

# Planning Commission Memorandum

#### Community & Economic Development Department

#### **Planning Division**

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# CITY PLANNING COMMISSION MEETING: JUNE 22, 2023 AGENDA ITEM NO.: 5

# **DISCUSSION ITEM**

Case Number	PR-2023-001523 (Zoning Text Amendment)
Request	Workshop – Potential policy changes to Title 19 (Zoning) to implement changes to Industrial Development Standards
Project Location	Citywide
Wards	All
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# RECOMMENDATION

Conduct a workshop to discuss potential policy changes to Title 19 that implement changes to Industrial Development Standards as directed by the City Council Land Use, Sustainability and Resilience Committee.

# BACKGROUND

In January 2022, Councilwoman Plascencia requested that a review of regional best practices and zoning regulations for warehousing and distribution facilities be brought to the Land Use, Sustainability, and Resilience Committee (Committee). Staff presented an update on June 13, 2022, to the Committee, which included a vacant site analysis; a cross-jurisdictional regulatory analysis of best practices; findings on ongoing regional and state regulatory efforts; and research on community benefits and sustainability standards.

Following the June 13 presentation, the Committee requested that staff return to a future meeting after initiating outreach efforts with community stakeholders to obtain feedback on Riverside's regulatory efforts related to industrial development. After conducting community outreach in the fall, staff returned to the Committee on December 12, 2022 with an update on the community outreach efforts, sensitive receptor analysis, and identified proposed policy consideration items. Following Committee discussion, the Committee requested that staff return at a future date with additional information about potential policy updates including the required level of effort, timeline, and next steps.

A matrix of potential policy actions for Committee consideration and prioritization was presented to the Committee on February 13, 2023. After discussion, the Committee recommended that staff return to the next regularly scheduled meeting with a final recommendation of policy changes based on the direction of the Committee.

On March 13, 2023, staff presented a final matrix of potential policy actions for Committee consideration (Exhibit 1). The Committee directed staff to pursue Phase 1 of the final matrix including exploring amendments to development standards, project noticing requirements and other best practices. A compilation of Staff Reports related to this update can be found in Exhibit 2.

# DISCUSSION

Across the Inland Empire region, continued growth of industrial development has motivated many cities to reexamine if additional regulations are needed to address persistent community concerns. The concentration of warehousing and distribution facilities in the Inland Empire has created a unique opportunity for the region to serve as one of the nation's largest logistics hubs, creating jobs and connecting people to purchased goods. Riverside is recognized as having some of the most robust Good Neighbor Guidelines in the region, often serving as a framework for other jurisdictions to follow. Still, it is important to recognize and routinely evaluate the environmental and quality of life concerns that these facilities can generate.

As part of staff's research, a geo-spatial analysis was conducted illustrating the density of sensitive receptors in proximity to vacant parcels zoned for industrial development. The analysis reveals that 78% of industrially zoned land in the City is already developed. It also highlights that, in general, the remaining vacant industrially zoned parcels are located where there is not a high concentration sensitive receptors (Exhibit 3). Pockets of industrially zoned land adjacent to higher concentrations of sensitive receptors exist in the City and should be planned for accordingly.

To gain a better understanding of community concerns and stakeholder insight, staff held five community meetings as follows:

- 1. Tuesday, September 13, 2022
  - a. Virtual Microsoft Teams
- 2. Wednesday, September 21, 2022 a. Virtual – Microsoft Teams
- 3. Thursday, September 29, 2022
  - a. In person City Hall, Fourth Floor Conference Room (Ward 1)
- 4. Thursday, May 25, 2023
  - a. In person SSgt. Salvador J. Lara Casa Blanca Library (Ward 4)
- 5. Friday, May 26, 2023
  - a. Virtual Microsoft Teams

Overall, the meetings were well attended with over 70 participants across all five meetings. A summary of all stakeholder comments and suggestions is included as Exhibit 4. Utilizing the feedback obtained and direction received from the Committee, staff has consolidated the potential policy changes and seeks the Planning Commission's input on shaping future policy changes, including potential amendments to development regulations. Direction obtained will help ensure that remaining industrially zoned parcels are developed responsibly.

# POTENTIAL POLICY CHANGES

To facilitate the Planning Commission's review of the potential policy changes, staff has organized feedback and direction received into three policy topics (Development Standards, Project Noticing Requirements and Community Resources). The following sections outline 1) the direction provided by the Committee; 2) the current Code requirements pertaining to that topic; 3) community feedback received; and 4) policy options for consideration and Commission direction.

