

Planning Commission Memorandum

Community & Economic Development Department Planning Division 3900 Main Street, Riverside, CA 92522 | Phone: (951) 826-5371 | RiversideCA.gov

PLANNING COMMISSION HEARING DATE: MAY 28, 2020 AGENDA ITEM NO.: 2

PROPOSED PROJECT

	P20-0179 (Zoning Code Amendment)	
Case Numbers	P20-0190 (Specific Plan Amendment – Hunter Business Park Specific Plan)	
	P20-0191 (Specific Plan Amendment - Sycamore Canyon Business Park)	
Request	To consider the following amendments to the Zoning Code (Title 19 of the Riverside Municipal Code to implement proposed updates to the Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities: 1. Chapter 19.130 – Industrial Zones (BMP, I, AI and AIR); 2. Chapter 19.150 – Base Zones Permitted Land Uses; 3. Chapter 19.285 – Outdoor Storage Yard; 4. Chapter 19.510 – Outdoor Storage Yard - Incidental; 5. Chapter 19.550 – Fences, Walls and Landscape Materials; 6. Chapter 19.910 – Definitions; and 7. Establishment of Chapter 19.435 – Warehousing and Distribution Facilities.	
	Additionally, to consider amendments to two Specific Plans: 1. Chapter III (Development Standards and Design Guidelines) of the Hunter Business Park Specific Plan; and 2. Chapter 3.0 (Development Standards and Criteria) of the Sycamore Canyon Business Park Specific Plan.	
Applicant	City of Riverside Community & Economic Development Department 3900 Main Street, 6th Floor Riverside, CA 92522 (951) 826-5371	
Project Location	Citywide	
Ward	All Wards	
Neighborhood	All Neighborhoods	
Staff Planner	Matthew Taylor, Senior Planner 951-826-5944 <u>mtaylor@riversideca.gov</u>	

RECOMMENDATIONS

Staff recommends that the Planning Commission:

1. **RECOMMEND that the City Council DETERMINE** that Planning Cases P20-0179 (Zoning Code Amendment), P20-0190 (Specific Plan Amendment) and P20-0191 (Specific Plan Amendment) are exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), as it can be seen with certainty

- that the code amendment does not have the potential to cause a significant effect on the environment (General Rule); and
- 2. **RECOMMEND APPROVAL** of Planning Cases P20-0179 (Zoning Code Amendment), P20-0190 (Specific Plan Amendment) and P20-0191 (Specific Plan Amendment) based on the findings attached to this staff report (Exhibits 1, 2, 3 and 4).

BACKGROUND

In October 2008, the City Council approved the Good Neighbor Guidelines for Siting New and/or Modified Warehouse and Distribution Facilities (GNG-2008, Exhibit 5) that were based on the Western Riverside Council of Governments (WRCOG)'s Good Neighbor Guidelines for Warehouse Facilities (Exhibit 6). The City's GNG-2008 addressed potential impacts to neighborhoods related to the impacts of diesel particulate matter (PM) from on-road trucks associated with warehouses and distribution centers. The GNG-2008 provides a policy framework for discretionary decisions but does not mandate requirements. The 2008-GNG also do not include policies related to noise, hours of operation, and neighborhood character related to setbacks, heights, building massing, privacy or aesthetics/architecture.

In May 2015, the City Council requested a staff presentation to the Utility Services/Land Use/Energy Development Committee (LUC, renamed the Sustainability & Resilience Committee in April 2020) on existing City policies and standards related to industrial and warehouse development in relation to adjacent residential zones. In March of 2016, the LUC directed staff to: (1) review the City's "Good Neighbor Guidelines for Siting New and/or Modified Warehouse Distribution Facilities" (GNG-2008), and determine if changes are warranted; (2) evaluate the City's existing development standards for industrial projects adjacent to residential zones; and (3) present staff's findings directly to the City Council (Exhibit 7). Staff presented the LUC's direction to City Council in October 2016. City Council referred the item back to the LUC to further consider emission standards, noise assessments, tiered setbacks and heights, and development standards related to industrial uses (Exhibit 8).

