



Council Agenda Report

From: Darcy Delgado, Associate Planner

Subject: Second Reading by Title Only and Adoption of Ordinance No.'s 1144 to 1149 - A Comprehensive Zoning Code Update, amending the Zoning Map including removing special conditions overlays D and E and removing of Hillside District Overlay, and amendments to Municipal Code.

CEQA Determination: Staff recommends the City Council find this action is not a project under the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines, § 15060, subd. (c)(2)-(3), 15378 and exempt from CEQA under State CEQA Guidelines, § 15061(b)(3).

Date: October 1, 2024

Facts

1. Zoning Codes are a set of rules that regulate what can and cannot be done on a particular piece of property. In California, virtually all cities have zoning codes in their municipal code.
2. The City's Zoning Code, housed in Title 21 of the Paso Robles Municipal Code, has not been comprehensively updated since the 1970s. Over the years, revisions have been made to address evolving land use and development practices, incorporate Specific Plans and new zoning districts, and address changes in State law. However, this piecemeal approach has resulted in internal inconsistencies and a disorganized structure.
3. In 2021, MIG, Inc. (MIG) was retained by the City to assist with comprehensive updates to the Zoning Code.
4. The main objectives of the update to the Zoning Code include:
 - a. Providing intuitive and user-friendly development regulations;
 - b. Eliminating conflicts to create an internally consistent document;
 - c. Complying with recent State legislation and case law;
 - d. Modernizing the Zoning Code to reflect best practices, with a focus on streamlining housing entitlement and permitting processes, plus providing for flexibility and innovation; and
 - e. Maintain the City's existing entitlement process and codify many Development Review Committee practices.
5. The early stages of the Zoning Code update process included initial data collection, conducting stakeholder interviews, and providing a diagnostic summary of issues including recommendations for reorganizing the Code.
6. From there, staff worked collaboratively with MIG in reorganizing the Zoning Code into 9 articles, updating each, and bringing them through a series of public study sessions with the Planning Commission (PC) and Housing Constraints and Opportunities Committee (HCOC).
7. There have been several public meetings held on this matter and are summarized below:
 - a. On October 22, 2022, the Planning Commission held a study session and as part of the meeting reviewed a portion of Article 1 and portions of Articles 3, 6, and 9 of the Zoning Code.

- b. On September 26, 2023, the Planning Commission held a study session and as part of the meeting reviewed Article 2 and a portion of Article 4.
 - c. On November 28, 2023, the Planning Commission held a study session and as part of the meeting reviewed Articles 5 and 7 and a portion of Article 4.
 - d. On February 13, 2024, the Planning Commission held a study session and as part of the meeting reviewed additional portions of Article 4.
 - e. On March 26, 2024, the Planning Commission held a study session and as part of the meeting reviewed Article 8 and portions of Article 3.
 - f. On June 14, 2024, the City published a complete draft of all Zoning Code Articles to encourage public participation.
 - g. On July 9, 2024, the Planning Commission held a study session and reviewed a complete draft of the Zoning Code.
 - h. On August 13, 2024, the Planning Commission held a public hearing for amendments to Title 21 and amendments to the Zoning Map including removing special conditions overlays D and E as well as removing of Hillside District Overlay, and on six successive votes of 6-0-1 (one Commissioner absent), recommended the City Council approve said amendments.
 - i. On August 27, 2024, the Planning Commission held a public hearing for amendments to Municipal Code Titles 2, 3, 5, 7, 8, 9, 10, 12, 14, and 19, and on five successive votes of 5-0-2 (two Commissioners absent), recommended the City Council approve said amendments.
8. On September 17, 2024, the City Council held a public hearing on the proposed project and approved the following Ordinances for 1st Reading by Title Only:
- a. Ord. 1144 – amends Title 21 (Zoning Code) by repealing and replacing all of Title 21 as part of a comprehensive update, including the following amendments:
 - i. Article 1 of Title 21 establishes the purpose and application of the Zoning Code and defines the individual zoning districts, overlays, and Special Planned Developments. Key changes include repealing Special Conditions Overlays D and E. Overlay D, initially aimed at preventing adverse effects on the downtown area, is removed as the shopping center it covered is now fully developed. Overlay E is also repealed as the parcels it covered have been rezoned for multi-family residential uses, thereby eliminating the potential for commercial competition with the downtown area;
 - ii. Article 2 establishes the permit and entitlement process and identifies review authorities for the same. Key updates include a new modification process to allow the Design Review Committee and Planning Commission to approve changes to certain development standards via a Modifications process;
 - iii. Article 3 consolidates land use categories in the land use table and updates definitions for clarity. New development standards have been added to zones where they were previously missing and certain standards have been revised to allow more flexibility;
 - iv. Article 4 introduces several updates applicable to all zones, including new rules for fence and wall standards, landscaping requirements with a minimum percentage for live plants, updated parking and open space standards, and clearer objective standards for development standards. A key addition is the new section on Objective Design Standards developed to comply with State law, enhance clarity in site planning and building design, and facilitate accelerated housing production;