## **DEVELOPMENT STANDARDS**

#### 1. Committee Direction

- a. Examine and obtain feedback on changes to development standards including:
  - i. Additional sensitive receptor protections
  - ii. Maximum building sizes
  - iii. Maximum number of buildings
  - iv. Setback requirements

## 2. Current Code & Community Feedback

Development Standard	Current Code Requirement	Community Feedback
Sensitive Receptor Protections	2020 Good Neighbor Guidelines (GNG-2020): Provides guidelines to protect schools, parks, playgrounds, day care centers, nursing homes, hospitals, and other public places. Title 19 (Zoning Code): Establishes building size and height limits, permit requirements and other protections based on proximity to residential zones and uses only.	A number of comments favored expanding sensitive receptor protections to a wider variety of land uses (i.e., churches, parks, schools). Some comments expressed a desire to increase distances at which stricter requirements apply. Others shared that the GNG-2020 adequately protects sensitive receptors. There may be unintended consequences of expanding protections to other land uses.
Maximum Building Size	<ul> <li>Title 19 (Zoning Code): Establishes</li> <li>tiered maximum building sizes</li> <li>based on distance to residential</li> <li>zone or use: <ul> <li>a) 200 feet – 10,000 sq.ft.</li> <li>b) 200 – 800 feet – 100,000 sq. ft.</li> <li>c) Outside 800 feet – No limit (must meet floor area ratio [F.A.R.] standards)</li> </ul> </li> </ul>	Some expressed concern that building size limits are ineffective if multiple smaller buildings can be developed on a single lot. Some suggested setting a maximum building size prohibiting the construction of warehouses larger than 200k sq. ft. Others felt that the City should limit the number of buildings on a given lot or establish a cumulative limit on floor space within a given proximity to sensitive uses.
Maximum Number of Buildings	No current regulation limiting maximum number of buildings. Projects must meet underlying F.A.R. and building size requirements.	Other comments reiterated that the 2020 GNG and corresponding Title 19 regulations are already the most robust in the region, and that polices should be flexible to account for site-specific conditions.

Development Standard	Current Code Requirement	Community Feedback
Setback & Design Requirements	<b>Title 19 (Zoning Code):</b> Rear and side yard setbacks apply when adjacent to residential zone/parcel (60 feet) & require 15 feet of landscape setback. Title 19 does not provide any design requirements; projects are evaluated for consistency with Citywide Design Guidelines through Design Review process.	Some comments indicated a desire for enhanced landscape buffers including earthen berms and tree planting to create a gradient effect camouflaging industrial buildings to the greatest extent possible. Color palettes that blend in with natural environment and to scale the buildings were suggested. Others shared that specific design regulations (as opposed to guidelines) are uncommon and would may be too prescriptive limiting the overall layout of the project.

# 3. Potential Policy Changes

- a. <u>Sensitive Receptor Protections</u>:
  - i. No change:
    - 1) Maintain existing regulations.
  - ii. Moderate change:
    - 1) Existing tiered sensitive receptor protections (building size, height limits) can be extended to an increased radius from residential areas by a distance determined by the Commission.
  - iii. Substantial change:
    - 1) Additional land uses (schools, parks, community centers, etc.) can be incorporated into the sensitive receptor protections, independently or in combination with extending radius where tiered limitations apply.
- b. <u>Maximum Building Size & Number of Buildings</u>:
  - i. No change:
    - 1) Maintain existing regulations.
  - ii. Moderate change:
    - 1) Maintain existing maximum building size limitations but establish a tiered Floor Area Ratio (F.A.R) that increases with distance from residential zones or sensitive receptors and/or decreases with increasing lot size.
  - iii. Substantial change:
    - Create a new maximum building size for buildings beyond 800 feet from sensitive receptors and establish a cumulative floor area limit at a value determined by the Commission. Additionally, apply tiered F.A.R contingent on lot size.
- c. <u>Setback & Design Requirements</u>:
  - i. No change:
    - 1) Maintain existing regulations.
  - ii. Moderate change:
    - 1) Maintain setback requirements but increase landscaped buffer requirements.
  - iii. Substantial change:
    - 1) Create specific design standards for industrial buildings (architectural treatment, color palettes, etc.) and increase landscaped setbacks requirements.

# **PROJECT NOTICING REQUIREMENTS**

## 1. Committee Direction

a. Examine and obtain feedback on potential changes to project noticing requirements to increase public awareness and feedback on industrial development proposals.

