certainty that it will not have a reasonably foreseeable direct or indirect physical change in the environment (CEQA Guidelines § 15061(b)(3)).

Section 5. **Adoption by Reference; Government Code § 50022.2.** This Ordinance adopts by reference the 2025 California Building Standards Code (Title 24, CCR) and related codes as a condition of compliance with State law. Pursuant to Government Code § 50022.2, this adoption by reference is exempt from the procedures and requirements of Government Code §§ 50022.1–50022.10.

Section 6. **Urgency; Findings; Vote Requirement.** The City Council hereby finds and declares that this Ordinance is necessary for the immediate preservation of the public peace, health, and safety within the meaning of Government Code § 36937(b), in that it provides for the immediate application of current building and fire life-safety standards at the outset of the State's 2025 Code effectiveness period, thereby ensuring consistent and enforceable standards for plan review, permitting, and inspections. This Ordinance shall be adopted by a four-fifths (4/5) vote of the City Council.

Section 7. **Effective Date; Supersession by Regular Ordinance.** This Ordinance shall take effect on January 1 2026. Upon the effective date of the City's companion regular (non-urgency) ordinance adopting the 2025 Code with the same local amendments, this urgency ordinance shall be superseded and of no further force or effect.

Section 8. **Filing of Local Amendment Findings.** Within 15 days after adoption, the City Clerk shall file a copy of this Ordinance and the City's local-conditions findings with the California Building Standards Commission and shall transmit a courtesy copy to the Office of the State Fire Marshal with respect to amendments to the California Fire Code.

Section 9. **Publication.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

Section 10. **Severability.** Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 11. **Repeal of Inconsistent Provisions; Continuity.** All ordinances or parts of ordinances in conflict with this Ordinance are repealed to the extent of such conflict. The repeal of any inconsistent provision shall not affect any right, penalty, or action already accrued or taken under the ordinances so repealed.

Section 12 **Codification; Authority of the City Clerk.** The City Council intends the provisions of Chapter 8.02 and Chapter 8.12 as amended herein to be codified. The City Clerk, in consultation with the City Attorney, is authorized to make non-substantive edits and numbering, section, chapter, and title designations to effectuate such codification.

Section 13. **Administrative Direction.** The Fire Chief and Deputy Building Official are directed to implement this Ordinance, issue administrative bulletins concerning effective dates and submittal cut-offs, and take all actions necessary to carry out the purpose of this Ordinance.

PASSED APPROVED AND ADOPTED this 12th day of November 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

_____
Steven Graham, City Attorney

ORDINANCE NO. 268

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ADOPTING BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE (TITLE 24, CALIFORNIA CODE OF REGULATIONS), INCLUDING THE 2025 CALIFORNIA FIRE CODE, WITH LOCAL AMENDMENTS; REPEALING CONFLICTING ORDINANCES

WHEREAS, the California Building Standards Commission has adopted the 2025 edition of the California Building Standards Code, California Code of Regulations, Title 24 (the "2025 Code"), which becomes effective statewide on January 1, 2026; and

WHEREAS, the California Health and Safety Code requires the City to enforce the California Building Standards Code and authorize the City to make reasonable local amendments to the State standards based on local climatic, geological, or topographical conditions, supported by express findings; and

WHEREAS, Government Code section 50022.2 provides that "[a] local agency ordinance may adopt a code, the adoption of which is expressly required or permitted as a condition of compliance with a state statute, by reference without complying with the procedures and requirements of this article," and the City's adoption by reference of the 2025 California Building Standards Code (Title 24, California Code of Regulations) is expressly required and permitted to comply with State law; and

WHEREAS, the City Council desires to adopt by reference the 2025 Code including, without limitation, the 2025 California Building Code, Residential Code, Electrical Code, Mechanical Code, Plumbing Code, Fire Code, Energy Code, Historical Building Code, Existing Building Code, and Green Building Standards Code and to adopt local amendments reasonably necessary to address Canyon Lake's unique local climatic, geological, and topographical conditions; and

WHEREAS, the Fire Chief and Deputy Building Official have recommended, and the City Council has considered, local amendments and corresponding findings; and

WHEREAS, the City Council finds and determines that each local amendment to the 2025 Code is reasonably necessary due to local climatic, geological, or topographical conditions, and directs that the required findings be filed with the California Building Standards Commission; and

WHEREAS, adoption of State building standards with limited health-and-safety local amendments does not constitute a project under the California Environmental Quality Act ("CEQA") because it can be seen with certainty that it will not have a reasonably foreseeable direct or indirect physical change in the environment (CEQA Guidelines § 15061(b)(3)); and

WHEREAS, to ensure continuity of life-safety regulation and to avoid uncertainty for permit applicants and inspectors across the year-end transition, the City Council desires to adopt an urgency ordinance effective immediately and, in tandem, to introduce a regular ordinance that will become effective 30 days after its adoption; and

WHEREAS, upon the effective date of this regular ordinance, the urgency ordinance will be superseded and of no further force and effect, and all ordinances or parts of ordinances in conflict herewith shall be repealed to the extent of such conflict.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Chapter 8.02 of the Canyon Lake Municipal Code is repealed and readopted to read as follows:

Chapter 8.02
Adoption of California Building Standards Codes

Section

8.02.010 Adoption by Reference; Purpose
8.02.020 Codes and Editions Adopted; Appendices
8.02.030 Precedence; Conflicts
8.02.040 Transitional Application
8.02.050 Permit Exemptions Not Authorization to Violate Law

8.02.010 Adoption by Reference; Purpose.

Pursuant to Health and Safety Code sections 17958, 17958.5, 17958.7, and 18941.5, and Government Code section 50022.2, the City adopts by reference the California Building Standards Code, California Code of Regulations, Title 24, 2025 Edition (the "2025 Code"), together with local amendments set forth in this Chapter, for the purpose of prescribing regulations for the erection, construction, enlargement, alteration, repair, improvement, removal, conversion, demolition, occupancy, equipment use, height, and area of buildings and structures within the City of Canyon Lake.

8.02.020 Codes and Editions Adopted; Appendices.

A. Title 24 Parts. The following Parts of the 2025 California Building Standards Code are adopted by reference, including the editions and base model codes indicated, and as limited or expanded by each Part's matrix adoption tables:

1. Part 1. California Administrative Code (2025).

2. Part 2. California Building Code (CBC), 2025, including Chapter 1, Division II, and Appendix J, based on the 2024 International Building Code (ICC).

3. Part 2.5. California Residential Code (CRC), 2025, including Appendices J and V, based on the 2024 International Residential Code (ICC).

4. Part 3. California Electrical Code (CEC), 2025, based on the 2023 National Electrical Code (NFPA 70).

5. Part 4. California Mechanical Code (CMC), 2025, based on the 2024 Uniform Mechanical Code (IAPMO).

6. Part 5. California Plumbing Code (CPC), 2025, based on the 2024 Uniform Plumbing Code (IAPMO).

7. Part 6. California Energy Code, 2025.

8. Part 8. California Historical Building Code, 2025.

9. Part 10. California Existing Building Code, 2025.

10. Part 11. California Green Building Standards Code (CALGreen), 2025.

11. Part 12. California Referenced Standards Code, 2025.

B. Supplemental Codes. To the extent not preempted by Title 24 and for purposes of property maintenance and the abatement of dangerous buildings as public nuisances, the City adopts:

1. International Property Maintenance Code, 2021 Edition (ICC).

2. Uniform Code for the Abatement of Dangerous Buildings, 1997 Edition (ICC).

These codes apply only where not superseded by Title 24 or by this Chapter and may be enforced through the City's nuisance and code-enforcement procedures.

C. Matrix Adoption Tables and Appendices. Adoption is subject to each Part's matrix adoption tables, including inclusions/exclusions therein. The specific appendices expressly identified in subsections A(2) and A(3) are adopted; other appendices are not adopted unless expressly stated in this Chapter.

8.02.030 Precedence; Conflicts.

A. The provisions of the Codes adopted by this Chapter, as locally amended herein, constitute the Building Regulations of the City of Canyon Lake.

B. Where any conflict exists between (i) a City-adopted supplemental code and (ii) Title 24 or a local amendment thereto, Title 24 and the local amendment control.

C. Where any conflict exists between (i) unamended model code text referenced in a California Code Part and (ii) California amendments contained in that Part, the California amendments control.

D. Where the California Code of Regulations and the California Building Standards Codes differ from any sections of the Construction Codes, State regulations prevail.

8.02.040 Transitional Application.

A. Effective Date. The 2025 Code becomes effective on January 1, 2026, or as otherwise provided by State law.

B. Applications and Permits.

1. Building permit applications deemed complete on or after the effective date above shall comply with the 2025 Code as adopted and amended by this Chapter.

2. Building permit applications deemed complete before the effective date above may be reviewed and permitted under the codes in effect at the time the application was deemed complete, unless State law requires otherwise, all at the discretion of the Building Official and applicable law.

Nothing herein authorizes work in violation of State law or reduces any minimum life-safety standard.

8.02.050 Permit Exemptions Not Authorization to Violate Law.

Exemptions from permit requirements within any adopted Code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of any adopted Code, this Chapter, or any other applicable laws or ordinances of this jurisdiction.

