REPORT TO THE PLANNING COMMISSION



DATE: November 13, 2018

TITLE: Zoning Map Amendment (ZMA) 01-18, and General Plan Amendment (GPA) 02-18. Applications to change the Zoning & General Plan Land Use Designation from R-R (Rural Residential) to C-N (Commercial Neighborhood) on a 9.1 acre site located at the southwest corner of Palm Drive and Claire Avenue. APN: 657-050-003

Prepared by: Scott Taschner, Senior Planner

Reviewed by: Daniel Porras, Director of Public Works

RECOMMENDATION

- 1) Staff Report;
- 2) Entertain Questions of Staff from Planning Commission;
- 3) Open the Public Hearing;
- 4) Take Testimony from Applicant;
- 5) Take Public Testimony;
- 6) Opportunity for Applicant Rebuttal;
- 7) Close the Public Hearing;
- 8) Planning Commission discussion and questions to Staff; and

9) That the Planning Commission make a favorable recommendation to the City Council for approval of: 1) An Exemption to the California Environmental Quality Act (CEQA) Pursuant to Section 15061(b)(3), General Rule, of the CEQA Statutes and Guidelines; and, 2) Zone Map Amendment No. 01-18; and, 3) General Plan Amendment No 02-18, for a change in land use designation from Rural Residential (R-R) to Commercial Neighborhood (C-N) for the 9.1 acre parcel located at the southwest corner of Palm Drive & Claire Avenue. APN 657-050-003.

EXECUTIVE SUMMARY

The Applicant, Chester Allen, has filed a request for a Zoning Map Amendment to redesignate a vacant 9.1-acre parcel from R-R (Rural Residential) to C-N (Commercial Neighborhood). A corresponding General Plan Amendment has also been requested which, if approved, would make the requested Zoning Map Amendment consistent with the General Plan.

BACKGROUND

The subject property is located within the area that was annexed by the City from Riverside County in 2010. With the annexation process the City was required to bring in the County's Zoning and General Plan Designations which resulted in R-R (Rural Residential) designation for these properties. The applicant now wishes to process a change and re-designate their corresponding properties from R-R (Rural Residential) to C-N (Commercial Neighborhood) to accommodate their future project.

ANALYSIS

SITE INFORMATION

Existing Zoning/General Plan Land Use: Existing Use: Total Project Area: Assessor's Parcel Number: R-R (Rural Residential) Vacant Land 9.1 acres APN: 657-050-003

The subject property is located along the west side of Palm Drive in a largely vacant and undisturbed area just north of Dillon Road. The project site contains slight to moderate amounts of typical desert vegetation (scrub brush, creosote bush and other

low-lying plants). Topographically, the site is relatively flat and drains to the

south/southeast. The current applications are only for re-designation of the land use district, to allow for a higher and better use of the property and to take advantage of the Palm Drive frontage and the proximity to Dillon Road. The applicant has demonstrated that they intend on developing the property with a gas station, two drive-thru restaurants, commercial/retail strip center and the back 6+ acres with a mixed-use office/warehousing facility. The future development will ultimately require applications for architectural and design review and will require a discretionary review by the Planning Commission. The future applications for development will also be conditioned so that development of the site includes all necessary site and street improvements.

Below is a table which evaluates the existing land uses and the surrounding land-use designations.

| | <u>Current</u> Land Use | Zoning Designations | <u>Current General</u> <u>Plan Designations</u> | <u>2019 Proposed</u> <u>General Plan</u> Designation |
|-------|----------------------------|----------------------------------|--|--|
| North | Vacant | Specific Plan (Walmart) | Specific Plan / Commercial | MU-C (Mixed-Use Commercial) |
| West | Vacant | Low Density Residential (R-L) | Low Density Residential (R-L) | Low Density Residential (R-L) |
| South | Vacant | Rural Residential (R-R) | Rural Residential (R-R) | MU-C (Mixed-Use Commercial) |
| East | Vacant | Rural Desert (R-D) | Industrial/Commercial Bldg. | Low Density Residential (R-L) |

Surrounding Land Uses and Zoning

The proposed Zone Map & General Plan Amendments seek to change the land-use designation and allowable uses on the property to allow for development of the site with mixed commercial uses. Conceptually, the applicant has indicated that they plan to develop the property with a possible gas station, drive-thru restaurants, retail commercial, service commercial, and some office/small warehousing in the back portion of the property. Although the current designation of Rural Residential (R-R) is being evaluated by the City as part of the current Comprehensive General Plan Update the

applicant would like to proceed with the change on their own to ensure and expedite a change of the current designation. The applicant has requested a change to C-N (Commercial Neighborhood) which is probably the most suitable commercial land use designation for the proposed uses on the property and for a commercial designation that is in close proximity to residential uses.