In March 2020, staff presented a proposed amendments to both the GNG-2008 and Title 19 (Zoning) to the LUC (Exhibit 9). The LUC provided additional direction to consider greater flexibility for some proposed regulations and more stringent requirements for others. The LUC directed Staff to forward the proposed changes to the Planning Commission and City Council for formal consideration.

The GNG-2008 have been updated to streamline the policies and reflect the feedback provided by City Council. The updated Good Neighbor Guidelines (GNG-2020, Exhibit 10) are codified in the proposed Zoning Code changes (Exhibit 2) to implement the policies.

PROPOSAL

The GNG-2008 have been updated to create actionable policies that address the impacts of industrial land uses on residential neighborhoods and other sensitive receptors such as schools, parks and hospitals. The GNG-2020 policies will be implemented with changes to the Zoning Code that includes enforceable requirements and development standards. Updates to the Hunter Business Park and Sycamore Canyon Business Park Specific Plans ensure that the regulations for industrial developments contained in the Specific Plans are consistent with the proposed amendments to the Zoning Code. The updates to the GNG-2020, Zoning Code and Specific Plans ensure consistency with existing policies of other agencies such as the California Air Resources Board (ARB), South Coast Air Quality Management District (SCAQMD), and Western Riverside Council of Governments (WRCOG).

DEVELOPMENT STANDARDS SPECIFICALLY FOR WAREHOUSING AND DISTRIBUTION FACILITIES

Summary of Proposed Changes

1. Use-Specific Standards for Warehousing and Distribution Facilities

To ensure that impacts related to air quality and health risks are evaluated for new projects, Development Standards are proposed for warehousing and distribution facilities in a new Chapter 19.435 - Warehousing and Distribution Facilities. The proposed changes include the need for applicable studies related to air quality and health risks, and requirements to minimize noise related to location of loading docks, operating hours, truck idling, etc. The proposed requirements are based on the size of the new warehousing and distribution facilities and include:

Buildings 10,000 square feet or less:

- A. Locate loading docks, bays and driveways away from sensitive uses (residential, parks, schools, nursing homes, etc.) wherever possible and provide full visual screening
- B. Minimum 8-foot masonry wall required along residential property line. A 6-foot high wall is currently required.
- C. Operations must comply with Title 7 (Noise) limits.

Buildings 10,000 to 100,000 square feet:

- A. Locate loading docks, bays and driveways away from sensitive uses (residential, parks, schools, nursing homes, etc.) wherever possible and provide full visual screening (8-foot minimum).
- B. Operations limited to 7am-7pm Monday-Friday, 8am-5pm Saturday and prohibited Sundays and Holidays within 800 feet of residential unless a noise study verifies there are no impacts on residential properties.
- C. Truck idling limited to 5 minutes; electrical hookups provided if refrigerated trucks are to be used.
- D. Facilities generating more than 50 trucks per day must establish a planned truck route that avoids sensitive uses.

Buildings larger than 100,000 square feet:

- A. Locate loading docks, bays and driveways away from sensitive uses (residential, parks, schools, nursing homes, etc.) and provide full visual screening (8-foot minimum).
- B. On-site truck queuing space is required.
- C. Operations limited to 7am-7pm Monday-Friday, 8am-5pm Saturday and prohibited Sundays and Holidays unless a noise study verifies there are no impacts.
- D. Truck idling prohibited; electrical hookups are required for all bays.
- E. Truck route required; must avoid sensitive areas.
- F. Facilities generating more than 150 truck trips per day must prepare a Health Risk Assessment (HRA).

2. Adjusted Permit Requirements

Currently, Warehousing & Wholesale Distribution Centers that are 400,000 square feet or smaller are permitted by right in the BMP, I and AIR Zones, while those larger than 400,000 square feet require a Minor Conditional Use Permit (MCUP). City Council identified a need to establish additional discretion and oversight for industrial projects of a certain scale, regardless of location.

