



Legislation Text

File #: 16-320, **Version:** 1

Work Session to review Proposed Amendments to the City of San Leandro Zoning Code and Zoning Map to bring the underlying zoning on certain properties into conformance with the City of San Leandro General Plan 2035 and general text updates.

SUMMARY

Staff has developed a set of proposed revisions to the various sections of the San Leandro Zoning Code text and Zoning Map in an effort to bring them into conformance with changes as proposed in the General Plan Update 2035. These changes are part of ongoing efforts to modernize the Code, create more flexibility to meet market demands while ensuring compatibility with neighboring uses, and to bring zoning in certain areas of the City into conformance with the 2007 Downtown Transit Oriented Development Strategy and General Plan Update 2035.

The series of proposed Zoning Code and Map amendments was the subject of a number of information sessions before various city stakeholders, including the San Leandro Chamber of Commerce, industrial property owners, downtown area stakeholders, the Downtown Association and the San Leandro Improvement Association (SLIA.) Letters were mailed out to adjacent property owners and affected property owners on May 23 and a press release was issued on June 8 and appeared in the [San Leandro Times](#) on June 9.

No action is required at this Work Session. Staff seeks input from the Planning Commission regarding the proposed Zoning Code and Zoning Map changes contained in this report. Staff will present the proposed revisions along with Planning Commission and public comments at a presentation scheduled for the July 5, 2016 City Council meeting. Staff anticipates returning with final recommendations for the consideration of the Planning Commission at a public hearing tentatively schedule for August 25, 2016.

BACKGROUND AND ANALYSIS

Proposed Zoning Code Amendments

The sections below outline the proposed amendments to San Leandro Zoning Code Articles 3 Definitions, Article 6 Commercial and Professional Districts, and Article 7 Industrial Districts.

The proposed Code text changes are outlined below by each affected Article of the Zoning Code. Please note that the changes proposed are shown in summary format in the attached development regulations tables and follow the protocol for formal ordinance changes, i.e., **underlined and bolded** text represents new text proposed to the Zoning Code; ~~strike-through~~ text represents text that is proposed to be eliminated.

The proposed Zoning Map changes are shown in the attached series of maps. The protocol used to

show the changes are shown as following: IP > IT, which signifies that the subject site currently zoned as IP Industrial Park is being proposed to be rezoned to IT Industrial Transition.

Proposed Amendments to Article 3, Definitions

Staff proposes to amend two definitions in Article 3, as follows:

Health and Fitness Centers. Health and Fitness Centers. Establishments with equipment for exercise and physical conditioning. This classification includes spas, gyms, tennis clubs, racquet ball clubs, pools, sports courts and fields, climbing walls, skating rinks, batting cages, diet centers, reducing salons, fitness studios, health studios, and massage therapy as an accessory use to another health and fitness center use. ~~Any such facilities that offer alcoholic beverage service shall be defined as commercial recreation.~~

Staff has received numerous proposals to create innovative sports training or gyms that would include an accessory café or restaurant activity. As Commercial Recreation is not an allowed use in the majority of the industrial areas, the restriction in the Health and Fitness definition in 2012 has seriously limited the choice of properties for these innovative uses. In order to allow these uses, a change in the definition is recommended.

Industry, General. Manufacturing of products, primarily from extracted or raw materials, or bulk storage and handling of such products and materials. Uses in this classification typically involve a high incidence of truck or rail traffic, and/or outdoor storage of products, materials, equipment, or bulk fuel. This classification includes chemical manufacture or processing, laundry and dry cleaning plants, and auto dismantling within an enclosed building, ~~and stonework and concrete products manufacture.~~ This classification excludes the processing of recycled materials as a facility regulated by Section 4-1646: Recycling Facilities.

Staff recommends this revision in order to limit the ability for a heavy concrete or stonework facility (aka “batch plant”) to be located in San Leandro, as this is a source of pollutants and other major impacts on surrounding uses and properties.