Section 2. The City Council of the City of Canyon Lake, California, hereby makes the following findings in support of local amendments to the 2025 California Fire Code:

The City of Canyon Lake may establish more restrictive standards reasonably necessary to provide fire protection for life and property because of local climatic, geological, or topographical conditions.

1. Climatic Conditions:

The City of Canyon Lake is located in southern California and in western Riverside County. This part of the County is subject to high temperatures, high velocity wind conditions which may reach or exceed 70 m.p.h., and extended periods with little to no precipitation. These dry climatic conditions and high winds cause drying of vegetation and building materials and contribute to rapid spread of fires leading to a need for increased levels of protection.

After many years of drought there are times when significant rainfall can affect the City. The runoff from this rainfall can cause flooding and mudslides putting lives and property at risk and cause emergency response delays. Frequent periods of drought and low humidity add to the fire danger. This predisposes the area to large destructive fires (conflagrations) which necessitates rapid identification, locating, and extinguishment of all fires in the smallest stage possible. In addition to directly damaging or destroying buildings, these fire are also prone to disrupt utility services

throughout the County. Obstacles generated by a strong wind, such as fallen trees, street lights, and utility poles, will greatly impact the response time to reach in incident scene.

Water demand in densely populated southern California far exceeds the quantity supplied by natural precipitation; and although the population continues to grow, the already-taxed water supply does not. California is projected to increase in population by nearly 10 million residents over the next quarter of a century with 50 percent of that growth centered in southern California. Due to storage capacities and consumption, and a limited amount of rainfall, future water allocation is not fully dependable. This necessitates the need for additional and on-site fire protection features. It would also leave tall buildings vulnerable to uncontrolled fire due to a lack of available water and an inability to pump sufficient quantities of available water to upper floors in a fire.

2. Topographical Conditions:

Traffic and circulation congestion, along with limited access routes to the area, contribute to increased response times to emergencies. These conditions increase response times and makes it necessary to require additional life safety requirements to protect lives and property.

3. Geological Conditions:

The City of Canyon Lake is located in an area of substantial seismic activity. Several faults, including the San Andreas, San Jacinto, and Elsinore Fault, are located near the City. These faults can be expected to have a major impact on the City of Canyon Lake and pose a threat to lives and property. Bridges are particularly vulnerable to collapse, and dam failure may generate major downstream flooding. Buildings vary in susceptibility, dependent upon construction and the types of soils on which they are built. Earthquakes destroy power and telephone lines; gas, sewer, or water mains; which in turn may set off fires and/or hinder firefighting or rescue efforts. Ground shaking may occur in areas 65 miles or more from the epicenter (the point of ground surface about the focus). Ground shaking can change the mechanical properties of some fine grained, saturated soils, where upon they liquefy and act as a fluid (liquefaction). Damage to building construction, bridges, gas lines, water, and sewer lines would have a catastrophic impact on the community and City resources would be taxed beyond capabilities.

Previous earthquakes in southern California have been accompanied by disruption of traffic flow and fires. A severe seismic event has the potential to negatively impact any rescue or fire suppression activities because it is likely to create obstacles similar to those indicated under the high wind section above. With the probability of strong aftershocks there exists a need to provide increased protection for anyone on upper floors of buildings.

Road circulation features located throughout the County and City of Canyon Lake also make amendments reasonably necessary. Located through the County and the City of Canyon Lake are major roadways, highways, and flood control channels that create barriers and slow response times. Hills, slopes, street and storm drain design, accompanied with occasional heavy rainfall, causes roadway flooding and landslides and at times may make an emergency access route

impassable. There are areas in Riverside County that naturally have extended emergency times that exceed our seven minute forty-five second response time goal.

California Health and Safety Code Sections 17958.7 and 18941.5 require that the modification or change be expressly marked and identified as to which each finding refers. Therefore, the City Council finds that the following table sets forth the 2025 California Fire Code sections that have been modified and the associated local climatic, geological, and/or topographical conditions described above supporting the modification.

2025 CA Fire Code Section	Title/Subject	Findings
1.1.1	Title	Administrative
101.4	Severability	Administrative
102.5	Application of Residential Code	1, 2 & 3
103.1	Creation of Agency	Administrative
104.1.1	Authority of Fire Chief and Fire Department	Administrative
104.7	Liability	Administrative
104.12	Authority to close hazardous fire areas	Administrative
105.5.5	Carnivals, fairs, and special events	1, 2 & 3
105.5.60	General use permit	Administrative
108.1	Fees	Administrative
108.2	Schedule of Permit Fees	Administrative
108.4.1	Fees for Working or Performing W/out Permits	Administrative
108.7	Cost recovery	Administrative
108.8	Expense recovery	Administrative
110.7	Occupant count	Administrative
112.1	Board of Appeals established	Administrative
112.2	Limitations on Authority	Administrative
112.3	Qualifications	Administrative
113.4	Violation penalties	Administrative
114.4	Failure to comply	Administrative
202	Definitions	Administrative
307	Open Burning, Recreational Fires, Outdoor Fireplaces	1, 2 & 3
307.1.1	Prohibited Open Burning	1, 2 & 3
307.6	Outdoor Fireplaces, Fire Pits, or other similar devices used at Group R Occupancies	1, 2 & 3
307.6.1	Gas Fueled Devices	1, 2 & 3
307.6.2	Where Prohibited	1, 2 & 3
307.6.3	Outdoor Fireplaces Utilizing Wood or Solid	1, 2, & 3
308.1.7	Sky lanterns	1, 2 & 3
324	Mid-Rise Buildings	1, 2 & 3
501.1	Scope	1, 2 & 3
503.1	Fire Apparatus Access Roads	1, 2 & 3

503.1.2	Additional Access	1, 2 & 3
503.2.1	Dimensions	Administrative
503.2.2	Authority	Administrative
503.2.3	Surface	1, 2 & 3
503.6.1	Automatic Opener	Administrative
503.7	Loading Areas and Passenger Drop-Off Areas	Administrative
504.1	Required Access	Administrative
505.1	Address Numbers	Administrative
507.5.1.1	Hydrant for Fire Department Connections	1 & 2
507.5.7	Fire Hydrant Size and Outlets	1 & 2
507.5.8	Fire Hydrant Street Marker	1 & 2
508.1	General	1, 2 & 3
508.1.1	Location and Access	1, 2 & 3
508.1.3	Size	1, 2 & 3
508.1.6	Required Features	1, 2 & 3
509.2.1	Minimum Clearances	A, 2 & 3
608.11.1.2	Manual Operation	1 & 2
903.2	Where Required	1 & 2
903.2.8	Group R	1, 2 & 3
903.2.10	Group S-2 Parking Garages	1 & 2
903.2.10.1	Commercial Parking Garages	1 & 2
903.3.5.3	Hydraulically Calculated Systems	1, 2 & 3
907.1.6	Fire Alarm Control Panel	1 & 2
907.5.1	Occupant Notification Systems Required in Multi-tenant Buildings	1 & 2
914.12	General	Administrative
914.12.1	Automatic Fire Sprinkler and Standpipes	1, 2 & 3
914.12.2	Smoke Detection	1, 2 & 3
914.12.3	Fire Alarm System	1, 2 & 3
914.12.4	Emergency Voice Alarm Signaling System	1, 2 & 3
914.12.5	Fire Command Center	1, 2 & 3
914.12.6	Elevators	1, 2 & 3
914.12.7	Fire Department Communication System	1, 2 & 3
914.12.8	Means of Egress	1, 2 & 3
914.12.8.1	Extent of the Enclosure	1, 2 & 3
914.12.8.2	Pressurized Enclosures and Stairways	1, 2 & 3
914.12.8.3	Vestibules	1, 2 & 3
914.12.8.4	Pressure Differences	1, 2 & 3
914.12.8.5	Locking of Stairway Doors	1, 2 & 3
3204.2.1	Minimum Requirements for Client Leased or Occupant Owned Warehouses	Administrative
5601.7	Seizure of Fireworks	Administrative
5608.2	Firing	Administrative
5614	Explosives and Blasting	Administrative

5701.1	General	Administrative
Appendix B	Fire-flow requirements for buildings	1, 2 & 3
Appendix C	Fire hydrant locations and distribution	1, 2 & 3

The additional requirements included herein are necessary to properly protect the health, safety, and welfare of the residents and workers of the City of Canyon Lake.

Revenue shortages make it difficult to locate additional fire stations and provide staffing sufficient to control fires in single and multi-story retail, commercial, and industrial buildings, making enhanced built in protection necessary.

The purpose of this ordinance is to adopt the 2025 California Fire Code, California Code of Regulations, Title 24, Part 9, as amended, to govern the safeguarding of life and property from fire, explosion hazards, and hazardous conditions, and to regulate the issuance of permits and collection of fees.

This ordinance is adopted pursuant to Health and Safety Code Sections 17958 and 17958.7 which allow City adoption of modifications or changes to the California Fire Code that are reasonably necessary because of local climatic, geological, and topographical conditions.

The sections of the California Fire Code may be referred to by the same number used in said published compilation preceded by the words "City of Canyon Lake Fire Code Section" or "California Fire Code Section" or "Fire Code Section."

Notwithstanding the provisions of this Ordinance, the City of Canyon Lake reserves the right to determine the extent and level of its fire services.

