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Title: CONTINUED FROM JUNE 5, 2024
City Council initiated General Plan Amendment and Rezone Application No. P24-00589, and related Environmental Assessment pertaining for two (2) adjoining parcels of approximately ±2.26 acres (total) located at the northwest corner of East McKinley and North Fine Avenues. (Council District 4) - Planning and Development Department.

1. RECOMMEND CONSIDERATION (to the City Council) of the Environmental Assessment for P24-00589 of a Negative Declaration, dated May 31, 2024, prepared for the proposed plan amendment/rezone pursuant to California Environmental Quality Act (CEQA) Guidelines; and

2. RECOMMEND CONSIDERATION (to the City Council) of General Plan Amendment No. P24-00589 to amend the planned land use designation of the subject (±2.26 acres) properties from Employment - Light Industrial to Commercial - Community; and

3. RECOMMEND CONSIDERATION (to the City Council) of Rezone No. P24-00589 to rezone the subject (±2.26 acres) properties from the IL (Light Industrial) zone district to the CC (Community Commercial) zone district consistent with the amended land use designation.

Sponsors: Planning and Development Department

Indexes:

Code sections:

Attachments: 1. Exhibit A - Project Location Map, 2. Exhibit B - Council Resolution 2023-264 [9/28/2023], 3. Exhibit C - Land Use Diagram, 4. Exhibit D - Zoning Diagram, 5. Exhibit E - Public Hearing Notice & Mailing Radius Diagram, 6. Exhibit F - Airport Land Use Commission Letter [4/11/2024], 7. Exhibit G - Fresno Municipal Code RZ/PA Criteria, 8. Exhibit H - Environmental Assessment [5/31/2024], 9. Exhibit I - Cross Parking & Access Agreement [11/17/1981], 10. Exhibit J - Zone Districts/Uses Comparison List, 11. Exhibit K - Property Owners Discussion Status (6/27/24 email)

Date	Ver.	Action By	Action	Result
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REPORT TO THE PLANNING COMMISSION

July 3, 2024

FROM: PHILLIP SIEGRIST, Planning Manager
Planning and Development Department

BY: RALPH KACHADOURIAN, Supervising Planner
Planning and Development Department

SUBJECT

CONTINUED FROM JUNE 5, 2024

City Council initiated General Plan Amendment and Rezone Application No. P24-00589, and related Environmental Assessment pertaining for two (2) adjoining parcels of approximately ± 2.26 acres (total) located at the northwest corner of East McKinley and North Fine Avenues. (Council District 4) - Planning and Development Department.

1. **RECOMMEND CONSIDERATION** (to the City Council) of the Environmental Assessment for P24-00589 of a Negative Declaration, dated May 31, 2024, prepared for the proposed plan amendment/rezone pursuant to California Environmental Quality Act (CEQA) Guidelines; and
2. **RECOMMEND CONSIDERATION** (to the City Council) of General Plan Amendment No. P24-00589 to amend the planned land use designation of the subject (± 2.26 acres) properties from Employment - Light Industrial to Commercial - Community; and
3. **RECOMMEND CONSIDERATION** (to the City Council) of Rezone No. P24-00589 to rezone the subject (± 2.26 acres) properties from the IL (*Light Industrial*) zone district to the CC (*Community Commercial*) zone district consistent with the amended land use designation.

EXECUTIVE SUMMARY

On September 28, 2023, the Fresno City Council initiated Plan Amendment and Rezone Application No. P24-00589 which pertains to two (2) adjoining parcels, respectively referred to as Parcel A (APN: 494-291-05) & Parcel B (APN: 494-291-10), totaling approximately ± 2.26 acres in size and located at the northwest corner of East McKinley and North Fine Avenues (**Exhibit A**). The parcels are currently planned and zoned for Employment - Light Industrial and located within the McLane Community Plan.

Parcel B (APN: 494-291-10) is approximately ± 1.57 acres and currently developed with an existing multi-tenant commercial office building with its related on & off-site improvements (on-site parking, landscaping, etc.). It's noted that the existing commercial office building is currently occupied. Parcel A (APN: 494-291-05) is approximately ± 0.69 acres and is partially developed with adjacent on-site parking, landscaping, and on and off-site improvements which also includes an approximately ± 0.21 -acre undeveloped building pad.

For informational purposes, a common parking/access agreement between the subject parcels (APN: 494-291-05/Parcel A and APN: 494-291-10/Parcel B) has been in effect since 1981 and is attached as **Exhibit I** (Common Parking and Access Agreement). The agreement allows for shared parking, vehicular and pedestrian cross access (ingress and egress) between the two (2) parcels. It is noted that the shared parking agreement does not require Parcel A (APN: 494-291-05) to provide parking for uses on the adjoining Parcel B property (APN: 494-291-10). The agreement is set to expire in 2031.