Proposed Amendments to Article 6, Commercial and Professional Districts

Staff proposes to amend various sections of Article 6, as follows:

C-RM District - Use Regulations

Add Public Safety Facilities as a permitted use in Section 2-616, C-RM District - Use Regulations to enable a police substation at Bayfair Shopping Center.

P District - Use Regulations

Add Multi-Family Residential as a conditionally-permitted use in Section 2-618.B. P District - Use Regulations to allow certain types of residential uses in this zone where they were previously not allowed and at appropriate locations, subject to development and landscaping standards. With the

proposed changes, a maximum density of up to 24 dwelling units per acre would be allowed. This recommendation is being made to acknowledge that the P Districts are in residential areas surrounded by lower density homes.

PHD District - Use Regulations

Staff proposes to eliminate entirely Section 2-620 Professional High Density (PHD) District - Use Regulations to remove the PHD district, since it exists on only one parcel in the City, which is concurrently being proposed to be rezoned to DA-2. Corresponding removal of any references to the PHD zoning district will be made throughout the Code.

Change of Minimum Lot Size Requirement in DA Districts

A revision is recommended to decrease the minimum lot size requirement in all DA Districts from 20,000 square feet to 10,000 square feet. This revision will allow lots of 10,000 square feet or greater to be developed at the density more appropriate for that district. Currently, lots under 20,000 square feet are limited to maximum densities of 24 dwelling units per acre. While many lots between 10,000 and 20,000 square feet will be limited by parking, set back and other requirements, this may increase the flexibility for development of some parcels.

Change to DA-1 District Maximum Density

In the DA-1 District, increases are also proposed for the allowable maximum density to be changed from 75 to 100 dwelling units per acre for multi-family residential units consistent with the General Plan 2035. This change is being recommended as it reflects the objectives of the 2007 Downtown Transit Oriented Development Strategy.

Density Bonus in DA Districts

A twenty (20) percent density bonus is proposed for average unit size less than 750 square feet in the DA-1, DA-3, DA-4, and DA-6 zoning districts. (Note that the DA-5 district is proposed to be eliminated, as discussed below.) This density bonus recognizes the trend towards smaller living spaces and that smaller units decrease the size of the building shell and impact of the project. For example, a building could either contain 35 standard size units of approximately 1,100 square feet or 51 smaller size units of 750 square feet or less.

Floor Area Ratio (FAR) in DA Districts

FAR changes are being proposed to the Maximum FAR's which were established as part of the TOD Strategy for clarification and consistency purposes. Proposed changes to floor area ratio (FAR) regulations in the DA districts include removal of the "Maximum Office 2.0" and "Maximum Retail 2.0" FARs in the DA-1 District and replacing them with a "Non-Residential 3.5 FAR." In the DA-2 District, the "Commercial FAR" is proposed to be replaced with a "Non-Residential 1.0" FAR, as "Non-Residential" is a more accurate term that will encompass the range of retail, office and other non-residential uses.

In the DA-6 District, the Maximum Base FAR is proposed to be changed from "No Maximum FAR" to "Maximum FAR 4.0, with FAR 5.0 allowed adjacent to the BART Station." Associated sections of the

code that reference a “Maximum FAR Bonus” and bonus density, such as the development regulations in Section 2-686, are also proposed to be changed to reflect these changes.

DA-1 - Use Regulations

Changes to Section 2-636, DA-1 - Use Regulations include adding more geographic specificity to the location where Mixed-Use Residential is allowed in the DA-1 District to “north of Parrott Street”. Also proposed is to remove the wording “With residential on upper floors only” in the mixed-use residential regulations in Section 2-636. This reflects changes proposed to the Special Study areas in the Downtown TOD areas, as discussed later in this report.

DA-4 - Use Regulations

Offices, Business and Professional are proposed to be added as permitted uses in the DA-4 District rather than going through an Administrative Review (AR) process.

DA-5 - Use Regulations

Staff proposes to eliminate Section 2-644 DA-5 - Use Regulations. This section of the Zoning Code is proposed to be removed in its entirety, as the two parcels currently zoned DA-5 are proposed to be rezoned to DA-6. Corresponding removal of any references to the DA-5 zoning district will be made throughout the Code. Therefore, Section 2-644 of Article 6, the DA-5 - Use Regulations will be removed and renamed as Reserved.

