



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL                      DATE: NOVEMBER 10, 2020**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT              WARDS: ALL**  
**DEPARTMENT**

**SUBJECT: PROPOSED UPDATES TO THE GOOD NEIGHBOR GUIDELINES FOR SITING INDUSTRIAL DEVELOPMENT-2020 AND RELATED AMENDMENTS TO TITLE 19 – ZONING CODE, HUNTER BUSINESS PARK SPECIFIC PLAN AND SYCAMORE CANYON BUSINESS PARK SPECIFIC PLAN – PLANNING CASES P20-0179 ZONING CODE AMENDMENT, P20-0190 SPECIFIC PLAN AMENDMENT AND P20-0191 SPECIFIC PLAN AMENDMENT**

## **ISSUE**

Adopt the proposed updated Good Neighbor Guidelines for Siting New and/or Modified Industrial Development-2020 and associated amendments to Title 19 – Zoning Code of the Riverside Municipal Code, the Hunter Business Park Specific Plan and the Sycamore Canyon Business Park Specific Plan related to siting industrial uses in the City of Riverside when located adjacent to sensitive receptors, including residential neighborhoods, schools, parks, playgrounds, day care centers, nursing homes, hospitals, and other public places, to balance healthy economic growth and development with a high community quality of life.

## **RECOMMENDATIONS**

That the City Council:

1. Adopt a Resolution updating the Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020;
2. Determine that Planning Cases P20-0179, P20-0190 and P20-0191 are exempt from California Environmental Quality Act as it can be seen with certainty that the proposed amendments will not have the potential to cause a significant effect on the environment per Section 15061(b)(3) of the California Environmental Quality Act Guidelines;
3. Approve Planning Cases P20-0179, P20-0190 and P20-0191 based on the findings summarized in the attached Planning Commission Staff Report;
4. Introduce and subsequently adopt an Ordinance amending Title 19 – Zoning Code to implement the updated Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020;
5. Adopt a Resolution amending the Hunter Business Park Specific Plan to implement the

updated Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020; and

6. Adopt a Resolution amending the Sycamore Canyon Business Park Specific Plan to implement the updated Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020.

### **PLANNING COMMISSION RECOMMENDATION:**

On September 17, 2020, the Planning Commission, by a vote of 3 ayes, 3 noes and 3 absences, failed to approve a motion on Staff's recommendation to adopt the proposed Title 19- Zoning Code and Hunter Business Park and Sycamore Canyon Business Park Specific Plan amendments to implement the proposed Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020 (GNG-2020). The proposed GNG-2020, proposed changes to Title 19- Zoning Code and the Hunter Business Park and Sycamore Canyon Business Park Specific Plan amendments are forwarded to the City Council, with no recommendation from the Planning Commission.

### **BACKGROUND:**

In October 2008, the City Council approved the Good Neighbor Guidelines for Siting New and/or Modified Warehouse and Distribution Facilities (GNG-2008) that were based on the Western Riverside Council of Governments (WRCOG)'s Good Neighbor Guidelines for Warehouse Facilities. 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. While the GNG-2008 provide a policy framework for discretionary decisions, they do not mandate development requirements for new uses. The 2008-GNG also does 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, subsequently renamed as 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 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.

In October 2016, Staff presented the LUC's direction to City Council. 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.

On March 9, 2020, staff presented proposed amendments to both the GNG-2008 and Title 19 – Zoning Code (Zoning Code) to the LUC. The GNG-2008 have been updated and codified in the Zoning Code to streamline and implement the policies and reflect the feedback provided by City Council. The LUC provided direction to consider greater flexibility for some proposed regulations and more stringent requirements for others. The LUC directed staff to: 1) forward the proposed changes to Title 19 - Zoning Code (Zoning Code) to the Planning Commission; and 2) forward the updated GNG-2020, the proposed changes to the Zoning Code and the Hunter Business Park and

Sycamore Canyon Business Park Specific Plan amendments to City Council for formal consideration (Attachment 6).

On May 28, 2020, the public hearing on the proposed changes to the Zoning Code was continued by the Planning Commission to the regularly scheduled meeting of June 25, 2020 by a vote of eight ayes, zero noes and zero abstentions to allow for additional public engagement. On June 25, 2020 the Planning Commission again continued the item off calendar by a vote of six ayes, two noes and zero abstentions to allow staff to solicit additional public comment.

On August 18, 2020, the City Council, by a vote of 6 ayes and 1 no, voted to request that the Planning Commission hear the item and make a recommendation by September 17, 2020. The Planning Commission held a special meeting/workshop on September 3, 2020 on the proposed changes to the Zoning Code and the Hunter Business Park and Sycamore Canyon Business Park Specific Plan amendments. The Planning Commission and public identified items and questions for staff to clarify.