Staff is recommending an amendment to Table 19.150.020.A (Permitted Uses Table) of the Zoning Code to limit warehousing and distribution facility uses permitted by right to no more than 10,000 square feet. Those between 10,000 and 100,000 square feet would require an MCUP, approved by the Development Review Committee (DRC), and warehousing and distribution facilities larger than 100,000 square feet would require a Conditional Use Permit (CUP), approved by the Planning Commission.

3. New Definition Created

In addition to the proposed use-specific regulations for warehousing and distribution facilities, a new definition for this use is added to Chapter 19.910 (Definitions):

Warehousing and Distribution Facility - A building, structure or other facility primarily used for the warehousing, storage, sorting, packing, staging, shipping, receiving, distributing or holding of goods and merchandise of any kind, typically which are not manufactured, processed or otherwise produced in the same facility, for any length of time. Warehousing and distribution facilities include but are not limited wholesale distribution, distribution centers, moving and transfer storage, cross-dock facilities, package handling centers, order fulfilment centers, or logistics centers and facilities.

DEVELOPMENT STANDARDS FOR ALL NEW INDUSTRIAL DEVELOPMENT

Title 19 - Chapters 19.130 (Industrial Zones) and 19.150 (Base Zones Permitted Land Uses) establish requirements for new industrial uses in the City of Riverside. To reflect the GNG-2020, changes are proposed related to setbacks, heights, and building massing as summarized below.

1. Increased Setbacks

The Zoning Code currently requires a minimum side and rear building setback of 50 feet for industrial buildings adjacent to residential zones. Based on the City Council feedback in October 2016, the proposed changes would increase the side and rear setbacks to 60 feet when adjacent to residential uses to adequately accommodate an increased landscape setback of 15 feet, drive aisles, and limited vehicle parking. Front and street side setbacks would remain unchanged.

	Minimum Required Building Setbacks - Side and Rear								
	Davalanment Standard	Zones							
	Development Standard	BMP I AIR		Notes					
Side Setbacks									
	Interior Side	0 ft.	0 ft.	0 ft.					
	Adj. to Residential Zone/Use	60 ft.	60 ft.	60 ft.	Minimum 15 feet landscaped along property line				
	Street Side	Same as Front Yard	20 ft.	15 ft.					
R	ear Setbacks								
	Minimum	0 ft.	0 ft.	0 ft.					
	Adj. to Residential Zone/Use	60 ft.	60 ft.	60 ft.	Minimum 15 feet landscaped along property line				

2. Maximum Building Height

Building height creates compatibility issues when industrial buildings are located near residential zones because of their massing and visual impacts associated with large industrial buildings, which are typically concrete-tilt-up structures with high ceilings that accommodate manufacturing equipment and/or high-pile storage. Most jurisdictions that address height compatibility do so by requiring taller industrial buildings set farther from the adjacent residential property.

The Zoning Code currently allows a maximum building height of 45 feet for industrial buildings adjacent to residential zones. Proposed changes would limit industrial building heights to 35 feet within 200 feet of a residential zone or use to address concerns about height compatibility. Heights of industrial buildings could increase to 45 feet when located more than 200 feet from a residential zone or use.

Maximum Allowed Building Height					
Davalanment Standard	Zones				
Development Standard	BMP		AIR		
Within 200 feet of Residential Zone/Use	35 ft.	35 ft.	35 ft.		
All other locations	45 ft.	45 ft.	45 ft.		

3. Maximum Building Size

In addition to setbacks and height, the massing and visual impact of industrial buildings is largely a result of building size. Proposed changes to Title 19 would limit the maximum industrial building size located within 200 feet of a residential zone or use to a maximum floor area of 10,000 square feet. This size limit is based on the description of the Business/Office Park (B/OP) Land Use designation within the General Plan 2025 Land Use and Urban Design Element, which establishes a limit of 10,000 square feet for light industrial and small warehouse uses that do not create nuisances due to odor, dust, noise or heavy truck traffic. Buildings located between 200 and 800 feet from a residential zone or use would be limited to 100,000 square feet, based on the City Council feedback in October 2016, and all other locations would be limited to the existing maximum Floor Area Ratio (FAR) of the zone.