DA-6 - Use Regulations

Staff proposes to add Catering Services as a permitted use rather than as a conditionally-permitted use. Entertainment Events are proposed to be added as a conditional use in the DA-6 District where they were previously not allowed. And, Fast Food Establishments, Small Scale will be added as a conditionally-permitted use rather than as an Administrative Review.

Development Regulations in DA Districts for Setbacks and Height Transitions

Proposed amendments to the Development Regulations include a clean up to corner side yard setbacks such that they are consistent with the TOD Strategy which reduced front setbacks to zero (0) to provide an attractive street environmental that encourages pedestrian use. Specifically, changes to the corner side yard setbacks in Section 2-680 would be revised from their current corner side yard setback of 10-15 feet (DA-1, DA-2, DA-3, DA-6) or 10 feet (DA-4) to a zero (0) corner side yard setback. In Section 2-680.B.3, the wording that references a fifteen (15) foot side or rear yard setback adjoining an R District is proposed for removal.

In Section 2-680.F.3, the wording describing a 150-foot setback from the top of San Leandro Creek is proposed for removal and reference to a “creek trail and open space” is proposed in its place. This is recommended as the 150 square feet setback is excessive and the change is consistent with changes proposed to the Special Study areas in the Downtown TOD Strategy, as discussed later in this report.

To clarify the daylight plane requirements which protect adjacent residential properties from shadowing of new development, wording is proposed to specify that structures shall not intercept a one-to-one or forty-five degree daylight plane inclined inward from a height of eight feet above existing grade at adjacent low-density residential (RS or RD) zone property lines. The graphics and associated wording that currently describe the daylight plane requirements are proposed for removal because they are confusing for applicants. Additional wording is proposed to allow the Zoning Enforcement Official to approve an Administrative Exception if an applicant cannot meet the provisions of the daylight plane requirements on a case by case basis. Section 2-699 under Division 3, Discretionary Permits is proposed to be added to Article 6, to cover the circumstances under which the Zoning Enforcement Official may approve an administrative exception, particularly regarding interpretation of the daylight plane requirements.

Proposed Amendments to Article 7, Industrial District

Industrial Transition (IT) District

To implement the proposed new General Plan Land Use designation of Industrial Transition, staff proposes a new industrial zoning district named the Industrial Transition District. Staff has added the new IT, Industrial Transition district to Article 7, Section 2-710 that discusses the purpose of each of the industrial zoning districts. The purpose of the new Industrial Transition district is as follows:

IT Industrial Transition District. To provide and protect industrial lands for the development of emerging technologies, artisanal production, and light manufacturing methods, while preserving existing businesses and allowing additional commercial uses under specified limitations and residential development within one-half mile of a BART station

The IT zoning district would allow for a broader mix of industrial uses with some commercial and residential uses allowed, where appropriate. This would include residential uses within one-half mile of a BART Station. Mixed use and multi-family residential uses would be allowed with a maximum density of up to 40 dwelling units per acre.

In the proposed IT district, most existing industrial uses would be allowed to remain. Heavier industrial uses such as any hazardous materials uses would be no longer permitted. Pre-existing residential uses would also be allowed to remain, but would not be allowed to expand or to establish new uses.

These proposed Code amendments also serve to implement Strategy 3.1.1 of the *2013 Next Generation Workplace Districts Study* by boosting the attraction of value-added companies on vacant industrial parcels and developing industrial properties to their fullest potential with land uses that enhance the economic base of the City. This Code amendment would serve to encourage smaller, advanced manufacturing uses that would increase the quality as well as the quantity of employment opportunities in the industrial districts. Existing or proposed uses that continue a similar type of business with no expansion of an existing building would not be impacted by this Code amendment. The proposed Code amendments will facilitate the move towards higher value-added uses in the industrial areas.