## **DISCUSSION:**

The updated Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020 (GNG-2020), the proposed changes to Title 19 – Zoning Code (Zoning Code) and the Hunter Business Park and Sycamore Canyon Business Park Specific Plan amendments are the result of several years of collaboration. The process included community stakeholder input from various groups, including real estate, business advocacy, conservation, environmental and social justice groups; feedback and direction from the former Utility Services/Land Use/Energy Development Committee (now the Land Use, Sustainability, and Resilience Committee); and direction from City Council. The proposed regulations implement the direction of the City Council in an effort to balance economic growth, industrial development and business success with ways to minimize potential negative impacts on sensitive receptors.

Based on the input gathered, staff proposes changes to the 2008 Good Neighbor Guidelines for Siting New and/or Modified Warehouse Distribution Facilities (GNG-2008), the Zoning Code and the Hunter Business Park and Sycamore Canyon Business Park Specific Plans. The GNG-2008 have been reorganized and streamlined to better reflect the feedback provided by City Council. These changes are codified in the proposed Zoning Code changes to implement the GNG-2020. Staff also identified proposed changes to the Zoning Code and Specific Plan amendments based on stakeholder input collected during the public outreach and hearing process. The proposed updates and amendments are described below.

### **Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020 (GNG-2020)**

The GNG-2008 include a number of policies that are still applicable today, and remain consistent with direction given by City Council in 2016. The GNG-2020 (Attachment 1) expand the policy document to address all new industrial development by maintaining applicable existing policies and adding new policies. The GNG-2020 includes policies related to air quality (4 policies), noise (6 policies), and neighborhood character (7 policies) for all industrial uses as they relate to residential neighborhoods, schools, parks, playgrounds, day care centers, nursing homes, hospitals, and other public places (sensitive receptors).

For air quality, policies address: 1) minimizing localized exposure to diesel emissions, 2) strengthening requirements for modeling and analysis to identify significant air quality impacts, 3)

establishing site design strategies to minimize air quality impacts of new industrial uses and 4) promoting operational strategies, such as the installation of loading bay electric hook-ups, to further reduce emissions.

For noise, policies address: 1) for small industrial uses, when possible, locating driveways, docks and bays away from sensitive receptors; 2) for large industrial uses, requiring driveways, docks and bays be located away from sensitive receptors; 3) requiring Transportation Demand Management measures for uses with over 100 employees; 4) minimizing traffic through residential neighborhoods; 5) minimizing noise from construction activity; and 6) ensuring compliance with Title 7 – Noise.

For neighborhood character, policies address: 1) requiring tiered regulations related to heights, setback and building massing; 2) ensuring sensitive receptors are screened; 3) requiring landscaping; 4) minimizing impacts of entrance and exit points; 5) requiring on-site signage for trucks; 6) encouraging distribution of information to truck drivers on local services; and 7) enforcing compliance with the Riverside Municipal Code.

The GNG-2020 policies will be implemented through the Zoning Code and Specific Plans with establishment of development requirements and standards. The GNG-2020 ensure consistency with the existing policies of other agencies including California Air Resources Board (CARB), South Coast Air Quality Management District, and Western Riverside Council of Governments.

### Title 19 - Zoning Code Amendments

The GNG-2020 policies are integrated into the proposed Title 19 - Zoning Code (Zoning Code) changes. This is a change from the existing standalone GNG-2008, which have not been codified. The proposed amendments are included as Attachment 2 and include the following additions and revisions to codify the air quality, noise and neighborhood character policies in GNG-2020.

#### **A. Permit Requirements for Warehousing and Distribution Facilities**

Warehousing & Wholesale Distribution Centers, as defined by the Zoning Code, are permitted by right in the BMP, I and AIR Zones if they are less than 400,000 square feet and are permitted by right. For those over 400,000 square feet, a Minor Conditional Use Permit (MCUP) is required. Because of potential impacts, City Council directed staff to consider additional discretion and oversight for industrial projects of a certain scale, regardless of location.

Staff recommends an amendment to Table 19.150.020.A - Permitted Uses Table to allow Warehousing and Distribution Facilities (proposed new term) up to 10,000 square feet permitted by right. Buildings between 10,000 and 100,000 square feet would require a MCUP, approved by the Development Review Committee, and buildings larger than 100,000 square feet would require a Conditional Use Permit (CUP), approved by the Planning Commission.