Change to Commercial Neighborhood Designation

Staff has evaluated the Zoning Code and agrees that this is the most appropriate designation for the area. The C-N designation will allow for a mix of neighborhood commercial uses on the project site and should remain compatible with other likely future land uses in the area and along the Palm Drive frontage. Specifically, the Desert Hot Springs Zoning Code (DHSZC) states:

"This designation [C-N] provides for neighborhood scale shopping centers conveniently located near residential areas. These developments are typically anchored by supermarkets and super drugstores. A wide range of other uses, including banking, barbers/beauty salons, dry cleaners, restaurants, service businesses, offices and other related activities are typically found in these planned centers. Typical sizes are 8 to 10 acres providing approximately 80,000 to 100,000 square feet of gross leasable floor area."

Site Planning

The parcels are physically suitable for the proposed type of mixed-use development that the applicant has suggested and has nearby access to existing sewer, water, and electric infrastructure. The site is also relatively flat, which would be conducive for conventional development types and techniques. Staff would also like to note that the city would benefit from the taxes that future commercial businesses would generate.

REQUIRED FINDINGS

GENERAL PLAN AMENDMENT FINDINGS

Under Section 17.100.050 of the Desert Hot Springs Municipal Code, an amendment to the General Plan may be adopted only if all of the following findings are made:

A. That the proposed amendment is internally consistent with the General Plan;

The proposed amendment has been evaluated against the General Plan of the City of Desert Hot Springs to identify any potential internal inconsistencies. The proposed change in land use designations from R-R (Rural Residential) to C-N (Commercial Neighborhood) to allow for future commercial uses is consistent with the City's intention to use the Palm Drive frontage for future commercial business. Although the Citywide Comprehensive General Plan Update has not yet been adopted, the proposed Zoning & General Plan amendment to allow future smaller-scale neighborhood commercial project(s) on this site would not only be consistent with the proposed designations along the Palm Drive frontage in the immediate area but is consistent with the current designations and land

uses in the immediate area. Staff would like to note that the C-N (commercial neighborhood) designation considers a closer proximity to residential uses than other commercial designations and it also provides for smaller-scale commercial uses that provide for a level of convenience to the residential neighborhoods in the vicinity. The site to the north was also approved by the City Council with a Walmart Specific Plan. Although certain entitlements for the Walmart development have expired, the Specific Plan is still in place, which allows for commercial uses. In addition, staff is proposing a Mixed-Use Commercial Zoning District along the Palm Drive frontage in this area as part of the 2019 Citywide Comprehensive General Plan Update.

Also of note, is that any future development (applications) would be subject to a discretionary review and would be evaluated based on compatibly with surrounding uses including design characteristics, site planning, access, impacts, aesthetics, viewsheds, building heights, setbacks, adequate/required parking, as well as a host of other characteristics to ensure the project's compatibility with the neighboring properties and that any potential impacts are mitigated to a level of "less than significant" as required by the California Environmental Quality Act and the City's Zoning Ordinance.

Staff has concluded that the proposed amendments to the City's Zoning Map, and to the General Plan land-use designation for this site, is not internally inconsistent with the current, adopted General Plan.

B. That the proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City;

The proposed amendment from R-R (Rural Residential) to C-N (Commercial Neighborhood) to allow for future commercial uses has been evaluated against the General Plan of the City of Desert Hot Springs to identify any potential internal inconsistencies. The proposed change in land use designations from R-R (Rural Residential) to C-N (Commercial Neighborhood), to allow for future neighborhood commercial uses, is consistent with the City's intention to use the Palm Drive frontage for future commercial business. Although the Citywide Comprehensive General Plan Update has not yet been adopted, the proposed Zoning & General Plan amendment to allow future smaller-scale commercial project(s) on this site would not only be consistent with the proposed designations along the Palm Drive frontage in the immediate area but it is also consistent with the current designations and land uses in the immediate area. Staff would like to note that even with the current R-R designations in the area the commercial neighborhood designation considers a closer proximity to residential uses than other commercial designations (e.g. Commercial General) and it also provides for smaller-scale commercial uses that provide for a level of convenience to the residential neighborhoods in the vicinity.