Staff has added a new Section 2-710, IT District - Use Regulations that govern the land uses that are allowed in the IT District as a permitted use, conditionally permitted use, through an administrative review process or as a temporary use requiring administrative review. Changes are also proposed to Section 2-728, 2-730, 2-732, 2-734, 2-736 and 2-738 so that development regulations for the new IT District are included. No other changes to Article 7 are proposed.

Proposed Zoning Map Amendments

The proposed Zoning Map amendments implement the General Plan Update 2035 Land Use Map to establish a new Industrial Transition land use designation and to modify the Downtown Transit Oriented Development and the Downtown Mixed Use land use designations. To facilitate the viewing of these changes, staff has highlighted the following areas, each with its corresponding map area attached to this staff report. A map of the entire city showing where these districts are located is also attached to the staff report.

Industrial Transition

Westgate is the shopping center located on Davis Street, west of the I-880 freeway.

The proposal would modify the zoning for the Westgate Shopping Center from Industrial Park with a Planned Development overlay (IP-PD) to Industrial Transition with a Planned Development Overlay (IT-PD.) The Westgate shopping center was created in the 1980s with approval of a Planned Development to convert an existing industrial use to a mixed use consisting of industrial uses and commercial uses including offices, big box retail and other retail. The PD overlay sets specific zoning for the site. The proposed change does not alter the PD approval but rather will inform any future PD modifications or new proposals for businesses which uses are not specifically regulated by the uses allowed in the Westgate PD. The IT zoning is more reflective of the existing uses at Westgate.

IP to IT: The change in underlying zoning will no longer allow hazardous materials and regulate uses such as Parcel Processing. More uses will be allowed such as Assembly Uses and Entertainment with a Conditional Use Permit (CUP); Commercial Recreation, Cultural Institutions, General Industry, Neighborhood Markets and Theaters with an Administrative Review (AR); and will allow outright (P) Food Processing, Restaurants and Retail Sales.

Marina West properties are located north and south of Marina Boulevard between Menlo Street to the west and Merced Street to the east. Existing industrial uses include warehouse, light and heavy manufacturing, including the newly vacant Georgia Pacific Gypsum plant, public storage, and some limited commercial uses such as small restaurants.

The proposal would modify the zoning from either IP Industrial Park or IG Industrial General to IT Industrial Transition. This recommendation acknowledges the potential for changes in use of properties on Marina Boulevard between the Kaiser Permanente Medical Center and the proposed Shoreline development project. Note that the area also includes certain properties at the corner of Merced Street and Marina Boulevard that are proposed to be rezoned to CC Commercial Community to conform with the General Plan 2035 Land Use Map designation of General Commercial.

IG to IT: The proposed zone change will no longer allow trucking terminals and hazardous materials and will regulate uses such as Recycling with a CUP and Industry General and Parcel Processing with an AR. Additional uses will be allowed such as Assembly Uses and Entertainment with a CUP; Commercial Recreation, Cultural Institutions, Neighborhood Markets and Theaters with an Administrative Review (AR); and will allow outright (P) Food Processing, Restaurants and Retail Sales.

IP to IT: The proposed zone change will no longer allow hazardous materials and regulate uses such as Parcel Processing. More uses will be allowed such as Assembly Uses and Entertainment with a CUP; Commercial Recreation, Cultural Institutions, General Industry, Neighborhood Markets and Theaters with an AR; and will allow outright (P) Food Processing, Restaurants and Retail Sales.

Staff notes that no uses currently licensed to conduct business in this area will be rendered non-conforming by this change.

IG to CC: The properties at the intersection of Marina Boulevard and Merced Street are all commercial properties which will have only minor changes in zoning permissions. Gas stations and Fast Food require a CUP in both IG and CC districts; Banks and Offices are both permitted outright in IG and CC districts; Restaurants will become a permitted use in the CC district where it was allowed with an AR in the IG district.

Marina East properties are generally located along Alvarado Street between Thornton Street and just north of Marina Boulevard. The area has historically been an eclectic mix of residential with industrial and commercial uses, including many mixed residential/industrial properties. The entire area is located within one-half mile of the San Leandro Downtown BART station. The existing zoning includes IP Industrial Park, IL Industrial Light and RD Residential Duplex. The IT zoning recognizes the established residential uses and existing industrial uses while providing opportunities based on the proximity to San Leandro BART.

