

STAFF REPORT 9/21/2022

To: Planning Commission Chair and Commissioners
FROM: Gabriel Perez, Development Services Director
SUBJECT: Zoning Ordinance Amendment No. 22-07 - Amending Subsections (A) and (C) of Section 17.32.020 of Title 17 (Zoning) of the Coachella Municipal Code Modifying Regulations For Heavy Industrial Uses Within the City's M-H (Heavy Industrial) Zone. City-Initiated. (Continuance Requested)

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission continue consideration of Resolution No. PC2022-32, a resolution recommending that the City Council (Council) approve an ordinance amending Subsections (A) and (C) of Section 17.32.020of Title 17 (Zoning) of the Coachella Municipal Code. City staff met with representatives Imperial Western Products (IWP) before publication of this report and they expressed concern about the proposed ordinance and how it could impact their existing business. IWP has an industrial facility for the production of biodiesel fuels at 86-600 Avenue 54 within the Heavy Industrial Zone. IWP representatives would like to discuss the proposed Zoning Ordinance amendments and potential changes that minimize impact to their business. The City of Coachella City Manager is preparing a support letter for IWP's USDA grant application for a proposed expansion of their facility to include a biodiesel and electric fueling facility, with a potential commercial establishment.

BACKGROUND:

The Planning Commission reviewed a non-hearing item in 2018 for a heavy industrial use in the City that is subject only to an administrative review by the Director. These heavy industrial uses can have significant environmental effects that are not subject to further study because the underlying land uses are permitted "as of right" and the expansions to these uses do not necessarily result in increased floor area. Staff is recommending changes to the land use regulations of the M-H (Heavy Industrial) zone to require a conditional use permit review for these more intensive land uses. This could trigger an environmental assessment for expansions in floor area and expansions in footprint for new structures related to these uses.

The Planning Commission recommended approval of an ordinance (Zoning Ordinance Amendment No. 18-01) at the Planning Commission meeting of November 7, 2018 that addresses zoning ordinance changes to the M-H zone presented in this report. The 2018 ordinance also addressed modifications to the Municipal Code with respect to time extension requests for Architectural Review and Conditional Use Permits. Upon a review of the 2018-19 City Council

record by Planning staff, it was determined that the 2018 ordinance was never considered by the City Council and no final action taken regarding the ordinance. In 2021, the consideration of M-H use categories in the Zoning Ordinance were separated from the consideration of the Architectural Review and Conditional Use Permit time extension, since City staff believed that the Zoning Ordinance changes were unrelated. A zoning ordinance amendment was presented for Architectural Review and Conditional Use Permit time extensions to the Planning Commission for reconsideration and was adopted by the City Council as Ordinance No. 1190 on December 8, 2021.

DISCUSSION/ANALYSIS:

Zone Text Amendment Overview

The following paragraphs summarize the current and proposed language of Subsections (A) and (C) of Section 17.32.020, and Sections 17.72.010 and 17.74.050 of Title 17 of the Coachella Municipal Code.

Subsections (A) and (C) of Section 17.32.020 of Chapter 17.32 of Title 17 of the Coachella Municipal Code are hereby amended to read as follows (deleted text in strikethrough; added text in <u>underlined text</u>):

"17.32.020 - Permitted uses.

The following uses are permitted in the M-H zone, subject to all provisions of this chapter:

- A. Primary Uses.
- 1. All uses permitted by Section 17.30.020 of the M-S zone except emergency shelters:
- 2. Blacksmith shop:
- 3. Cotton gins, oil mills, vegetable oil plants:
- 3.4. Exterminating or disinfecting service firm;
- 4.5. Glass manufacture;
- 5.6. Hemp products manufacture;
- 7. Heavy metals fabrication;
- 8. Oil cloth or linoleum manufacture;
- 9. Oil Paint, oil, shellac, turpentine, or varnish manufacture;
- 6.10. Paper, pulp manufacture;
- 7.11. Plastic manufacture;
- 8.12. Planing mills;
- 13. Poultry dressing and packaging;
- 9.14. Railroad yards, repair shops;

10.15. Salt works;

16. Slaughterhouses;

17. Soap manufacture;

11.18. Stone monument works; and

12.19. Wire and wire products manufacture.

. . . .

C. Conditional Uses. The following uses, <u>including expansions of floor area and expansions</u> <u>of footprint of existing structures for the following uses</u>, may be permitted in the M-H zone subject to obtaining a conditional use permit pursuant to Chapter 17.74.

1. Acid manufacture

. . . .

29. Cotton gins, oil mills, vegetable oil plants:

<u>30. Heavy metals fabrication;</u>

- 31. Oil cloth or linoleum manufacture;
- 32. Oil Paint, oil, shellac, turpentine, or varnish manufacture;
- 33. Poultry dressing and packaging;
- 34. Slaughterhouses;
- 35. Food Waste Processing and Manufacturing;
- 36. Soap manufacture;"

Subsection J(2) of Section 17.72.050 of Chapter 17.72 of Title 17 of the Coachella Municipal Code is hereby amended to read as follows (deleted text in strikethrough; added text in <u>underlined text</u>):

"17.74.050 - Post-determination procedures.