Also of note, is that any future development (applications) would be subject to a discretionary review and would be evaluated based on compatibly with surrounding uses including design characteristics, site planning, access, impacts, aesthetics, viewsheds, building heights, setbacks, adequate/required parking, as well as a host of other characteristics, all to ensure the project's compatibility with

the neighboring properties and that any potential impacts are mitigated to a level of "less than significant".

Any future development project would also include provisions for public and private improvements to address vehicular circulation, including emergency services, as well as drainage, air quality and other environmental factors. Staff has concluded that the proposal would not be detrimental to the public interest, health, safety, convenience or welfare of the City.

C. That the proposed amendment would maintain the appropriate balance of land uses within the City; and

The proposed amendment has been evaluated against the General Plan of the City of Desert Hot Springs to identify any potential internal inconsistencies. The proposed change in land use designations from R-R (Rural Residential) to C-N (Commercial Neighborhood) to allow for future commercial uses introduces uses which would be compatible with some of the surrounding, and existing land uses. The location, along the west side of Palm Drive, is an appropriate location for this type of development and is consistent with the City's intention to use the Palm Drive frontage for future commercial business. Although the Citywide Comprehensive General Plan Update has not yet been adopted, the proposed Zoning & General Plan amendment to allow future smaller-scale commercial project(s) on this site would not only be consistent with the proposed designations along the Palm Drive frontage in the immediate area, it is also consistent with the current designations and land uses in the immediate area. Staff would like to note that the commercial neighborhood (C-N) designation considers a close proximity to residential uses and it also provides for smallerscale, neighborhood serving, commercial uses that provide for a level of convenience to the residential neighborhoods in the vicinity. The site to the north was also approved by the City Council with a Walmart Specific Plan. Although certain entitlements for the Walmart development have expired, the Specific Plan is still in place, which allows for commercial uses. In addition, as a part of the Comprehensive General Plan update, staff is proposing a Mixed-Use Commercial Zoning District along the Palm Drive frontage in this area. If the applicant had not applied for this change it is likely that the frontage would have been re-designated (to commercial) anyway.

Finally, any future project would be a discretionary action by the City and would allow for mitigation measures to be implemented to reduce any negative impacts on the surrounding area/properties. Staff believes that the amendment will maintain the appropriate balance of land uses within the City.

D. That in the case of an amendment to the General Plan Land Use Map, the subject parcel(s) is physically suitable (including, but not limited to access, provision of utilities, compatibility with adjoining land uses, and absence of physical constraints) for the requested land use designation(s) and the anticipated land use development(s).

The proposed amendment / change in land use designations from R-R (Rural Residential) to C-N (Commercial Neighborhood) to allow for future commercial

uses would amend the Zoning & General Plan Land Use Map for the vacant 9.1acre site.

The site is generally flat and rectangularly-shaped to allow for development according to the City's standards and guidelines. Two public streets fronting the north (unimproved) and east sides of the property boundaries will be conditioned to provide adequate access, and no physical constraints to the proposed development have been identified. The General Plan Amendment provides for a mix of neighborhood commercial uses that would be compatible with surrounding residential and commercial zones. The City is also in the process updating the Citywide Comprehensive General Plan, including the evaluation of the Palm Drive frontage in this area for a potential land-use re-designation to a Mixed-Use Commercial (MU-C) land use district. There have also been approvals for a Walmart Specific Plan directly adjacent and to the north of this site. And. although many of the entitlements for the Walmart Project have since expired, the Specific Plan, which allows for commercial uses, is still in place. That said, staff believes the subject parcel is physically suitable for the requested (C-N) land use designation and the anticipated future development.

ZONING ORDINANCE AMENDMENT FINDINGS

Zoning Code Amendments – changes either to the map or the text - are regulated under Section 17.88 of the Desert Hot Springs Municipal Code. According to Section 17.88.050, an amendment to the Zoning Ordinance may be adopted only if the following findings are made:

A. The proposed amendment is consistent with the General Plan;

The proposed amendment / change in land use designations from R-R (Rural Residential) to C-N (Commercial Neighborhood) to allow for future commercial uses has been evaluated against the General Plan of the City of Desert Hot Springs to identify any potential inconsistencies. The proposed Zone Map Amendment introduces limited retail industrial/commercial uses to a site presently designated R-R (Rural Residential) but provides for adequate public and private improvements to avoid conflicts with the General Plan Land Use, Circulation, Housing and other Elements of the Community Development Chapter; as well as with Environmental Resources, Environmental Hazards, and Public Facilities and Facilities Chapters. In addition an approval of both the Zone Map Amendment and the General Plan Amendment would keep the Zoning Code consistent with the City's General Plan. Staff has identified no inconsistencies between the proposed Zone Map Amendment and the General Plan.