IP to IT: The proposed zone change will no longer allow hazardous materials and regulate uses such as Parcel Processing. More uses will be allowed such as Assembly Uses and Entertainment with a CUP; Commercial Recreation, Cultural Institutions, General Industry, Neighborhood Markets and Theaters with an AR; and will allow outright (P) Food Processing, Restaurants and Retail Sales.

IL to IT: The proposed zone change will no longer allow hazardous materials and regulate uses such as Parcel Processing, Animal Hospitals and Recycling with an AR. More uses will be allowed such as Assembly Uses and Entertainment with a CUP; Commercial Recreation, Cultural Institutions, General Industry, Neighborhood Markets and Theaters with an AR; and will allow outright (P) Food Processing, Restaurants and Retail Sales. Residential uses on properties that are within one half mile of the BART station will be allowed with a maximum density of 40 units per acre.

Downtown Areas

Downtown Area, North includes two areas, one located at the intersection of Chumalia and Hyde Streets proposed to be rezoned from RM-1800 to DA-1; and another at the corner of Hays and Davis Street proposed to be rezoned from DA-4 to DA-1.

RM-1800 to DA-1: the proposed zoning change will allow for greater residential densities for this site (from 24 units per acre to 100 units per acre) and will allow for the application of the DA parking requirements which are reduced from the RM parking standards. Staff has noted that this property, which is located very close to the downtown, should have been rezoned to a DA designation in 2007.

DA-4 to DA-1: the proposed zoning change will not change the density allowance as the DA-4 currently allows for 100 units per acre which is equal to the proposed density allowed in DA-1. The DA-1 designation which allows for a greater range of commercial uses is more suitable to this location which lies in the core downtown area, which is also zoned DA-1.

Downtown Area, South properties are located along the east side of Hays Street between Parrott and Thornton Streets. The subject sites are developed with single-family and two-family residences and one restaurant. The proposed zoning change is from CC Commercial Community to DA-2 Downtown Area 2.

The change from CC to DA-2 will not create any non-conformities, as pre-existing residential uses are permitted in the DA-2 district as are restaurants. The DA-2 designation is appropriate for this site as it lies on the perimeter of the downtown core. The densities allowed will increase from 22 units per acre allowed in the CC district to 40 units allowed in the DA-2 district.

Downtown Area, West includes properties immediately adjacent to the San Leandro Downtown BART station to the east and south, which are being rezoned from DA-5 or PS Public/Semi-Public to DA-6; as well as a swath of properties at the northern terminus of Alvarado Street and under the BART tracks between Peralta Avenue and Davis Street. Various zoning districts (PS Public/Semi-Public, IP Industrial Park and IL Industrial Light) are being rezoned to the adjacent DA-4 district.

These rezones will clean up fragments of industrial and public/semi-public properties that should have been rezoned to the DA-4 zoning district when the TOD zoning was put in place in 2007. The proposal also eliminates DA-5 zoning, which applied to just two properties and allowed for unlimited density, and rezones said properties to DA-6 which has a similar density rule and use regulations.

Downtown Area, East includes properties east of Santa Maria Street along Estudillo Avenue and Joaquin Avenue to Bancroft Avenue. The majority of the properties are zoned P Professional with some RS Residential Single-Family and RM-1800 Residential Multi-Family. The proposed new zoning is DA-2, which is the lowest density of the downtown zoning districts intended to buffer the impact on neighboring lower density areas. This proposal also implements the General Plan Update 2035 proposal for the elimination of the Office land use designation and extension of the Downtown Mixed Use designation.

To address impacts on neighboring lower density developments, staff is proposing text changes (see above) to require height transitions that will provide buffering for these lower height districts. Office uses are permitted in both the existing P and the proposed DA-2 zoning and all uses allowed in the P district are allowed in the DA-2 with only minor changes in permissions required; some new uses will be allowed with an AR or a CUP. (Please see the attached Commercial and Industrial Use Classifications and Zoning Matrix for a more detailed comparison.) Pre-existing low-density residential uses such as single-family homes and duplexes are permitted in the DA-2 zoning.