Maximum Allowed Building Size							
Development Standard		Zones					
		BMP I		AIR			
	Within 200 feet of Residential	10,000 sq. ft.	10,000 sq. ft.	10,000 sg. ft.			
	Zone/Use	10,000 sq. 11.	10,000 sq. 11.	10,000 sq. 11.			
	200-800 feet of Residential Zone/Use	100,000 sq. ft.	100,000 sq. ft.	100,000 sq. ft.			
	All other locations	Per FAR	Per FAR	Per FAR			

4. <u>Health Risk Assessment Required</u>

The proposed GNG-2020 includes a policy requiring the preparation of a Health Risk Assessment (HRA) to evaluate potential health impacts from diesel particulates and other emissions associated with industrial uses on the surrounding community. Proposed changes to the Zoning Code will require the preparation of an HRA for new industrial uses located within 1,000 feet of a residential zone or use.

SPECIFIC PLAN AMENDMENTS

The March 9, 2020 Staff Report to the LUC indicated that, should the Committee choose to forward Staff's recommended amendments to the Planning Commission for further consideration, updates

to certain Specific Plans would be initiated to achieve consistency between the proposed GNG-2020 policies and implementing Zoning Code amendments. Staff identified necessary changes to the Hunter Business Park and Sycamore Canyon Business Park Specific Plans to ensure they remain consistent with the proposed regulations.

1. Hunter Business Park Specific Plan

The Hunter Business Park Specific Plan (HBPSP) was originally adopted in 1988 to guide the development of a high-quality, master-planned industrial and office employment center encompassing approximately 1,300 acres in the northeastern portion of the City. Although this Plan area is largely built out, several vacant parcels and potential redevelopment sites exist within 1,000 feet of existing residential zones or uses.

To ensure future development within the HPBSP area is consistent with the proposed GNG-2020 and implementing regulations, amendments to Chapter III – Development Standards and Design Guidelines are proposed. The proposed amendments include modifications to text throughout the Chapter and to Table III —1 (Land Use Matrix). The changes refer to the proposed Zoning Code amendments for industrial development, except where the existing Specific Plan regulations are more restrictive than the Zoning Code. Other minor, non-substantive clarifying and correcting changes are also included.

2. Sycamore Canyon Business Park Specific Plan

The Sycamore Canyon Business Park Specific Plan (SCBPSP) was originally adopted in 1984 to provide a plan for the development of an approximately 1,000-acre industrial park in the southeast portion of the City. Like the HBPSP area, the SCBPSP is largely built-out but contains some vacant or underdeveloped sites within 1,000 feet of residential zones and uses, primarily along Alessandro Boulevard and east of Interstate 215 on the border of the neighboring City of Moreno Valley.

Amendments to the SCBPSP ensure development of remaining available sites are consistent with the proposed GNG-2020 and implementing Zoning Code regulations. The proposed amendments to Chapter 3.0 – Development Standards and Criteria refer to the proposed Zoning regulations except where the existing Specific Plan regulations are more restrictive. Other minor, non-substantive clarifying and correcting changes are also included.

CITY COUNCIL - UTILITY SERVICES/LAND USE/ENERGY DEVELOPMENT COMMITTEE COMMENTS

1. Hours of Operation - Warehouse and Distribution Centers

At the March 2020 meeting, the Utility Services/Land Use/Energy Development Committee (LUC) expressed concern about limiting the hours of operation of warehousing and distribution uses that often must operate overnight or 24-hours due to supply chain requirements. The proposed regulations do not preclude overnight or 24-hour operations, provided that a technical analysis demonstrates that the proposed operations do not exceed thresholds for noise impacts on residential land uses/sensitive receptors as defined in Title 7 – Noise Control. Providing flexibility for operating hours provides for and protects the business needs while also considering and protecting sensitive receptors.