In conjunction with the required MCUP or CUP, Warehousing & Distribution Facilities may propose to modify specific standards established in proposed Chapter 19.435, which sets forth specific site location, operational and development standards for such uses. A modification to one or more standards may be requested as part of the appropriate MCUP or CUP application, providing greater flexibility to development projects with unique site characteristics or surrounding conditions, and potentially eliminating the need for variances.

## **B. Development Standards Specifically 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 industrial uses and include:

### Buildings 10,000 square feet or less:

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

### Buildings 10,000 to 100,000 square feet:

1. 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).
2. 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.
3. Truck idling limited to 5 minutes; electrical hookups provided if refrigerated trucks are to be used.

### Buildings larger than 100,000 square feet:

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

## **C. Development Standards for All New Industrial Development**

Chapters 19.130 (Industrial Zones) and 19.150 (Base Zones Permitted Land Uses) include 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. In comparing setback requirements of other jurisdictions, staff found that Riverside's 50 feet minimum setback is equal to or more restrictive than most other communities surveyed. However, 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 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					
Development Standard	Zones				Notes
	BMP	I	AIR		
<b>Side Setbacks</b>					
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.		
<b>Rear Setbacks</b>					
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

The Zoning Code currently allows a maximum building height of 45 feet for industrial buildings adjacent to residential zones. Building height is often identified as a compatibility issue when industrial buildings are located near residential zones because of the visual massing associated with large industrial buildings. Industrial buildings are typically concrete-tilt-up structures with high ceilings to accommodate manufacturing equipment and/or high-pile storage. Most jurisdictions that address height compatibility do so by requiring taller industrial buildings to be set back farther from the adjacent residential property. Often this is done with a “graduated setback”, where the maximum allowable height of the industrial building increases the farther it is from the property line.

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 would increase to 45 feet for industrial uses located more than 200 feet from a residential zone or use.

Maximum Allowed Building Height				
Development Standard	Zones			
	BMP	I	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 overall massing and visual impact of industrial buildings is largely a result of building size. Proposed changes 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 threshold established within the description of the Business/Office Park (B/OP) Land Use designation within the General Plan 2025 Land Use and Urban Design Element. The General Plan establishes a recommended 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) for the zone.

Maximum Allowed Building Size				
Development Standard		Zones		
		BMP	I	AIR
	Within 200 feet of Residential Zone/Use	10,000 sq. ft.	10,000 sq. ft.	10,000 sq. ft.
	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. Health Risk Assessment Required

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.

**D. Fences, Walls and Landscaping Standards**

In addition to the increased wall height requirement identified in the new Chapter 19.435 - Warehousing and Distribution Facilities and landscaping setbacks along residential properties, staff is proposing changes to Chapters 19.285 – Outdoor Storage Yard, 19.510 – Outdoor Storage Yard-Incidental, and 19.550 – Fences, Walls and Landscape Materials. The change would include provisions that allow the Community & Economic Development Department (CEDD) Director to consider alternative screening methods. Alternative decorative screening materials, such as wrought iron and tubular steel combined with landscaping, may be considered to provide adequate screening of the industrial uses, subject to CEDD Director approval to provide flexibility in design.

**E. Definitions**

A definition for “Warehousing and Distribution Facility” is proposed to be added to Chapter 19.910 – Definitions of the Zoning Code to provide clarity for the applicability of the newly created Chapter 19.435. The proposed definition is as follows:

*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.*

Specific Plan Amendments

In addition to the Zoning Code, Specific Plans impacted by the proposed changes include the Hunter Business Park Specific Plan and Sycamore Canyon Business Park Specific Plan. The Hunter Business Park Specific Plan was initially adopted in 1988 and Sycamore Canyon Business Park Specific Plan was initially adopted in July 1982. Both specific plans have previously been amended and both areas are largely built out. The proposed amendments to these Specific Plans will ensure consistency with the proposed amendments to the Zoning Code (Attachments 3 and 4 respectively).

## Stakeholder Outreach and Public Comments

Following the City Council direction in 2015 and 2016, and the Utility Services/Land Use/Energy Development Committee in March 2020, staff solicited feedback from numerous stakeholder groups, including a Greater Riverside Chambers of Commerce (Chamber) Task Force that included real estate, business and community organization interests. Staff also sought input from the environmental justice and neighborhood interest organizations. Native American tribal consultations were conducted pursuant to Senate Bill 18.

Notices of Public Hearing were published and mailed to stakeholders prior to the Planning Commission meetings of May 28, 2020, June 25, 2020, September 3, 2020 and September 17, 2020. Public comments were taken at all four Planning Commission hearings.