Section 3. Chapter 8.12 of the Canyon Lake Municipal Code is repealed and readopted to read as follows:

Chapter 8.12
Adoption of the California Fire Code as Amended

Section

8.12.010 Adoption.
8.12.020 Alternative Materials and Methods.
8.12.030 Title.
8.12.040 Severability.
8.12.050 Application of Residential Code.
8.12.060 Creation of agency.
8.12.070 Authority of Fire Chief and the Fire Department.
8.12.080 Authority of Fire Chief to close Hazardous Fire Areas.
8.12.090 Carnivals, Fairs, and Special Events.
8.12.100 General Use Permit.
8.12.110 Fees.
8.12.120 Schedule of Permit fees.

8.12.130 Fees for Working or Performing without Necessary Permits.
8.12.140 Cost Recovery.
8.12.150 Expense Recovery.
8.12.160 Occupant Count.
8.12.170 Board of Appeals Established.
8.12.180 Limitations on Authority.
8.12.190 Qualifications.
8.12.200 Violation Penalties.
8.12.210 Failure to Comply.
8.12.220 Definitions.
8.12.230 Open Burning, Recreational Fires, Fire Pits, Fire Rings, and Portable Outdoor Fireplaces.
8.12.240 Prohibited Open Burning.
8.12.250 Outdoor Fireplaces, Fire Pits, Fire Rings, or other similar devices used at Group R Occupancies.
8.12.260 Gas Fueled Devices.
8.12.270 Where Prohibited.
8.12.280 Outdoor Fireplaces Utilizing Wood or Solid Fuels.
8.12.290 Sky Lanterns.
8.12.300 Mid-Rise Buildings.
8.12.310 Scope.
8.12.320 Fire Apparatus Access Roads.
8.12.330 Additional Access.
8.12.340 Dimensions.
8.12.350 Authority.
8.12.360 Surface.
8.12.370 Automatic Opener.
8.12.380 Loading Areas and Passenger Drop-off Areas.
8.12.390 Required Access.
8.12.400 Address Numbers.
8.12.410 Hydrant for Fire Department Connections.
8.12.420 Fire Hydrant Size and Outlets.
8.12.430 Fire Hydrant Street Marker.
8.12.440 General.
8.12.450 Location and Access.
8.12.460 Size.
8.12.470 Required Features.
8.12.480 Minimum Clearances.
8.12.490 Manual Operation.
8.12.500 Where Required.
8.12.510 Group R.
8.12.520 Group S-2 Parking Garages.
8.12.530 Commercial Parking Garages.
8.12.540 Hydraulically Calculated Systems.
8.12.550 Sprinkler System Supervision and Alarms.
8.12.560 Fire Alarm Control Panel.

8.12.570 Occupant Notification Systems Required in Multi-tenant Buildings.
8.12.580 General.
8.12.590 Automatic Fire Sprinkler Systems and Standpipes.
8.12.600 Smoke Detection.
8.12.610 Fire Alarm Systems.
8.12.620 Emergency Voice Alarm Signaling System.
8.12.630 Fire Command Center.
8.12.640 Elevators.
8.12.650 Fire Department Communication System.
8.12.660 Means of Egress.
8.12.670 Extent of the Enclosure.
8.12.680 Pressurized Enclosures and Stairways.
8.12.690 Vestibules.
8.12.700 Pressure Differences.
8.12.710 Locking of Stairway Doors.
8.12.720 Minimum Requirements for Client Leased/Occupant Owned Warehouses.
8.12.730 Prohibition.
8.12.740 Seizure of Fireworks.
8.12.750 Firing.
8.12.760 Explosives and Blasting.
8.12.770 General.
8.12.780 Appendix B.
8.12.790 Appendix C.

8.12.010 Adoption.

The City Council of the City of Canyon Lake does hereby adopt the California Fire Code, as amended. Except as stated in this Section or as amended below in this Ordinance, all of the provisions and appendices of the 2025 California Fire Code, inclusive of all of the inclusions and exclusions set for in each chapter's matrix, are hereby adopted and shall apply to the City of Canyon Lake. In addition, the following provisions that are excluded in the 2025 California Fire Code are hereby adopted - Chapter 1, Division II of the California Fire Code is hereby adopted, except that Section 111.3 is not adopted, and Chapters 3, 25, and Sections 403.11, 503, 510.2, and 1103.2, and 5707 are adopted. One copy of this Code has been and is now filed in the office of the Fire Chief of the City of Canyon Lake Fire Department and the same is hereby adopted and incorporated.

8.12.020 Alternative Materials and Methods.

The fire code official is authorized to render interpretations of this code and to make and enforce rules and supplemental regulations and to develop fire protection standards to carry out the application and intent of its provisions. Requirements that are essential for the public safety of an existing or proposed activity, building or structure, or for the safety of occupants thereof, which are not specifically provided for by this code, shall be determined by the fire code official

8.12.030 Title.

Section 1.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 1.1.1 Title. These regulations shall be known as the Fire Code of the City of Canyon Lake, hereinafter referred to as "this Code."

8.12.040 Severability.

Section 101.4 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 101.4 Severability. If any provision, clause, sentence or paragraph of this ordinance or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions of this ordinance which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

8.12.050 Application of Residential Code.

Section 102.5 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 102.5 Application of residential code. Where structures are designed and constructed in accordance with the California Residential Code, the provisions of this code shall apply as follows:

1. Construction and design provisions of this code pertaining to the exterior of the structure shall apply including, but not limited to, premises identification, fire apparatus access, and water supplies. Where interior or exterior systems or devices are installed, construction permits required by Section 105.6 of this code shall apply.

2. Administrative, operational, and maintenance provisions of this code shall apply.

3. Automatic fire sprinkler system requirements of this code shall apply to detached accessory buildings 3,600 square feet or greater in accordance with Section 903.2. The provisions contained in Section 903.2.18 of the California Fire Code or Section R309.6 of the California Residential Code may be used for the design of the automatic fire sprinkler system for detached private garages or similar uses.

8.12.060 Creation of Agency.

Section 103.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 103.1. Creation of agency. The Canyon Lake Fire Department is hereby created and the official in charge thereof shall be known as the fire code official. The function of the agency shall be the implementation, administration, and enforcement of the provisions of this code.

8.12.070 Authority of the Fire Chief and Fire Department.

Section 104.1.1 is added to Section 104 of the California Fire Code to read as follows:

Section 104.1.1. Authority of the Fire Chief and the Canyon Lake Fire Department.

1. The Fire Chief is authorized and directed to enforce all applicable State fire laws and provisions of this ordinance and to perform such duties as directed by the Canyon Lake City Council.

2. The Fire Chief is authorized to administer, interpret, and enforce this ordinance. Under the Fire Chief's direction, the Canyon Lake Fire Department is authorized to enforce ordinances of the City of Canyon Lake pertaining to the following:

    2.1. The prevention of fires.

    2.2. The suppression or extinguishment of dangerous or hazardous fires.

    2.3. The storage, use, and handling of hazardous materials.

    2.4. The installation and maintenance of automatic, manual, and other private fire alarm systems and fire extinguishing equipment.

    2.5. The maintenance and regulation of fire escapes.

    2.6. The maintenance of fire protection and the elimination of fire hazards on land, in buildings, structures and other property, including those under construction.

    2.7. The maintenance of means of egress.

    2.8. The investigation of the cause, origin, and circumstances of fire, and unauthorized releases of hazardous materials.

3. The following persons are hereby authorized to interpret and enforce the provisions of this code and to make arrests and issue citations as authorized by law:

    3.1. The Fire Chief, Fire Marshal, Battalion Chief, and all members of the Canyon Lake Fire Department.

    3.2. The Canyon Lake Police Department, Police Chief, Lieutenant, and all members of the Canyon Lake Police Department.

3.3 The Riverside County Sheriff and any Deputy Sheriff.

3.4. Officers of the California Highway Patrol.

3.5. Code Enforcement Officers of the City of Canyon Lake Code Enforcement Department.

3.6. Peace Officers of the California Department of Parks and Recreation.

3.7. The law enforcement officers of the Federal Bureau of Land Management.

8.12.080 Authority of the Fire Chief to Close Hazardous Fire Areas.

Section 104.12 is added to Section 104 of the California Fire Code to read as follows:

Section 104.12. Authority of the Fire Chief to close hazardous fire areas. Except upon National Forest Land, the Fire Chief is authorized to determine and announce the closure of any hazardous fire area or portion thereof. Any closure by the Fire Chief for a period of more than fifteen (15) calendar days must be approved by the Canyon Lake City Council within thirty (30) calendar days of the Fire Chief's original order of closure. Upon such closure, no person shall go in or be upon any hazardous fire area, except upon the public roadways and inhabited areas. During such closure, the Fire Chief shall erect and maintain at all entrances to the closed area sufficient signs giving notice of closure. This section shall not prohibit residents or owners of private property within any closed area, or their invitees, from going in or being upon their lands. This section shall not apply to any entry, in the course of duty, by a peace officer, duly authorized public officer or fire department personnel. For the purpose of this section, "hazardous fire area" shall mean public or private land that is covered with grass, grain, brush, or forest and situated in a location that makes suppression difficult resulting in great damage. Such areas are designated on Hazardous Fire Area maps filed with the Canyon Lake Fire Department.