2. Additional Restrictions Near Sensitive Receptors - Warehouse and Distribution Centers

Committee members also asked staff to consider more stringent restrictions on warehousing and distribution uses located within 200 feet of residential zones or uses. Proposed amendments to Chapter 19.130, which establishes development regulations for all industrial development, include a maximum building size of 10,000 square feet within 200 feet of a

residential zone or use. This will limit the intensity of warehousing and distribution facilities proximate to sensitive receptors as these uses typically will not operate out of smaller buildings. Additional requirements, such as compliance with the Title 7 - Noise Code will continue to apply to any industrial use.

3. <u>Truck Traffic Generation - Warehouse and Distribution Centers</u>

The LUC also asked if the size of warehouse and distribution facilities impacts the rate of truck trips generated. Specifically, the Committee asked if a group of ten, 10,000-square-foot buildings would generate more or fewer truck trips than a single 100,000-square-foot building. Truck trip generation rates are partly influenced by the number of loading dock doors, operational characteristics of the occupying use, and gross floor area. A 10,000-square-foot building typically has one loading dock position, whereas a 100,000-square-foot building may have 20 or more loading dock positions, depending on the use and configuration of the site and the building. Groups of smaller buildings are, therefore, likely to generate fewer truck trips than larger buildings with an equivalent gross floor area.

4. Restrictions for High Truck Traffic Generation

The Committee asked whether it would be appropriate to explore additional regulations for uses that generate high volumes of truck traffic. The rate of truck traffic generation is partly driven by building size and the number of dock doors. As a result, the implementation of graduated building size limits proximate to residential areas will serve to buffer sensitive receptors from higher-traffic operations. Additionally, the use-specific standards for warehousing and distribution facilities proposed in the new Chapter 19.435 are increasingly restrictive based on building size precisely because larger facilities have a higher potential to generate noise, air quality and truck traffic impacts. Therefore, graduated building size limits and more stringent regulations proportionate to facility size will be an effective proxy for increasing regulation based on high truck traffic generation.

5. Per Lot vs. Per Building Regulations

Members of the LUC also requested clarification as to whether the proposed building size limits would apply on a per-parcel or per-building basis. As currently proposed, this standard applies on a per-building basis, meaning that individual buildings would be limited in size within certain distances from residential zones and uses. A single parcel of land could be developed with multiple buildings if each meets the applicable size limit and the total amount of development on the parcel remains within the allowable floor area ratio (FAR) established for that zone. As an example, if the 10,000-square-foot building size limit were applied on a per-parcel basis, a 40,000-square-foot lot (the minimum lot size in the BMP zone) within 200 feet of residential could only be developed with a single building up to 10,000 square feet. This would result in an effective maximum FAR of 0.25, even though the allowable 1.5 FAR in the BMP would permit up to 65,000 square feet of development on the lot. Changing to a per-parcel basis would thus severely restrict development potential on industrially zoned lots. Further, because many industrially zoned parcels are significantly larger than the minimum lot area required by the zone, a per-parcel building size limit will likely increase requests to subdivide existing lots so that industrial development could be maximized. Staff has not amended this proposed building size limit standard from the current per-building basis.

6. <u>Health Risk Assessment Requirements</u>

Members of the LUC suggested that the distance from residential uses or zones at which a Health Risk Assessment would be required should be increased, to 2,000 feet or perhaps further. Staff recommend maintaining the 1,000-foot threshold as it is consistent with the recommendations of the Western Riverside Council of Governments (WRCOG) and California Air Resources Board (ARB) guidance documents.

ENVIRONMENTAL DETERMINATION

Staff recommend the Planning Commission determine that this proposal is exempt from CEQA per Section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty there is no possibility the proposed amendment will have a significant effect on the environment (Common Sense Exemption).