Staff compiled and consolidated public comments received throughout this process (Attachment 7). In addition, staff received a number of questions from the Planning Commission that were documented and responded to at the September 17 Planning Commission meeting (Attachment 8). These attachments were originally included in the materials provided to the Planning Commission for the September 17, 2020 meeting (attached hereto in Attachment 6); however, for the purpose of clarity, they have been omitted from Attachment 6 and attached separately to this report. The most frequent questions received include:

1. Why are you imposing a 1,000-foot setback?

There is no 1,000-foot setback of any kind recommended in the proposed regulations. Staff are instead recommending that any new industrial development project within 1,000 feet of a residential zone or use be required to prepare a Health Risk Assessment (HRA) in order to assess and mitigate any potential impacts to public health stemming from emissions related to the construction or operation of the proposed project.

2. Are these regulations one-size-fits-all?

The proposed regulations provide additional flexibility to industrial development projects that do not currently exist in the Zoning Code or Specific Plans, through the Modification procedure proposed in conjunction with modified MCUP/CUP entitlement requirements for Warehousing and Distribution Facilities. This will allow the unique context and conditions of each proposed development project to be considered during the development review process.

3. Will all warehousing operations have to cease at 7pm?

Under the proposed regulations, if a Warehousing and Distribution Facility project proposes hours of operation beyond the proposed limits, a Modification may be considered if a Noise Study prepared for the project demonstrates that operations outside the proposed operating hours limits will not have noise impacts on nearby sensitive receptors consistent with the established limits of the Noise Code.

4. Can I still have a 24-hour industrial operation?

If a noise study prepared for a particular project demonstrates that 24-hour operations will not exceed the noise level limits established in the Noise Code, then a Modification may be considered in conjunction with the required MCUP/CUP to allow 24-hour operations.

5. Is the maximum building size per building or per parcel?

As written, the proposed regulations related to maximum building size within certain



proximities to residential zones or uses would be on a per-building basis, rather than a per-parcel basis.

6. What about special or unique circumstances?

The proposed regulations include a Modification process that would enable a proposed Warehousing and Distribution Facility to deviate from the proposed site location, operation and development standards in conjunction with the appropriate MCUP/CUP process, without the need to separately file a Variance application.

7. What about projects that are not approved yet?

In general, proposed development projects are subject to the regulations in place at the time the project is approved.

**Recommended Modifications to Staff's Proposal Presented to Planning Commission**

Feedback received from stakeholders and the public has been instrumental in shaping staff's approach to the proposed updated GNG-2020 and implementing Zoning Code and Specific Plan amendments. Based on feedback received through the public outreach process and during the Planning Commission hearings, staff considered a number of potential modifications that the City Council may consider as part of the changes to Title 19 - Zoning Code and the Specific Plan amendments to implement the proposed GNG-2020. The following modifications to the proposed regulations are additional recommendations that City Council may consider based on stakeholder input:

1. Remove requirements for preparation and approval of truck routes for individual Warehousing & Distribution Facility development projects.
2. Remove proposed hours of operation limits for warehousing & distribution facilities and provide instead that facilities comply with exterior noise level limits of Title 7 – Noise with respect to operations near sensitive uses.
3. Exempt industrial development sites from buffer/setback requirements when separated from residential zone or use by a freeway.
4. Apply current regulations in place for projects that have a substantially complete application prior to the effective date of the proposed amendments. Staff recommends that a *substantially complete application* includes an application that:
  - a. Meets all of the applicable Zoning Code and Specific Plan standards;
  - b. Requires no substantial revisions to meet development requirements; and
  - c. Contains enough information to complete a required CEQA analysis of potential impacts and mitigation measures, whether or not that analysis and the related public review process has been completed.

**FISCAL IMPACT**

There is no fiscal impact associated with the recommended actions.

Prepared by: David Welch, Community & Economic Development Director  
Certified as to availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Resolution – Good Neighbor Guidelines for Siting New and/or Modified Industrial Facilities-2020 (GNG-2020)
2. Ordinance – Title 19 (Zoning Code) Amendments
3. Resolution – Hunter Business Park Specific Plan Amendments
4. Resolution – Sycamore Canyon Business Park Specific Plan Amendments
5. Recommended Modifications to Staff's Proposal
6. September 17, 2020 Planning Commission Staff Report, Exhibits and Draft Minutes
7. Summary of Public Comments at Planning Commission Hearings
8. Responses to Questions – Planning Commission Workshop, September 3, 2020
9. Presentation