8.12.090 Carnivals, Fairs, and Special Events.

Section 105.5.5 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 105.5.5 Carnivals, fairs, and special events. An operational permit is required to conduct a carnival, fair, or special event. A detailed plan must be submitted, and an operational permit issued, to conduct a carnival, fair, or special event.

8.12.100 General Use Permit.

Section 105.5.60 is added to Section 105 of the California Fire Code to read as follows:

Section 105.5.60 General Use Permit. A General Use Permit shall be required for any activity or operation not specifically described in this section, which in the judgement of the fire code official is likely to produce conditions hazardous to life or property.

8.12.110 Fees.

Section 108.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 108.1 Fees. For each and every permit issued (or amended) pursuant to this code, there shall be paid to the City of Canyon Lake a fee in such amount as established by the agency issuing the permit or providing the service. Failure to pay such fees shall be cause for revocation of the permit.

8.12.120 Schedule of Permit Fees.

Section 108.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 108.2 Schedule of permit fees. Fees for services and operational permits shall be set forth in the City of Canyon Lake fee schedule.

8.12.130 Fees for Working or Performing Without Necessary Permits

Section 108.4.1 is added to Section 108 of the California Fire Code to read as follows:

Section 108.4.1 Fees for working or performing without necessary permits. A person who commences any construction work regulated by the Fire Code within the City before first obtaining necessary construction permits may be fined as follows:

1. First offense is double fees for each building or permit required to be issued that is in violation and a complaint is filed to the Contractors State License Board.

2. Second offense is double fees as indicated in item 1 above plus a $500.00 fine and a complaint filed to the Contractors State License Board.

3. Third offense is double fees as indicated in item 1 above plus a $1,000.00 fine and a complaint filed to the Contractors State License Board.

4. Fourth or subsequent violations will result in a misdemeanor citation and/or additional legal action for failing to comply with the requirement of the Fire Code.

8.12.140 Cost Recovery.

Section 108.7 is added to Section 108 of the California Fire Code to read as follows:

Section 108.7 Cost Recovery. Fire suppression, investigation, rescue, or emergency medical costs are recoverable in accordance with Health and Safety Code Sections 13009 and 13009.1, as may be amended from time to time. Additionally, any person who negligently, intentionally, or in violation of law causes an emergency response, including, but not limited to, a traffic accident, spill of toxic or flammable fluids, or chemicals, or any individual who is under the

influence of an alcoholic beverage or any drug or the combined influence of an alcoholic beverage and drug, and whose operation of a motor vehicle, boat or vessel caused by that influence proximately cause any incident, is liable for the costs of securing such emergency, including those costs pursuant to Government Code Section 53150, et seq, as may be amended from time to time. Any expense incurred by the City of Canyon Lake or the Canyon Lake Fire Department for securing such emergency shall constitute a debt of such person and shall be collectable by the City of Canyon Lake in the same manner as in the case of an obligation under contract, express or implied.

8.12.150 Expense Recovery.

Section 108.8 is added to Section 108 of the California Fire Code to read as follows:

Section 108.8 Expense Recovery. The fire code official may impose a fee for recovery of expenses incurred to enforce the provision of the Fire Code including approved third-party billing.

8.12.160 Occupant Count.

Section 110.7 is added to Section 110 of the California Fire Code to read as follows:

Section 110.7 Occupant Count. The supervisor of each place of assembly shall have an effective system to maintain a count of the number of occupants present in order to keep the number at or below the allowable occupant load. If the fire code official determines at any time that an accurate count of occupants is not being maintained, the occupancy shall be cleared to obtain an accurate count.

8.12.170 Board of Appeals Established.

Section 112.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 112.1 Board of appeals established. The Board of Appeals shall be the City Manager. If he or she determines an outside board is needed, he or she shall designate an outside hearing officer to hear the appeal. The Fire Chief or designee shall be notified of any appeal and the Fire Chief or designee shall be in attendance at the appeal hearing. Depending on the subject of the appeal, specialized expertise may be solicited, at the expense of the applicant, for the purpose of providing input to the Board of Appeals.

8.12.180 Limitations on Authority.

Section 112.2 Limitations on authority is hereby deleted in its entirety.

8.12.190 Qualifications.

Section 112.3 Qualifications is hereby deleted in its entirety.

8.12.200 Violation Penalties.

Section 113.4 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 113.4 Violation penalties. It shall be unlawful for any person, firm, corporation or association of persons to violate any provision of this ordinance, or to violate the provisions of any permit granted pursuant to this code or ordinance. Punishments and penalties for violations shall be in accordance with the City of Canyon Lake ordinances, City fee schedule, and Health and Safety Code Sections 17995 through 17995.5.

8.12.210 Failure to Comply.

Section 114.4 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 114.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be in violation of this Code and be subject to citations and penalties in amounts as determined by the Canyon Lake City Council as identified in the City's Fee Schedule.

8.12.220 Definitions.

Section 202 Definitions. The following definitions are amended/added to Section 202 of the California Fire Code and reads as follows:

ALL WEATHER DRIVING SURFACE. An all-weather driving surface is a concrete, asphalt, or other approved systems to support heavy fire apparatus (approximately 75,000 gross vehicle weight) with a grade of no more than fifteen percent (15%) and a minimum width of twenty-four (24) feet, unless approval for a lesser amount is obtained from the Fire Code official.

FIRE CHIEF. The Fire Chief of the Canyon Lake Fire Department or designee.

FIRE HAZARD. Any condition, arrangement, or act which will increase, or may cause an increase of, the hazard or menace of fire to a greater degree than customarily recognized as normal by persons in the public service of preventing, suppressing or extinguishing fire; or which may obstruct, delay, or hinder, or may become the cause of obstruction, delay or hindrance to the prevention, suppression, or extinguishment of fire.

FUEL MODIFICATION ZONE. A strip of land where combustible vegetation has been thinned or modified or both and partially or totally replaced with approved fire resistant and/or irrigated plats to provide an acceptable level of risk from vegetation fires. Fuels modification reduces the radiant and convective heat on a structure and provides valuable defensible space for firefighter to make a stand against an approaching fire front.

HAZARDOUS FIRE AREA. Includes all areas identified within Section 4906.2 and other areas as determined by the Fire Code Official due to the presence of combustible vegetation or the proximity of property to an area that contains combustible vegetation.

MID-RISE BUILDING. A building four or more stories high but not exceeding 75 feet in height and not defined as a high-rise building by section 202 of the California Building Code. Measurements shall be made from the underside of the roof or floor above the topmost space that may be occupied to the lowest fire apparatus access road level.

JURISDICTION. The City of Canyon Lake and/or the Canyon Lake Fire Department.

8.12.230 Open Burning, Recreational Fires and Portable Outdoor Fireplaces

Section 307 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 307. Open Burning, Recreational Fires, Fire Pits, Fire Rings, and Portable Outdoor Fireplaces.

8.12.240 Prohibited Open Burning.

Section 307.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 307.1.1. Open burning shall be prohibited within the jurisdictional boundaries of the City of Canyon Lake.

8.12.250 Outdoor Fireplaces, Fire Pits, Fire Rings, or other similar devices used at Group R Occupancies.

Section 307.6 is added to Section 307 of the California Fire Code to read as follows:

Section 307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or other similar devices used at Group R Occupancies. Outdoor fireplaces, fire pits, fire rings, or similar exterior devices shall comply with this section.

Exception. Barbeques, grills, and other portable devices intended solely for cooking.

8.12.260 Gas Fueled Devices.

Section 307.6.1 is added to Section 307 of the California Fire Code to read as follows:

Section 307.6.1 Gas Fueled Devices. Outdoor fireplaces, fire pits, and similar devices fueled by natural gas or liquefied-petroleum gas are allowed when approved by the Building and Fire Departments and the device is designed to only burn a gas flame and not wood or other solid fuel. At R-3 occupancies, combustible construction and flammable vegetation shall not be located

within 10 feet. At other R occupancies, the minimum distance shall be 20 feet. Where chimneys or vents are installed, they shall have a spark arrester as defined in California Mechanical Code Section 221.

8.12.270 Where Prohibited.

Section 307.6.2 is added to Section 307 of California Fire Code to read as follows:

Section 307.6.2 Where Prohibited. The burning of wood and other solid fuels shall not be conducted within the very high fire hazard severity zone, fuel modification zones, wildfire risk areas, or the wildland urban interface or intermix, or in locations where conditions could cause the spread of fire to the wildfire risk area or wildland urban interface/intermix. No burning of any type shall occur during declared "Red Flag" conditions within the City of Canyon Lake.

8.12.280 Outdoor Fireplaces Utilizing Wood or Solid Fuels.

Section 307.6.3 is added to Section 307 of the California Fire Code to read as follows:

Section 307.6.3 Outdoor fireplaces utilizing wood or solid fuels. Permanent outdoor fireplaces burning wood or other solid fuel shall be constructed in accordance with the California Building Code with clearance from combustible construction and building openings as required therein. Fires in a fireplace shall be contained within a firebox with an attached chimney. The opening in the face of the firebox shall have an installed and maintained method of arresting sparks. Chimneys shall have an approved spark arrester as defined in California Mechanical Code, Section 221.

8.12.290 Sky Lanterns.

Section 308.1.7 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 308.1.7 Sky lanterns or similar devices. A person shall not release or cause to be released a sky lantern or similar device.