PUBLIC NOTICE AND COMMENTS

Amendments to the Zoning Code affecting airport influence areas are subject to the review of the Riverside County Airport Land Use Commission (ALUC). An application for a Consistency Determination has been filed and ALUC review is anticipated prior to City Council consideration of this proposed amendments.

Pursuant to California Government Code Section 65352.3 (Senate Bill 18), notice of the proposed amendments was provided to interested Native American Tribes as determined by the Native American Heritage Commission. Tribes were advised of their right to request consulting status on this project for the purpose of protecting Native American Cultural Places. As of the writing of this report, two Tribes have requested consulting status on the project and are reviewing the proposed amendments, and one additional Tribe has declined consulting status.

Pursuant to Section 19.670.040 (Notice of Hearing for Legislative Actions) of the Zoning Code, and California Government Code Section 65090 and 65091, a one-eighth page public notice advertisement was placed in the local newspaper of general circulation within the City (The Press Enterprise) twelve (12) days prior to this hearing. As of the writing of this report, staff has received no responses regarding this proposal.

APPEAL INFORMATION

Actions by the City Planning Commission, including any environmental finding, may be appealed to the City Council within ten calendar days after the decision. Appeal filing and processing information may be obtained from the Planning Department Public Information Section, 3rd Floor, City Hall.

EXHIBITS LIST

- 1. Staff Recommended Findings
- 2. Proposed Zoning Code Amendments
- 3. Proposed Hunter Business Park Specific Plan Amendments
- 4. Proposed Sycamore Canyon Business Park Specific Plan Amendments
- 5. Good Neighbor Guidelines for Siting New and/or Modified Warehouse and Distribution Facilities (GNG-2008)
- 6. WRCOG Good Neighbor Guidelines
- 7. Utility Services/Land Use/Energy Development Committee Report and Minutes March 10, 2016
- 8. City Council Report and Minutes October 25, 2016
- 9. Utility Services/Land Use/Energy Development Committee Report and Minutes March 9, 2020
- 10. Proposed Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities (GNG-2020)

Prepared by: Matthew Taylor, Senior Planner

Reviewed by: Mary Kopaskie-Brown, City Planner

Approved by: Mary Kopaskie-Brown, City Planner



COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

PLANNING DIVISION

EXHIBIT 1 – STAFF RECOMMENDED FINDINGS ZONING CODE TEXT AMENDMENT

PLANNING CASES: P20-0179 (Zoning Code Amendment)

Zoning Code Amendment Findings pursuant to Chapter 19.810.040

- 1. That the proposed Zoning Code Text Amendment is generally consistent with the goals, policies, and objectives of the General Plan. Specifically, the Land Use and Urban Design Element of the General Plan 2025 includes objectives and policies that:
 - a. **Objective LU-42**: Maximize the economic impact of Riverside's industrial land by careful use of industrial properties, giving priority to clean enterprises that yield large numbers of highly skilled, high-paying jobs relative to site size.
 - b. **Policy LU-42.1**: Tailor zoning regulations for industrial and business/office park uses to ensure that future uses are in concert with the City's wider policy goals.
 - c. **Policy LU-56.4**: Recognize Riverside's limited supply of industrial land and give preference to clean industries that create a relatively high number of jobs per square foot.
 - d. **Policy LU-80.3**: Minimize any adverse land use conflicts between industrial uses and the residential and open space properties that abut the specific plan areas.
- 2. That the proposed Zoning Code Text Amendment will not adversely affect surrounding properties in that the proposed amendment includes development standards to minimize impacts to surrounding properties, particularly residential and other sensitive land uses, while balancing the growth and diversification of the City's industrial production base; and
- 3. That the proposed Zoning Code Amendment promotes public health, safety and general welfare and serves the goals and purposes of the Zoning Code in that the proposed amendment implements the policy directives and guidance of regional and local regulatory agencies to protect the health and welfare of sensitive communities and the general public from undue adverse effects of warehousing, distribution and other industrial activities.