- v. Article 5 introduces updates to regulations for certain developments, including Accessory Dwelling Units (ADUs), historic preservation, and affordable housing density bonuses. Notable changes include incorporating recent state law updates on ADUs and adding a reduced setback requirement between ADUs and primary structures;
 - vi. Article 6 introduces updated standards for specific land uses, including reorganized performance and development standards. Key changes include clarifying commercial animal keeping standards with a new table listing density limits for various animals and identifying instances requiring higher-level review, such as a Conditional Use Permit. New food truck standards were established, which include outlining permit requirements, operational guidelines, and provisions to ensure the safety and wellbeing of the community;
 - vii. Article 7 provides updated regulations for nonconforming uses, structures, and lots that do not meet current zoning requirements;
 - viii. Article 8 introduces several key changes related to environmental hazards. Notable changes include the expansion of the hillside development standards to all zoning districts, removing the hillside overlay, and basing regulations on lots with slopes over 10%. Grading, retaining wall, and pad grading standards were also revised. New lighting standards require dark-sky compliance and modifications can now be made through the Development Plan process;
 - ix. Article 9 introduces updated definitions for technical terms and phrases used throughout the Zoning Code to ensure consistency and clarity. The majority of the definitions are new while others have been reworked from existing language to improve interpretation for both the public and staff;
 - x. The Zoning Map has been updated to remove the Hillside District Overlay and instead regulate parcels based on average slope. Special conditions overlays D and E have also been removed and renamed as “Special Planned Development Overlays.
- b. Ord. 1145 – amends Title 2 (Administration and Personnel) to correct code references in relation to updates in Title 21.
 - c. Ord. 1146 – amends Titles 3 (Revenue and Finance), 5 (Permits and Regulations, 9 (Public Safety), 12 (Vehicles and Traffic), 14 (Water and Sewers), and 22 (Subdivisions) to correct code references in relation to updates in Title 21.
 - d. Ord. 1147 – amends Title 7 (Health and Sanitation) by repealing Chapter 7.24 (Mobilehomes and Mobilehome Parks) in its entirety, since mobilehome standards are already contained in Title 21 which is a more appropriate location.
 - e. Ord. 1148 – amends Title 8 (Animal Control) to clean up conflicting code references in relation to updates in Title 21, including updates to reflect that bee keeping is no longer a prohibited use.
 - f. Ord. 1149 – amends Title 19 (Signs) by repealing the text, renaming the Title to Billboards Signs, and inserting standards for billboards that were taken from Title 21 into Title 19 so they are not duplicative or conflicting.

Options

1. Take no action; or
2. Approve Second Reading by Title only and Adoption of Ordinances 1144, 1145, 1146, 1147, 1148, and 1149; or

- Refer back to staff, and/or the Planning Commission for additional analysis of items identified by the City Council.