8.12.300 Mid-Rise Buildings.

Section 324 of the California Fire Code is added to read as follows:

Section 324 Mid-Rise Buildings.

Section 324.1 General. A newly constructed mid-rise building or mid-rise building which undergoes a complete renovation that requires the building to be completely vacated shall comply with this section.

Exception:

1. Buildings used exclusively as an open parking garage.

2. Buildings where all floors above the fourth floor level are used exclusively as an open parking garage.

3. Building such as a power plant, lookout tower, steeple, grain house, and other similar structures with intermittent human occupancy.

Section 324.1.1 Automatic fire sprinkler systems and standpipes. Mid-rise buildings shall be protected throughout by an automatic fire sprinkler system designed and installed in conformance with the latest edition of NFPA 13 and in accordance with the following:

1. A shut-off valve and a water flow alarm shall be provided for each floor. Each shut-off valve and water flow alarm shall be electronically supervised.

2. Mid-rise building shall be provided with a class I standpipe system that is interconnected with the automatic fire sprinkler system. The system shall consist of 2 ½-inch hose valves located in each stair enclosure on every floor. Two hose outlets shall be located on the roof outside of each stair enclosure which penetrates the roof. The standpipe system shall be designed, installed, and tested in accordance with the latest edition of NFPA 14.

3. Fire department standpipe connections and valves serving each floor shall be located in the vestibule and located in a manner so as not to obstruct egress when hose lines are connected and charged.

Section 324.1.2 Smoke Detection. Smoke detectors shall be provided in accordance with this section. Smoke detectors shall be connected to an automatic fire alarm system and shall be installed in accordance with the latest edition of NPFA 72. The actuation of any device required by this sections shall operate the emergency voice alarm signal system and shall operate all equipment necessary to prevent the circulation of smoke through air return and exhaust ductwork. smoke detectors shall be located as follows:

1. In every mechanical equipment, electrical, transformer, telephone equipment, unstaffed computer equipment, elevator machinery or similar room and in all elevator lobbies. elevator lobby detectors shall be connected to an alarm verification zone or be listed as a releasing device.

2. In the main return air and exhaust air plenum of each air conditioning system. The smoke detector shall be located in a serviceable area downstream of the last duct inlet.

3. At each connection to a vertical duct or riser serving two or more stories from a return air duct or plenum of an air conditioning system. In Group R, Division 1 and 2 occupancies, an approved smoke detector is allowed to be used in each return air riser

carrying not more than 5,000 cubic feet per minute and not serving more than 10 air inlet openings.

4. For Group R, Division 1 and 2 occupancies, in all corridors serving as a means of egress for an occupant load of 10 or more persons.

Section 324.1.3 Fire alarm system. An approved and listed, automatic and manual, fully addressable and electronically-supervised fire alarm system shall be provided in conformance with this code, the California Building Code, and the latest edition of NFPA 72.

Section 324.1.4 Emergency voice alarm signaling system. The operation of any automatic fire detector or water flow device shall automatically sound an alert tone followed by a pre-recorded voice instruction giving appropriate information and direction on a general or selective basis to the following terminal areas:

1. Elevators
2. Elevator lobbies
3. Corridors
4. Exit stairways
5. Rooms and tenant spaces
6. Dwelling units
7. Hotel guest rooms
8. Areas designated as safe refuge within a building

Section 324.1.5 Fire Command Center. A fire command center for fire department operations shall be provided for single structures in excess of 300,000 square feet in size. The location and accessibility of the fire command center shall be approved by the fire department. The room shall be separated from the remainder of the building by not less than a 1-hour fire barrier. The room shall be a minimum of 200 square feet with a minimum dimension of 10 feet. It shall contain the following facilities at a minimum:

1. Voice alarm and public address panels
2. Fire department communications panel
3. Fire alarm enunciator panel
4. Elevator enunciator panel (when building exceeds 55 feet in height)

5. Status indicators and controls for air-handling systems (stairwell pressurization)

6. Controls for unlocking stairwell doors
7. Fire pump status indicators (if required)

8. Set of complete building plans

9. Elevator control switches for switching emergency power

10. Work table

11. Access keys for all building spaces

Section 324.1.6 Annunciation identification. Control panels in the central control station shall be permanently identified as to their function. Water flow, automatic fire detection, and manually-activated fire alarms, and supervisory and trouble signals shall be monitored by an approved UL-listed central monitoring station and annunciated in the fire command center by means of an audible and visual indicator. For the purposes of annunciation, zoning shall be in accordance with the following:

1. When the system serves more than one building, each building shall be a separate zone.

2. Each floor in a building shall be a separate zone, and coincide with the floor level.

3. When one or more risers serve the same floor, each riser shall be a separate zone.

Section 324.1.7 Elevators. Elevators and elevator lobbies shall comply with Chapter 30 of the California Building Code. At least one elevator cab shall be assigned for fire department use and shall serve all floors of the building. The cab shall be provided large enough to accommodate an ambulance-type stretcher in accordance with section 3002.4 of the California Building Code.

Section 324.1.8 Fire Department Communications Systems. An approved two-way fire department communication system designed and installed in accordance with the latest edition of NFPA 72 shall be provided for fire department use per section 907.2.13.2.

Section 324.1.9 Means of Egress. In addition to the requirements of Chapter 10, egress components of mid-rise buildings shall comply with section 324.1.9.1 through 324.1.9.5.

Section 324.1.9.1 Extent of Enclosure. Stairway enclosures shall be continuous and shall fully enclose all portions of the stairway. Exit enclosures shall exit directly to the exterior of the building or include an exit passageway on the ground floor leading to the exterior of the building. Each exit enclosure shall extend completely through the roof and be provided with a door that leads onto the roof.

Section 324.1.9.2 Pressurized Enclosures and Stairways. All required stairways and enclosures in a mid-rise building shall be pressurized as specified in section 909. Pressurized stairways shall be designed to exhaust smoke manually when needed.

Section 324.1.9.3 Vestibules. Pressurized stairway enclosures serving a mid-rise building shall be provided with a pressurized entrance vestibule on each floor that complies with section 909.

Section 324.1.9.4 Pressure Differences. The minimum pressure difference between a vestibule and adjacent areas shall comply with section 909.

Section 324.1.9.5 Locking of Stairway Doors. All stairway doors that are locked to prohibit access from the interior of the stairway shall have the capability of being unlocked simultaneously, without unlatching, upon a signal from the fire command center. Upon failure of normal electrical service or activation of any fire alarm, the locking mechanism shall automatically retract to the unlocked position.

A telephone or other two-way communication system connected to an approved emergency service which operates continuously shall be provided at not less than every third floor in each required exit stairway vestibule.

Approved signage stating doors are locked shall be provided in each stairwell vestibule on each floor in which entry may be made and on each floor in which a telephone is located. Hardware for locking stairway vestibules doors shall be State Fire Marshal listed and approved by the Fire Chief by permit before installation. Stairway doors located between the vestibules and the stairway shaft shall not be locked.

8.12.310 Scope.

Section 501.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 501.1 Scope. Fire service features for buildings, structures, and premises shall comply with this chapter. All features shall be in accordance with this code, national standards, the Canyon Lake Fire Department Guidelines for Fire Department Access and Water Requirements for Commercial and Residential Development.

8.12.320 Fire Apparatus Access Roads.

Section 503.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.1 Where Required. Fire apparatus access roads, including private residential driveways, shall be required for every building hereafter constructed when any portion of an exterior wall of the first story is located more than 150 feet from the closest point of an approved fire department vehicle access.

Fire apparatus access roads, except private residential driveways serving two homes or less, shall be provided and maintained for purposes of rapid and reliable fire apparatus access for an unobstructed traffic circulation for evacuation or relocating of civilians during a wildfire or other emergency. Fire apparatus access roads shall be provided and maintained in compliance with this section and the most recent edition and any amendments thereto, of public and private road standards as adopted by the City of Canyon Lake. The fire code official may modify the requirements of this section if the modification provides equivalent access.

8.12.330 Additional Access.

Section 503.1.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.1.2 Additional Access. The fire code official is authorized to require more than one fire apparatus access road based on the potential for impairment of a single road by vehicle congestion, condition of thee terrain, climatic conditions, or other factors that could limit access. When additional fire apparatus access roads are necessary, the additional fire apparatus access road must be remote from the primary fire apparatus access road and be approved by the fire code official.

8.12.340 Dimensions.

Section 503.2.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.2.1 Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 24-feet, exclusive of shoulders, except for single-family residential driveways serving no more than two (2) single family dwellings, which shall have a minimum of 14-feet of unobstructed improved width. Any of the following, which have separated lanes of one-way traffic: gated entrances with card readers, guard stations or center medians, are allowed, provided that each lane is not less than 16-feet wide.

Fire apparatus access roads serving commercial, industrial, or buildings greater than two stories shall have an unobstructed improved width of not less than 26 feet to accommodate aerial fire apparatus. The fire code official may require additional access road improvements necessary to accommodate aerial fire apparatus.

All fire apparatus access roads shall have an unobstructed vertical clearance of not less than 13 feet 6 inches.

Vertical clearances or road widths shall be increased when the fire code official determines that vertical clearances or road widths are not adequate to provide fire department access.