# 2. Current Code & Community Feedback

Development Standard	Current Code Requirement	Community Feedback
Project Notification Requirement	Title 19 (Zoning Code): For projects that require a Minor Conditional Use Permit or Variance but not a Public Hearing, mailed postcards are required to be sent to property owners within 300 feet radius of site. For projects that require a Public Hearing before the Planning Commission or City Council, mailed postcards & notice published in one newspaper 10 days prior to public hearing.	Participants commented that the notification radius should be expanded beyond 300 feet and should include tenants as well as property owners. Additionally, a centralized location for project notification and information was suggested. Some stated that publicizing project information online would be helpful and that posting physical notices on project sites could help.1

<sup>1</sup>Staff are developing a web-based development activity map that will be made available to the public in 2024.

#### 3. Potential Policy Changes

- a. Project notification requirement:
  - i. No change:
    - 1. Maintain existing regulations.
  - ii. Moderate change:
    - 1. Increase notification radius for mailed postcards at a distance determined by the Planning Commission.
  - iii. Substantial change:
    - 1. Increase notification radius for mailed postcards; require that tenants also be notified in addition to property owners; require that a physical placard be posted on the project site.

# **COMMUNITY RESOURCES**

# 1. Committee Direction

a. Examine and obtain feedback on a potential community benefits framework for industrial projects, sustainability practices and related topics.

# 2. Current Code & Community Feedback

Development Standard	Current Code Requirement	Potential Policy Changes
Community Benefit Requirements	No current framework for community benefits or requirement for community meetings in the Riverside Municipal Code.	Some commenters suggested increased fees for warehouse projects, or a special tax on logistics businesses or properties. Local hire requirements were also suggested. Several commenters recommended direct funding road and park improvements. Other commenters referenced the comprehensive nature of existing development/impact fee programs. Flexibility in community benefit efforts was identified as important.
Sustainability Practices	No current requirement for sustainable design practices exists in the Riverside Municipal Code beyond compliance with Building Code standards for energy efficiency and, when applicable, mitigation measures for CEQA purposes.	There was general support for sustainable construction practices and project design including clean energy requirements such as solar-ready roofs or photovoltaic requirements to power the facility. Tree replacement requirements were also mentioned.

## 3. Potential Policy Changes

- a. <u>Community benefits</u>:
  - i. No change:
    - 1) Maintain existing regulations.
  - ii. Moderate change:
    - 1) Provide guidelines or establish requirement for conducting community meetings for industrial projects.
  - iii. Substantial change:
    - 1) Study need for specific Development Impact Fees (DIFs) for industrial development projects; create guidelines or establish requirement for community meetings; explore establishing local hire requirements.
- b. <u>Sustainability practices</u>:
  - i. No change:
    - 1) Maintain existing regulations.
  - ii. Moderate change:

- 1) Develop enhanced energy efficiency requirements for new industrial construction projects (equipment, materials, etc.).
- iii. Substantial change:
  - 1) Develop enhanced energy efficiency requirements for new industrial construction and facilities operation (vehicles, machinery, building electrification, net-zero facilities, etc.).

# STRATEGIC PLAN ALIGNMENT

The Industrial Development Standards workshop aligns with **Strategic Priority 3 – Economic Opportunity**, Goal 3.1 – Facilitate partnerships and programs to develop, attract and retain innovative business sectors; **Strategic Priority 4 – Environmental Stewardship**, Goal 4.4 - Implement measures and educate the community to responsibly manage goods, products, and services throughout their life cycle to achieve waste reduction outcomes; and **Strategic Priority No. 5 – High Performing Government**, Goal 5.3 Enhance communication and collaboration with community members to improve transparency, build public trust, and encourage shared decision-making.

In addition, the project aligns with the five Cross-Cutting Threads as follows:

- 1. **Community Trust** The workshop is presented at an open public meeting and contains transparent information on City processes and regulations.
- 2. **Equity** The workshop allows residents to understand the policy direction from the Land Use Committee and seeks to address residents' quality of life concerns.
- 3. Fiscal Responsibility The workshop will not have any fiscal impact to the City.
- 4. **Innovation** The workshop is seeking policy direction that will innovate how the City addresses future industrial facilities.
- 5. Sustainability & Resiliency The workshop seeks to minimize the environmental impacts of future industrial facilities.

# **EXHIBITS LIST**

- 1. Final Proposed Policy Matrix March 13, 2023 Land Use Committee Meeting
- 2. Committee Reports in Reverse Chronological Order
- 3. Summary of Stakeholder Comments
- 4. Vacant Site & Sensitive Receptor Map
- 5. Presentation

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