Analysis and Conclusions

The Zoning Code Update process began in 2021 to provide intuitive and user-friendly development regulations, eliminating conflicts to create an internally consistent document, complying with recent legislation and case law, and modernizing the Zoning Code to reflect best practices with a focus on streamlining housing entitlement and permitting processes while providing for flexibility and innovation.

Oak Tree Removal Changes

As noted above, the City Council held first reading of the Ordinances on Tuesday, September 17, 2024. At the meeting and prior to approving the Ordinances, the City Council determined they wanted to defer specific action on oak tree removal authority (Title 10) and in the future, consider more limited options for Planning Commission approved removals. Based on this action, minor changes to the following sections in Title 21 have been made to reflect the City Council’s remains solely responsibility for approving oak tree removals:

21.08.020.A (City Council Review Authority Matters)

9. **Oak Tree Removals.** Review and approve, conditionally approve, or deny applications for oak tree removal permits ~~for 10 or more oak trees~~ pursuant to Chapter 10.01 (Oak Tree Preservation).

21.080.030.C (Planning Commission Review Authority Matters)

~~Oak Tree Removals. Review and approve, conditionally approve, or deny applications for oak tree removal permits for between 1 and 9 oak trees pursuant to Chapter 10.01 (Oak Tree Preservation) in conjunction with a development application.~~

21.080.040.D (DRC Review Authority Matters)

~~4. **Oak Tree Removals.** Review and approve, conditionally approve, or deny applications for oak tree removal permits for a single oak tree that a certified arborist has concluded is deceased pursuant to Chapter 10.01 (Oak Tree Preservation) and which is not associated with a development application.~~

Table 21.080.070-1 – Oak Tree Removal Authority

Table 21.08.070-1: Review Authority						
Type of Action	Applicable Code Section	Review Authority				
		Director/Zoning Administrator	Development Review Committee	Planning Commission	City Council	
Historic Certificate of Appropriateness for Historic Landmarks	21.62	Review	Recommend	Recommend	Decision	
Historic Certificate of Appropriateness for Local Historic Resources	21.62	Review	Recommend	Decision	Appeal	
Historic Certificate of No Effect	21.62	Decision	--	Appeal	Appeal	
Demolition of Historic Resources	21.62	Review	Recommend	Recommend	Decision	
<i>Oak Tree Removal</i>						
Oak Tree Removal Permit (1 tree without development)	10.01.030	Review	Decision	Appeal	Appeal	
Oak Tree Removal Permit (1-9 trees)	10.01.030	Review	--	Decision	Appeal	
Oak Tree Removal Permit (10+ Tree)	10.01.030	Review	--	Recommend --	Decision	

Home Occupation Changes

Additionally, the Council determined they wanted to defer action on any changes to Home Occupation Permits (Chapter 21.21). As a result of Council's direction, Chapter 21.21 **only contains the existing Home Occupation language** contained in what is currently in the Paso Robles Municipal Code under Chapter 21.23.070, as follows:

CHAPTER 21.21. HOME OCCUPATION PERMITS

Applications for home occupations shall be reviewed by the Zoning Administrator.