Vertical clearances or road width may be reduced when the fire code official determines the reduction does not impair access by fire apparatus. In cases where the vertical clearance has

between reduced, approved signs shall be installed and maintained indicating the amount of vertical clearance.

8.12.350 Authority.

Section 503.2.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.2.2 Authority. The fire code official shall be the only authority authorized to designate fire apparatus access roads and fire lanes and to modify the minimum fire lane access widths for fire or rescue operations.

8.12.360 Surface.

Section 503.2.3 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 503.2.3 Surface. Fire apparatus access road shall be designed and maintained to support the imposed loads of fire apparatus at 75,000 pounds and shall be paved or concrete so as to provide an all-weather driving capability. Pervious pavers may be used when designed, installed, and maintained to hold the imposed loads of fire apparatus at 75,000 pounds and are approved by the fire code official. In rural areas, all-weather surfaces may be utilized for fire apparatus access roads where slopes permit. All-weather surfaces must be maintained to engineered standards, failure to do so will result in violations as outlined in 8.12.200.

8.12.370 Automatic Opener.

Section 503.6.1 is added to Section 503 of the California Fire Code to read as follows:

Section 503.6.1 Automatic Opener. New motorized gates shall be provided with means to be automatically opened remotely by emergency vehicles in accordance with the requirements of the Canyon Lake Fire Department.

Exception: Gates serving individual one and two-family dwelling parcels do not need to have the automatic opener but are required to have a Canyon Lake Fire Department override "Knox" key switch.

8.12.380 Loading Areas and Passenger Drop-Off Areas.

Section 503.7 is added to Section 503 of the California Fire Code to read as follows:

Section 503.7 Loading areas and passenger drop-off areas. On private properties, where fire apparatus access roads are utilized for loading or unloading, or utilized for passenger drop-off or pick-up, an additional eight (8) feet of width shall be added to the minimum required width for the fire apparatus access road.

8.12.390 Required Access.

Section 504.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 504.1 Required access. Exterior doors and openings required by this code or the California Building Code shall be maintained with ready access for emergency access by the fire department. An approved access walkway leading from the fire apparatus access road from the street of the address of the property, to exterior openings, shall be provided. The walkway shall not exceed slope and any steps/stairs and surface materials shall be approved by the fire code official.

8.12.400 Address Numbers.

Section 505.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 505.1 Address numbers. Approved numbers and/or addresses shall be placed on all new and existing building and at appropriate additional locations, plainly visible and legible from the street or roadway fronting the property when approaching from either direction. All commercial addressing shall be illuminated, either internally or externally, to be visible from the street at all hours. Single-family residential numbers shall contrast with their background and shall meet the following minimum size standards: 4" high with a ½" stroke. Numbers shall not be spelled out. For commercial buildings up to 25 feet in height, address numbers shall be a minimum of 12" high with a minimum 2" stroke. For building(s) 25 feet in height or taller, address numbers shall be a minimum of 24" in height with a minimum 4" stroke and be placed on all sides of the structure. Additional numbers shall be required where deemed necessary by the fire code official, such as rear access doors, building corners, and entrances to commercial centers. Where access is by means of a private road and the building cannot be viewed by the public ay, an approved monument, pole, or other approved sign or means shall be used to identify the structure. Address identification shall be maintained.

8.12.410 Hydrant for Fire Department Connections.

Section 507.5.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 507.5.1.1 Hydrant for Fire Department Connections. Building equipped with a fire sprinkler and/or a fire standpipe system installed in accordance with Section 905 shall have a fire hydrant within 100 feet of the fire department connections.

8.12.420 Fire Hydrant Size and Outlets.

Section 507.5.7 is added to Section 507 of the California Fire Code to read as follows:

Section 507.5.7 Fire Hydrant size and outlets. As determined by the fire code official, fire hydrant sizes and outlets shall be based on the following:

1. Residential Standard – one (1) four (4) inch outlet and one (1) two and one-half (2 ½) inch outlet.

2. Super Hydrant Standard – one (1) four (4) inch outlet and two (2) two and one-half (2 ½) inch outlet.

3. Super Hydrant Enhanced – two (2) four (4) inch outlets and one (1) two and one-half (2 ½) inch outlet.

8.12.430 Fire Hydrant Street Marker.

Section 507.5.8 is added to Section 507 of the California Fire Code to read as follows:

Section 507.5.8 Fire hydrant street marker. Fire hydrant locations shall be visually identified as required by the fire code official. Fire hydrants may be identified by a reflectorized blue marker with a minimum dimension of 3 inches, in the center of the travel lane and adjacent the water source, or by other methods approved by the fire code official. At intersections, a reflectorized blue marker may be required on each cross street. Any hydrant marker damaged or removed during the course of street construction or repair shall be immediately replaced by the contractor, developer, or person responsible for removal or damage.

8.12.440 General.

Section 508.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 508.1 General. Where required by other sections of this code and in all buildings classified as high-rise by the California Building Code, and mid-rise buildings as defined and Group I-2 Occupancies having occupied floors located more than 55 feet above the lowest level of fire department vehicle access and in all F-1 and S-1 Occupancies with a building footprint greater than 300,000 square feet, a fire command center for fire department operations shall be provided and comply with Section 508.1.1 through 508.1.8.

8.12.450 Location and Access.

Section 508.1.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 508.1.1 Location and access. The fire command center shall be located adjacent to the main lobby and shall be accessible from fire department vehicular access or as approved by the fire code official. The room shall have direct access from the building exterior at the lowest level of fire department access.

8.12.460 Size.

Section 508.1.3 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 508.1.3 Size. The fire command center shall be not less than 0.015 percent of the total building area of the facility served or 200 square feet in area, whichever is greater, with a minimum dimension of 0.7 Times the square root of the room area or 10 feet, whichever is greater.

Where a fire command center is required for a group F-1 and S-1 Occupancies with a footprint greater than 300,000 square feet, the fire command center shall have a minimum size of 96 square feet with a minimum dimension of 8 feet, where approved by the fire code official.

8.12.470 Required Features.

Section 508.1.6 of the California Fire Code is amended to include the following exception:

Section 508.1.6 Required features.

Exception: A fire command center solely required because a building is greater than 300,000 square feet in area shall comply with NFPA 72 and contain the features set forth in Subsection 508.1.6, subsection 5, 8, 10, 12, 13, and 14. The features set forth in Section 508.1.6 subsections 1, 2, 3, 4, 6, 9, 11, 15, 16, 17, 18, and 19 shall be required when such building contains systems or functions related to these features.

8.12.480 Minimum Clearances.

Section 509.2.1 is added to Section 509 of the California Fire Code to read as follows:

Section 509.2.1 Minimum clearances. A 3-foot clear space shall be maintained around the circumference of exterior fire protection system control valves, or any other exterior fire protection system component that may require immediate access, except as otherwise required or approved.

8.12.490 Manual Operation.

Section 608.11.1.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 608.11.1.2 Manual operation. When required by the fire code official, automatic crossover valves shall be capable of manual operation. The manual valves shall be located in an approved location immediately outside of the machinery room in a secure metal box or equivalent and marked as Emergency Controls.

8.12.500 Where Required.

Section 903.2 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 903.2 Where required. Approved automatic fire sprinkler systems, regardless of the occupancy classification, shall be provided throughout new buildings and structures which are 3,600 square feet or greater in size or more than two or more stories in height.

Exception: Group R Occupancies shall comply with section 903.2.8.

1. Regardless of the occupancy classification. Where sections of the California Fire Code require more strictive requirements than those listed below, the more restrictive requirement shall take precedence.

2. The elimination of fire sprinkler protection in the following areas is subject to approval by the fire code official. Spaces or areas in telecommunications buildings used exclusively for telecommunications equipment, associated electrical power distribution equipment, batteries, and standby engines, provided those spaces or areas are equipped throughout with an automatic fire alarm system and are separated from the remainder of the building by fire barriers consisting of not less than 1-hour fire -resistance-rated walls and 2-hour fire resistance-rated floor/ceiling assemblies.

Unless required elsewhere in the code or the California Building Code, automatic fire sprinkler systems shall not be required for the following:

1. Detached Group U Occupancies used for agricultural or livestock purposes, less that 5,500 square feet, and having setback distances of 50 feet or more from the property line and other buildings.

2. Detached non-combustible equestrian area shade canopies that are open on all sides and used for riding only – no commercial, assembly, or storage usages.

3. Detached fabric or non-combustimble shade structur3es that are open on all sides and used to shade playground equipment, temporary storage of vehicles, and dining areas with no cooking.Detached Group U occupancies used for agricultural purposes constructed in accordance with the California Building Code.

4. Detached non-combustible equestrian arena shade canopies that are open on all sides and used for riding only - no commercial, assembly, or storage uses.

5. Detached fabric or non-combustible shade structures that are open on all sides and used to shade playground equipment, temporary storage of vehicles, and dining areas with no cooking.

6. Detached Group U Occupancy greenhouses less than 5,500 square feet.

7. When determined by the Fire Chief that no major life safety hazard exists, and the fuel load does not pose a significant threat to firefighter safety or to other structures or property, automatic fire sprinklers may be exempted.

One and two family dwellings shall have an automatic fire sprinkler system regardless of square footage in accordance with the California Residential Code. Fire sprinkler systems shall be installed in mobile homes, manufactured homes, and multifamily manufactured homes with two dwelling units in accordance with Title 25 of the California Code of Regulations.