Proposed Amendments to the Ordinance Establishing the Special Study Overlays in the DA Districts

Staff proposes to remove the S Overlay Zones in the Downtown TOD Areas identified as SP-1, Downtown South Gateway, and SP-8, BART/Westlake Properties Special Policies. Additionally, in the SP-2 Washington Plaza Shopping Center and San Leandro Plaza Special Policies, staff proposes to replace the word “must” with “should” in the following sentence requiring that “any expansion of square footage North of Estudillo Avenue ~~must~~ **should** include a mixed-use component with either office or residential on upper floors.”

In the SP-3, Town Hall Square and Vicinity Special Policies, staff proposes to remove wording “Mixed use development is required, with residential uses on the upper floors along Davis Street and Callan Avenue frontages in all new development.” Also proposed is to remove wording “the building setbacks along the west side of East 14th Street shall be approximately 12 feet to align with the Civic Center and create a minimum 25 foot wide sidewalk/pedestrian amenity zone.” Also, proposed is to add the sentence “Reconfiguration and/or narrowing of Dan Niemi Way (Hays Street) is encouraged between East 14th Street and Davis Street to create an improved pedestrian experience, outdoor plazas, and increased interaction with the creek”; and add wording “A building setback shall be provided to encourage development of a creek trail and open space along the San Leandro Creek”.

Further proposals include making changes to the SP-4, Toler Parking Lot Special Policies to remove the sentence “The building setbacks along East 14th Street shall be 15 feet from the existing property line to align with the Civic Center and create a minimum 25 foot wide sidewalk/pedestrian amenity zone.” And, in the SP-5, North Alvarado Sites Special Policies to remove the 150 foot setback requirement from San Leandro Creek and add wording “to encourage development of a creek trail and open space along the San Leandro Creek” and remove wording “for a linear park connection.”

PUBLIC OUTREACH

Staff conducted outreach on the proposed Zoning Code and Map amendments with a number of information sessions before various city stakeholders, including the San Leandro Chamber of Commerce (June 16), industrial property owners (June 8), downtown area stakeholders (June 14), the Downtown Association (May 27) and the San Leandro Improvement Association, SLIA (June 15.) Letters were mailed out to adjacent property owners and affected property owners on May 23 and a press release was issued on June 8 and appeared in the June 9 San Leandro Times. Other public outreach efforts include establishment of a [webpage](http://www.sanleandro.org/depts/cd/pzu2016.asp) <<http://www.sanleandro.org/depts/cd/pzu2016.asp>> specific to proposed Zoning Code revisions, creation of a [Frequently Asked Questions](http://www.sanleandro.org/civicax/filebank/blobdload.aspx?blobid=25288) <<http://www.sanleandro.org/civicax/filebank/blobdload.aspx?blobid=25288>> handout for the general public, meeting postings on Next Door, and information in the City’s Weekly Update.

ATTACHMENTS

- San Leandro Zoning Code Definitions and Acronyms for Pertinent Zoning Districts in Proposed Rezoning
- Proposed Commercial/Industrial Use Classifications and Zoning Districts Matrix

- Proposed Industrial Zoning Development Regulations Table
- Proposed Commercial and Professional Zoning Development Regulations Table
- Proposed Downtown Area Zoning Development Regulations Table
- Proposed Zoning Map: Whole City Map
- Proposed Zoning Map: Industrial Transition, Westgate
- Proposed Zoning Map: Industrial Transition, Marina Boulevard West
- Proposed Zoning Map: Industrial Transition, Marina Boulevard East
- Proposed Zoning Map: Downtown Area, North
- Proposed Zoning Map: Downtown Area, South
- Proposed Zoning Map: Downtown Area, West
- Proposed Zoning Map: Downtown Area, East
- Proposed Amendments to the Ordinance Establishing the Special Study Overlays in the DA Districts

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