- A. A home occupation is a profession or other occupation not otherwise permitted in the district, which is conducted by an accessory use in a residential unit by one or more members of the family residing on the premises and no more than one non-related full-time equivalent employee, with only one such employee working at the premises at any one time, and which in residential districts conforms to the following additional restrictions:
1. The profession or other occupation shall be carried on wholly within the main building or accessory building.
 2. Not more than one-half of the floor area of the ground floor of the principal building is used for the occupation.
 3. There shall be no exterior storage of materials and equipment, and no other exterior indication of such home occupation or variation from the residential character of the principal building.
 4. There shall be no retail sales on the premises except for "Cottage Food Operations" as defined by section 113758 of the California Health and Safety Code for which no more than one client is allowed within the premises at a time.
 5.
 - a. The following types of businesses are considered allowable as home occupations: home office for services provided or conducted outside of the home or on the internet; tutoring/teaching, including musical or dance instruction, provided that no more than one student is served at a time; "cottage food operations" as defined by section 113758 of the California Health and Safety Code and subject to prior issuance of a permit for a cottage food operation from the County Health Department as required by Health and Safety Code section 114365; art studio; tailor/dress-maker; or similar uses.
 - b. The following types of businesses are not permitted as home occupations: animal hospital; automotive repair; small engine repair; barber or beauty shop; restaurant; tavern; wine-tasting; or similar uses.
 6. There shall be no signs identifying the business.
- B. Exception for Hardship. The planning commission may grant an exception to the strict application of the above requirements when the applicant is able to show that there is a hardship upon the applicant which warrants such an exception. In such cases the applicant must prove that the activity for which the permit is requested is one that is light, clean, free from noise, and will have no adverse effect upon the residential character of the neighborhood. All such applications shall be granted by a use permit and shall be subject to annual review.

Based on Council's action to defer specific updates to Titles 10 and 21, staff has reviewed the ordinances and determined there are no other substantive changes to the ordinances that are necessary since first reading, and the ordinances attached herein are consistent with the first reading. It should be noted that the above track changes, which are reflected in Exhibit A to Attachment 1, are informational to see what has changed since the September 17, 2024 hearing. The final exhibit is intended to be in its final form without track changes.

All appropriate noticing was completed in conformance with legal requirements and City standards.

Fiscal Impact

There is no fiscal impact associated with this action. This project was made possible by through two state grants that in total will reimburse the City for approximately 86 percent of the total MIG contract cost. Absent this funding, the City would not have been able to complete the project to this scope and breadth. The expense associated with MIG's work on this project was authorized through a separate, previous contract approval process.

CEQA

As noted above, the zone code text amendments, map amendments, and Municipal Code Title amendments discussed herein do not qualify as a "project" under CEQA because the amendments do not have the potential to result in either a direct or reasonably foreseeable indirect physical change in the environment. (See State CEQA Guidelines, § 15378 [defining "project"], § 15060(c)(2)-(3).) Alternatively, even if the said amendments did qualify as a project under CEQA, they are exempt from CEQA because it can be seen with certainty that there is no possibility that the amendments may have a significant effect on the environment. (State CEQA Guidelines, § 15061(b)(3).)

Recommendation (Option 2)

Approve 2nd reading by title only and adopt the Zone Code text Amendments, Map Amendments, and Municipal Code Title Amendments as follows:

- A. Ordinance 1144, approving the changes to the Zoning Code (Title 21) and the Zoning Map;
- B. Ordinance 1145, approving the changes to Title 2 in relation to updates to Title 21;
- C. Ordinance 1146, approving the changes to Titles 3, 5, 9, 12, 14, and 22 in relation to updates to Title 21;
- D. Ordinance 1147, approving the changes to Title 7 in relation to updates to Title 21;
- E. Ordinance 1148, approving the changes to Title 8 in relation to updates to Title 21;
- F. Ordinance 1149, approving the changes to Title 19 in relation to updates to Title 21;

Attachments

1. Ordinance 1144: Adopting Zoning Code and Map Amendments
 - a. Exhibit A: Zoning Code (Title 21)
 - b. Exhibit B: Special Conditions Overlay Map Amendment
 - c. Exhibit C: Hillside Overlay Map Amendment
2. Ordinance 1145: Adopting Amendments to Title 2
3. Ordinance 1146: Adopting Amendments to Titles 3, 5, 9, 12, 14, and 22
4. Ordinance 1147: Adopting Amendments to Title 7
5. Ordinance 1148: Adopting Amendments to Title 8
6. Ordinance 1149: Adopting Amendments to Title 19