Fire sprinkler systems are required in existing residential buildings under the following conditions:

1. Additions are made to a building equipped with an automatic sprinkler system whether or not the building was required to have a sprinkler system.

2. When an addition is 33% or more of the existing building area, and the resulting building area exceeds 5,000 square feet.

3. When an addition exceeds 2,000 square feet and the resulting building area exceeds 5,000 square feet.

4. An additional story is added above the second floor regardless of fire areas or allowable area.

5. When additions, alterations or repairs are done where the building would be required to be sprinklered after the additions, alterations or repairs are completed and the additions, alterations, or repairs have a valuation of 50% or more of the building's valuation prior to the additional, alterations or repairs. The cumulative value of additions, alterations, and repairs done within any three year period is the valuation used to determine the 50% threshold compliance with this section. The valuation used for existing building and for the additions, alterations, and repairs is the valuations established in the City's resolution for computation of building permit fees.

The following exceptions in the California Fire Code shall not be allowed:

1. Exception in section 903.2.3

2. Exception in section 903.2.11.3

8.12.510 Group R.

Section 903.2.8 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 903.2.8 Group R. An automatic sprinkler system installed in accordance with section 903.3 shall be provided throughout all buildings with a Group R fire area as follows:

1. New Buildings: An automatic sprinkler system shall be installed throughout.

2. Existing Buildings: An automatic sprinkler system shall be installed throughout when one of the following conditions exists:

    a. Additions are made to a building equipped with an automatic sprinkler system whether or not the building was required to have a sprinkler system.

    b. When the addition is 33% or more of the existing building area as defined in Section 202, and greater than 1,000 square feet within a two-year period.

    c. When an existing Group R occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official or Fire Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.

    d. Additions, alterations, or repairs are done where the additions, alterations, or repairs have a valuation of 50% or more of the buildings valuation prior to the additions, alterations, or repairs. The cumulative value of additions, alterations, and repairs done within any three-year period is the valuation used to determine the 50% threshold compliance with this section. The valuations used for existing building and for the additions, alterations, and repairs is the valuations established in the City's resolution for computation for building permit fees.

Automatic fire sprinkler systems located in Group R Occupancies shall be installed with a passive purge system connected to the domestic water supply at least one toilet. The fire sprinkler systems shall be looped and have no dead end lines.

For the purposes of this section, firewalls, fire barriers, or fire partitions shall define separate buildings.

Exceptions:

1. Existing Group R-3 occupancies converted to R-3.1 occupancies not housing bedridden clients, not housing non-ambulatory clients above the fire floor, and not housing clients above the second floor.

2. Existing Group R-3 occupancies converted to Group R-3.1 occupancies housing only one bedridden client and complying with Section 435.8.3.3 of the California Building Code.

3. Pursuant to Health and Safety Code, Section 13113, occupancies housing ambulatory children only, none of whom are mentally ill children or children with intellectual disabilities, and the building or portions thereof in which such children are housed are

not more than two stories in height, and building or portions thereof house such children have an automatic fire alarm system active by approved smoke detectors.

4. Pursuant to Health and Safety Code, Section 13143.6, occupancies licensed for protective social care which house ambulatory clients only, none of whom is a child (under the age of 18 years), or who is elderly (65 years of age or over).

8.12.520 Group S-2 Parking Garages.

Section 903.2.10 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 903.2.10 Group S-2 Parking Garages. An automatic fire sprinkler system shall be provided throughout buildings classified as parking garages.

8.12.530 Commercial Parking Garages.

Section 903.2.10.1 Commercial Parking Garages. This section is hereby deleted in its entirety and without replacement.

8.12.540 Hydraulically Calculated Systems.

Section 903.3.5.3 is added to Section 903 of the California Fire Code to read as follows:

Section 903.3.5.3 Hydraulically calculated systems. The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.

8.12.550 Sprinkler System Supervision and Alarms.

Section 903.4 of the California Fire Code is hereby amended to read as follows:

Section 903.4 Sprinkler system supervision and alarms. Sprinkler system supervision and alarms is hereby amended by modifying items 1 and 2, deleting items 5 and 8, and renumbering the exceptions as follows:

1. Automatic sprinkler systems protecting one and two-family dwellings.

2. Limited area sprinkler systems serving fewer than 20 sprinklers.

3. Automatic sprinkler systems are installed in accordance with NFPA 13R where the common supply main is used to supply both the domestic and automatic sprinkler system, and a separate shutoff valve for the automatic sprinkler system is not provided.

4. Jockey pump control valves that are sealed or locked in the open position.

5. Valves controlling the fuel supply to fire pump engines that are sealed or locked in the open position.

6. Trim valves to pressure switches in dry, pre-action, and deluge sprinkler systems that are sealed or locked in the open position.

8.12.560 Fire Alarm Control Panel.

Section 907.1.6 is added to section 907 of the California Fire Code to read as follows:

Section 907.1.6 Fire alarm control panel. The main fire alarm control panel (FACP) shall be located in the same room as, and sharing the same access as the fire sprinkler riser unless an alternate location is approved by the fire code official. The FACP shall have a minimum 36 inches of face clearance and 6 inches side clearance from any other wall or equipment.

8.12.570 Occupant Notification Systems Required in Multi-tenant Buildings.

Section 907.5.1 is added to section 907 of the California Fire Code to read as follows:

Section 907.5.1 Occupant notification system required in multi-tenant buildings. In multi-tenant buildings where the automatic fire sprinkler bell cannot be heard within the tenant space shall upon tenant improvement(s) requiring a building permit for that tenant space add one audio/visual device to alert occupants of an activation of one of the fire protection systems identified in section 907.5.

8.12.580 General.

Section 914.12 is added to section 914 of the California Fire Code to read as follows:
Section 914.12 General. A newly constructed mid-rise building shall comply with this section.

Exceptions:

1. Building used exclusively as an open parking garage.

2. Building where all floors above the fourth-floor are used exclusively as an open parking garage.

3. Building such as a power plant, lookout tower, steeple, grain house, and other similar structures with intermittent human occupancy.

8.12.590 Automatic Fire Sprinkler Systems and Standpipes.

Section 914.12.1 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.1 Automatic fire sprinkler systems and standpipes. Mid-rise building shall be protected throughout by an automatic fire sprinkler system designed and installed in conformance with the latest edition of NFPA 13 and in accordance with the following:

1. A shut-off valve and a water flow alarm shall be provided for each floor. Each shut-off valve and water flow alarm shall be electronically supervised.

2. Mid-rise building shall be provided with a Class I standpipe system that is interconnected with the automatic fire sprinkler system. The system shall consist of 2.5-inch valves located in each stair enclosure on every floor. Two hose outlets shall be located on the roof outside of each stair enclosure that penetrates the roof. The standpipe system shall be designed, installed, and tested in accordance with the latest edition of NFPA 14.

3. Fire department standpipe connections and valves servicing each floor shall be located in the vestibule and located in a manner so as not to obstruct egress when hose lines are connected and charged.

8.12.600 Smoke Detection.

Section 914.12.2 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.2 Smoke detection. Smoke detectors shall be provided in accordance with this section. Smoke detectors shall be connected to an automatic fire alarms system and shall be installed in accordance with the latest edition of NFPA 72. The actuation of any device required by this section shall operate the emergency voice alarm signal system and shall operate all equipment necessary to prevent the circulation of smoke through air returns and exhaust ductwork. Smoke detectors shall be located as follows:

1. In every mechanical equipment, electrical, transformer, telephone equipment, unmanned computer equipment, elevator machinery, or similar room and in all elevator lobbies. Elevator lobby detectors shall be connected to an alarm verification zone or be listed as a releasing device.

2. In the main return air and exhaust air plenum of each air conditioning system. The smoke detector shall be located in a serviceable area downstream of the last duct inlet.

3. At each connection to a vertical duct or riser serving no more than 4 stories from a return air duct or plenum of an air conditioning system. In Group R, Division 1 and 2 Occupancies, an approved smoke detector is allowed to be used in each return air riser carrying not more than 5,000 cubic feet per minute and not serving more that 10 air inlet openings.

4. For Group R, Division 1 and 2 Occupancies, in all corridors serving as a means of egress for an occupant load of 10 or more persons.

8.12.610 Fire Alarm System.

Section 914.12.3 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.3 Fire alarm system. An approved and listed, automatic and manual, fully addressable, and electronically supervised fire alarm system shall be provided in accordance with the provisions of this code and NFPA 72.

8.12.620 Emergency Voice Alarm Signaling System.

Section 914.12.4 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.4 Emergency voice alarm signaling system. The operation of any automatic fire detector or water flow device shall automatically sound an alert tone followed by a pre-recorded voice instruction giving appropriate information and direction on a general or selective basis to the following terminal areas:

1. Elevators
2. Elevator lobbies
3. Corridors
4. Exit stairways
5. Rooms and tenant spaces
6. Dwelling units
7. Hotel guest rooms
8. Areas designated as safe refuge within the building

8.12.630 Fire Command Center.

Section 914.12.5 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.5 Fire command center. A fire command center for fire department operations shall be provided for mid-rise buildings, as defined in Section 202 of this ordinance, in accordance with section 508.