A. Intent and Purpose. To provide flexibility in the placement and interrelationship of structures and uses subject to architectural review; to provide for the implementation of sound site plan design concepts while maintaining the overall intensity of land use and density of population; to review the site plan of those uses which are not intrinsically objectionable to the predominant use category of the district, but which have inherent characteristics which, if not properly handled, have potentials for becoming detrimental to the health, safety, or general welfare of the public, or to neighboring land uses; to determine whether or not a proposed development will properly comply with the architectural guidelines of the city and the provisions and development standards required by this chapter or as prescribed by the planning director, or other authorized agent; to

improve the quality of development and to provide a mechanism whereby the city can insure well-designed development.

Environmental Review

The Zone Ordinance Amendment No. 2022-07 is not subject to the California Environmental Quality Act (CEQA) because it does not qualify as a "project" under CEQA. The State CEQA Guidelines provide that "[a]n activity is not subject to CEQA if ... the activity is not a project as defined in Section 15378." (State CEQA Guidelines, § 15060(c).) Here, Zone Text Amendment 2022-1132 does not qualify as a "project" as defined in State CEQA Guidelines section 15378 for at least two different reasons.

First, Section 15378 defines a project as an activity that "has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." (State CEQA Guidelines, § 15378(a).) Here, Zone Ordinance Amendment No. 2022-07 will not result in any construction or development, and it will not have any effect that would physically change the environment. Accordingly, the Zone Ordinance Amendment No. 2022-07 is not a "project" subject to CEQA. (State CEQA Guidelines, § 15060(c).) Any future proposed uses within existing development in the M-H Zone would be subject to the requirements of the M-H Zone and those uses that require Conditional Use Permit would be subject to any review requirements under CEQA and supported by written findings. Any future development in the M-H Zone conjunction with planned uses are subject to review under CEQA regardless if uses are permitted by right or conditionally permitted. The City Council authority, pursuant to C.M.C. Section 17.02.030, is for the careful consideration to the suitability of each and every zone for the regulations applicable to it, and that these regulations are found to best serve the above purposes. The City Council further finds that the Zoning regulations are in the public interest, and that due and careful consideration has been given to the relationship between these regulations and the general plan of the City, and the established plans in the unincorporated area of the County of Riverside. The Planning Commission pursuant to C.MC. Section 17.70.020 shall advise and recommend to the city council with respect jurisdiction over amendment to change the text of the Zoning ordinance.

Second, Section 15378 explicitly excludes from its definition of "project" the following: "organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment." (State CEQA Guidelines, § 15378(b)(5).) The Zone Ordinance Amendment No. 2022-07 constitutes organizational or administrative activity that will not result in a physical change in the environment, and it therefore is not subject to CEQA. (*Ibid.*) The Zoning ordinance amendment would simply change existing allowable uses in the M-H Zone to either a category of permitted uses or conditionally permitted uses which is within the authority provided to the City Council and the Planning Commission to determine the suitability of each and every zone for the regulations applicable to it. All land uses in the M-H zone would continue to be allowable uses under this Zoning Ordinance Amendment and would not prohibit any uses, but would allow the Planning Commission and the City Council to make findings for uses that would be conditionally permitted and therefore provide sufficient and adequate safeguards and conditions

to ensure that the conditional use will be operated and maintained in a manner not detrimental to the public health, safety and welfare, or harmful to neighboring property and improvements as intended.

Even if Zone Ordinance Amendment No. 2022-07 is considered a "project" subject to CEQA, it is categorically exempt pursuant to State CEQA Guidelines Section 15320 (Class 20). Class 20 consists of "changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. Examples include but are not limited to: (a) establishment of a subsidiary district; (b) consolidation of two or more districts having identical powers; and (c) merger with a city of a district lying entirely within the boundaries of the city." Zone Text Amendment 2022-1132 is limited to amending Chapter 17.32 of Title 17 of the Coachella Municipal Code to clarify an existing administrative process used by the Planning Commission.

Further, the Zone Ordinance Amendment No. 2022-07 is exempt from CEQA under the "common sense exemption" set forth in State CEQA Guidelines section 15061(b)(3), which provides that an activity is not subject to CEQA "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." Here, as noted above, the Zone Ordinance Amendment No. 2022-07 merely constitutes organizational or administrative activities that will not result in direct or indirect physical changes in the environment. The Zone Ordinance Amendment No. 2022-07 is thus not subject to CEQA. (State CEQA Guidelines, § 15061(b)(3).)

Staff recommends that the City Council direct staff to file a Notice of Exemption for this Ordinance with the County Clerk of the Riverside in accordance with State CEQA Guidelines.

ALTERNATIVES:

- 1) Adopt Resolution No. PC2022-32 recommending approval of an Ordinance as presented.
- 2) Adopt Resolution No. PC 2022-32 recommending approval of an Ordinance with amendments.
- 3) Recommend denial of the ordinance.
- 4) Continue this item and provide staff with direction.

<u>RECOMMENDED ALTERNATIVE(S)</u>:

Staff recommends Alternative #4.

Attachments:

1. Resolution No. PC2022-32 Exhibit A - Draft Ordinance