B. The amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

The proposed amendment from R-R (Rural Residential) to C-N (Commercial Neighborhood) to allow for future commercial uses has been evaluated against the General Plan of the City of Desert Hot Springs to identify any potential internal inconsistencies. The proposed change in land use designations from R-R

(Rural Residential) to C-N (Commercial Neighborhood) to allow for future commercial uses is consistent with the City's intention to use the Palm Drive frontage for future commercial business. Although the Citywide Comprehensive General Plan Update has not yet been adopted, the proposed Zoning & General Plan amendment to allow future smaller-scale commercial project(s) on this site would not only be consistent with the proposed designations along the Palm Drive frontage in the immediate area but is consistent with the current designations in the immediate area. Staff would like to note that even with the current designations in the area the commercial neighborhood designation considers a closer proximity to residential uses than other commercial designations and it also provides for smaller-scale commercial uses that provide for a level of convenience to the residential neighborhoods in the vicinity.

Also of note, is that any future development (applications) would be subject to a discretionary review and would be evaluated based on compatibly with surrounding uses including design characteristics, site planning, access, impacts, aesthetics, viewsheds, building heights, setbacks, adequate/required parking, as well as a host of other characteristics, all to ensure the project's compatibility with the neighboring properties and that any potential impacts are mitigated to a level of "less than significant".

Any future development project would also include provisions for public and private improvements to address vehicular circulation, including emergency services, as well as drainage, air quality and other environmental factors. Staff has concluded that the proposal would not be detrimental to the public interest, health, safety, convenience or welfare of the City.

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AGENCY & PUBLIC REVIEW

Public Agency Review

The ZMA/GPA request was routed to all relevant public agencies and departments for review. There are no review comments at this time.

Senate Bill 18 Review

The General Plan Amendment is subject to review by local Native American Tribal organizations, under Senate Bill 18 (SB 18) requirements. Per SB 18 requirements, the Community Development Department sent notice to the potentially affected Native American Tribes, identified by the Native American Heritage Commission, requesting their response within 90-days for formal consultation. The request for consultation period began on June 11, 2018. Only the Agua Caliente Band of Cahuilla Indians, and the Soboba Band of Luiseno Indians have responded to date, and their request was for consultation with the city on all projects, not this specific project. The local tribes typically only request consultation to periodically review our standard conditions of approval to make sure there are mitigation measures and conditions that will protect cultural and historic resources and notify them in the event that something is found during ground disturbance activities.

Public Hearing Notice

A public hearing notice was advertised in the Desert Star Weekly on Friday November 2^{nd} , 2018 and was mailed to all property owners within a 300-foot radius of the subject property on Thursday November 1^{st} , 2018. The applicant has provided a map of the property owners that were notified (see Exhibit No 13). As of this writing, staff has not received any comments. The

ENVIRONMENTAL ASSESSMENT

Pursuant to Section 15061(b)(3) & Section of the California Environmental Quality Act (CEQA) Guidelines, staff has determined that the Zone Map & General Plan Amendment is exempt by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty, (as in the case of a Zone Map & General Plan Amendment which only changes the designation and does not propose any construction or require any improvements) that there is no possibility that the activity in question (ZMA/GPA) may have a significant effect on the environment, the activity is not subject to CEQA.

A Draft Environmental Assessment has been prepared to evaluate the future project and all appropriate environmental documents will be required when the application for development of the site is submitted

RECOMMENDATION

Staff recommends that the Planning Commission makes a favorable recommendation to the City Council for approval of Zone Map Amendment 01-18 and General Plan Amendment 02-18, subject to the attached conditions of approval and the findings contained herein.

ATTACHMENTS:

- 1) Draft Conditions of Approval
- 2) Current Land Uses: Map
- 3) "Uses Permitted" for the R-R Zone (leftover from the County and the 2010 Annexation)
- 4) Site Photograph
- 5) Site Photograph Looking Southwest
- 6) Draft Site Analysis Cover Title Sheet
- 7) Draft Site Analysis Continued
- 8) Conceptual Plans Commercial Frontage
- 9) Conceptual Plans
- 10) Notification Map
- 11) Draft Environmental Assessment