8.12.640 Elevators.

Section 914.12.6 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.6 Elevators. Elevators and elevator lobbies shall comply with Chapter 30 of the California Building Code. At least one elevator cab shall be assigned for fire department use and shall service all floors of the building. This cab shall be provided large enough to accommodate an ambulance-type stretcher in accordance with section 3002.4 of the California Building Code.

8.12.650 Fire Department Communication System.

Section 914.12.7 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.7 Fire department communication system. An approved two-way fire department communication system designed and installed in accordance with the adopted edition of NFPA 72, shall be provided for fire department use per section 907.2.13.2.

8.12.660 Means of Egress.

Section 914.12.8 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8 Means of egress. In addition to the requirements of Chapter 10, egress components of mid-rise building shall comply with section 914.12.8.1 through 914.12.8.5.

8.12.670 Extent of the Enclosure.

Section 914.12.8.1 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.1 Extent of the enclosure. Stairway enclosures shall be continuous and shall fully enclose all portions of the stairway. Exit enclosures shall exit directly to the exterior of the building or include an exit passageway on the ground floor leading to the exterior of the building. Each exit enclosure shall extend completely through the roof and be provided with a door that leads onto the roof.

8.12.680 Pressurized Enclosures and Stairways.

Section 914.12.8.2 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.2 Pressurized enclosures and stairways. All required stairways and enclosures in a mid-rise building shall be pressurized as specified in Section 909. Pressurized stairways shall be designed to exhaust smoke manually.

8.12.690 Vestibules.

Section 914.12.8.3 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.3 Vestibules. Pressurized stairway enclosures serving a mid-rise building shall be provided with a pressurized entrance vestibule on each floor that complies with section 909.

8.12.700 Pressure Differences.

Section 914.12.8.4 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.4 Pressure differences. The minimum pressure difference between a vestibule and adjacent area shall comply with section 909.

8.12.710 Locking of Stairway Doors.

Section 914.12.8.5 is added to section 914 of the California Fire Code to read as follows:

Section 914.12.8.5 Locking of stairway doors. All stairway doors that are locked to prohibit access from the interior of the stairway shall have the capability of being unlocked simultaneously, without unlatching, upon a signal from the fire command center. Upon failure of normal electrical service or activation of any fire alarm, the locking mechanism shall automatically unlock.

8.12.720 Minimum Requirements for Client Leased or Occupant Owned Warehouses.

Section 3204.2.1 is added to Section 3204 of the California Fire Code to read as follows:

Section 3204.2.1 Minimum requirements for client leased or occupant owned warehouses. Designs of an automatic sprinkler system for client leased or occupant owned buildings containing high pile storage shall be based on the requirements of NFPA 13. The responsible fire protection engineer shall perform a survey of the building to determine commodity classification, storage configuration, building height, and other information related to the development of an appropriate sprinkler system design. The fire protection engineer shall also make reasonable efforts to meet with the building owner or operator to understand seasonal or customer related fluctuations to the stored commodities, storage height, and configuration. The sprinkler design shall be based on the most demanding requirements determined through the onsite survey and discussions with the building owner or operator. The technical report shall describe the basis for determining the commodity and sprinkler design selection, how the commodities will be isolated or separated, and include references to the design document(s). If a specific fire test is used as the basis of design, a copy of the fire test report shall be provided at the time of plan review.

8.12.730 Prohibition.

Section 5601.3.1 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 5601.3.1 Prohibition. No person shall have in his or her possession, or keep, store, use, shoot, discharge, set off, ignite, explode, manufacture, sell, offer to sell, give or transport any fireworks, dangerous fireworks, or safe and sane fireworks, except for use as agricultural and wildlife fireworks or for use in a public display of fireworks pursuant to a permit obtained from the Canyon Lake Fire Department under the provisions of California Health and Safety Code

section 12640 – 12654 and the municipal code adopted by the City of Canyon Lake. Any storage, use, sale, possession, and handling of fireworks 1.4G (commonly referred to as Safe and Sane) and fireworks 1.3G is strictly prohibited.

Exception. Fireworks 1.4G and fireworks 1.3G may be part of an electrically fired display when permitted by the Canyon Lake Fire Department and conducted by a California licensed pyrotechnic operator.

8.12.740 Seizure of Fireworks

Section 5601.7 of the California Fire Code is deleted in its entirety and replaced with the following:

Section 5601.7 Seizure of Fireworks. The fire code official and his or her designee shall have the authority to seize, take, and remove all fireworks stored, sold, offered for sale, used, or handled in violation of the provisions of Title 19 CCR, Chapter 6. Any seizure or removal pursuant to this section shall be in compliance with applicable statutory, constitutional, and decisional law.

8.12.750 Firing.

Section 5608.2 is added to Section 5608 of the California Fire Code to read as follows:

Section 5608.2 Firing. All fireworks displays shall be electrically fired.

8.12.760 Explosives and Blasting.

Section 5614 is added to a new section 5614 of the California Fire Code to read as follows:

Section 5614 Explosives and blasting. Explosives shall not be possessed, kept, stored, sold, offered for sale, given away, used, discharged, transported, or disposed of except by permit from the fire code official.

8.12.770 General.

Section 5701.1 is deleted in its entirety from the California Fire Code and replaced with the following:

Section 5701.2 General. On-demand mobile fueling operations that dispense Class I, II, and III liquids into fuel tanks of motor vehicles shall be prohibited.

5707.2 – 5707.6 are hereby deleted without replacement

8.12.780 Appendix B.

Appendix B, Table 105.2 of the California Fire Code is amended to read as follows:

TABLE B105.2 – REQUIRED FIRE FLOW FOR BUILDINGS OTHER THAN ONE- AND TWO-FAMILY DWELLINGS, GROUP R-3 AND R-4 BUILDINGS AND TOWNHOUSES

AUTOMATIC SPRINKLER SYSTEM (Design Standard)	MINIMUM FIRE FLOW (gallons per minute)	FLOW DURATION (hours)
No automatic sprinkler system	Value in Table B105.1(2)	Duration in Table B105.1(2)
Section 903.3.1.1 of the *California Fire Code*	50% of the value in Table B105.1(2)[a]	Duration in Table B105.1(2) at the reduced flow rate
Section 903.3.1.2 of the *California Fire Code*	50% of the value in Table B105.1(2)[b]	Duration in Table B105.1(2) at the reduced flow rate

For SI: 1 gallon per minute = 3.785 L/m.

a. The reduced fire-flow shall be not less than 1,000 gallons per minute.

b. The reduced fire-flow shall be not less than 1,500 gallons per minute.

8.12.790 Appendix C.

Section C103.1 of the California Fire Code is amended to read as follows:

Section C103.1 Hydrant spacing. Fire apparatus access roads and public streets providing required access to buildings in accordance with Section 503 of the California Fire Code shall be provided with one or more fire hydrants, as determined by Section C102.1. Where more than one fire hydrant is required, the distance between required fire hydrants shall be in accordance with Sections C103.2 and C103.3. Fire Hydrants shall be provided at street intersections.

Section 4. **California Environmental Quality Act.** The City Council finds that this Ordinance is not a project under the California Environmental Quality Act ("CEQA") because it can be seen with certainty that it will not have a reasonably foreseeable direct or indirect physical change in the environment (CEQA Guidelines § 15061(b)(3)).

Section 5. **Adoption by Reference; Government Code § 50022.2.** This Ordinance adopts by reference the 2025 California Building Standards Code (Title 24, CCR) and related codes as a condition of compliance with State law. Pursuant to Government Code § 50022.2, this adoption by reference is exempt from the procedures and requirements of Government Code §§ 50022.1–50022.10.

Section 6. **Effective Date; Supersession by Regular Ordinance.** This Ordinance shall take effect on the 31st day following adoption by a majority of the City Council. As of that date, the companion urgency ordinance shall be superseded and of no further force or effect.

Section 7. **Filing of Local Amendment Findings.** Within 15 days after adoption, the City Clerk shall file a copy of this Ordinance and the City's local-conditions findings with the California

Building Standards Commission and shall transmit a courtesy copy to the Office of the State Fire Marshal with respect to amendments to the California Fire Code.

Section 8. **Publication.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause the ordinance or a summary thereof to be published in accordance with state law.

Section 9. **Severability.** Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

Section 10. **Repeal of Inconsistent Provisions; Continuity.** All ordinances or parts of ordinances in conflict with this Ordinance are repealed to the extent of such conflict. The repeal of any inconsistent provision shall not affect any right, penalty, or action already accrued or taken under the ordinances so repealed.

Section 11. **Codification; Authority of the City Clerk.** The City Council intends the provisions of Chapter 8.02 and Chapter 8.12 as amended herein to be codified. The City Clerk, in consultation with the City Attorney, is authorized to make non-substantive edits and numbering, section, chapter, and title designations to effectuate such codification.

Section 12. **Administrative Direction.** The Fire Chief and Deputy Building Official are directed to implement this Ordinance, issue administrative bulletins concerning effective dates and submittal cut-offs, and take all actions necessary to carry out the purpose of this Ordinance.

PASSED APPROVED AND ADOPTED this _____ day of _____, 2025.

_____
Mark Terry, Mayor

ATTEST:

_____
Sheryl Garcia, MMC, CPM
City Clerk

APPROVED AS TO FORM:

_____
Steven Graham, City Attorney