The Plan Amendment component proposes to amend the Fresno General Plan and McLane Community Plan to change the planned land use designation for the subject properties from Employment - Light Industrial to Commercial - Community. The rezone component proposes to amend the Official Zoning Map of the properties from the IL (*Light Industrial*) zone district to the CC (*Community Commercial*) zone district in accordance with the Plan Amendment. This plan amendment/rezone application does not include nor identify any physical site development and no

project proposals have been identified.

On June 5, 2024, the Planning Commission considered this application but continued the item to July 3, 2024, to allow the property owners of Parcels A & B additional time for dialogue and to discuss the proposed plan amendment/rezone to ensure compatibility with the uses already existing within Parcel B, and the implications of this action to a potential new and undisclosed use for Parcel A. A summary of what was discussed amongst the property owners is attached as **Exhibit K**.

BACKGROUND

On September 28, 2023, the Fresno City Council adopted Resolution No. 2023-264, a resolution to initiate the process to amend the Planned Land Use and Zoning of the subject properties from Light Industrial to Commercial-Community. The abutting property to the west is planned and zoned for community commercial uses, and the intent of the resolution is to allow for uses which are more in line with the commercial uses to the west, as opposed to adjacent and nearby industrial uses which are located to the north and to the east (across North Fine Avenue) of the subject properties (**Exhibit B**).

The current IL (*Light Industrial*) zone district is intended to provide areas for a diverse range of light industrial uses, including limited manufacturing and processing, research and development, fabrication, utility equipment and service yards, wholesaling, warehousing, and distribution activities, including small-scale retail and ancillary office uses. Light Industrial areas may serve as buffers between Heavy Industrial Districts and other land uses and otherwise are generally located in areas with good transportation access.

The proposed CC (*Community Commercial*) zone district allows for commercial development that primarily serves local needs such as convenience shopping and small offices. Many of the city's current commercial districts fall into this designation. Specific uses allowed include medium-scale retail, office, civic and entertainment uses, supermarkets, drug stores and supporting uses. The maximum floor to area ratio (FAR) in the CC zone district is 1.0. It is reasonably foreseeable that the proposed zoning change will allow the area to be developed with uses allowed under the CC zoning classification, rather than the industrial type uses that would have been allowed under the existing light industrial zoning classification.

Other Agencies

The City Council initiated plan amendment and rezone does not include any proposed development project or establishment of a specific use. Therefore, the application included minimal routing to other departments and agencies for review and comments. Of the departments and agencies that the application was routed to, which includes Fresno Fire Department, Airports Department, Fresno Area Express, Department of Public Utilities, Department of Public Works, and Fresno Unified School District, none had comments or conditions with respect to the proposed change in planned land use or zoning.

Land Use Plans and Policies

The subject properties are located within the boundaries of the Fresno General Plan, McLane Community Plan, and Fresno County Airport Land Use Compatibility Plan.

The Fresno General Plan currently designates the subject properties for Employment - Light Industrial planned land use designation which accommodates a diverse range of light industrial uses, including limited manufacturing and processing, research and development, fabrication, utility equipment and service yards, wholesaling, warehousing, and distribution activities. Small-scale retail and ancillary office uses are also permitted. Light Industrial areas may serve as buffers between Heavy Industrial and other land uses and otherwise are generally located in areas with good transportation access, such as along railroads and State Routes. The maximum floor area ratio (FAR) is 1.5.

Under the proposed plan amendment, the Commercial-Community land use designation is intended for commercial development that primarily serves local needs such as convenience shopping and small offices. Many of the city's current commercial districts fall into this designation. Specific uses allowed include medium-scale retail, office, civic and entertainment uses, supermarkets, drug stores and supporting uses. The maximum floor area ratio (FAR) is 1.0.

The proposed plan amendment will be consistent with the following Fresno General Plan goals:

- Increase opportunity, economic development, business, and job creation.
- Emphasize increased land use intensity and mixed-use development at densities supportive of greater use of transit in Fresno.
- Make full use of existing infrastructure, and investment in improvements to increase competitiveness and promote economic growth.
- Emphasize the City as a role model for good growth management planning, efficient processing and permit streamlining, effective urban development policies, environmental quality, and a strong economy.

The following are applicable objectives and policies from the Urban Form, Land Use & Design, and Economic Development elements of the Fresno General Plan:

- **Objective LU-1:** Establish a comprehensive citywide land use planning strategy to meet economic development objectives, achieve efficient and equitable use of resources and infrastructure, and create an attractive living environment.

Policy LU-1-b: Land Use Definition and Compatibility. Include zoning districts and standards in the Development Code that provide for the General Plan land use designations and create appropriate transitions or buffers between new development with existing uses, taking into consideration the health and safety of the community.

- **Objective LU-2:** Plan for infill development that includes a range of housing types, building forms, and land uses to meet the needs of both current and future residents.

Policy LU-2-a: Infill Development and Redevelopment. Promote development of vacant, underdeveloped, and re-developable land within the City Limits where urban services are available by considering the establishment and implementation of supportive regulations and programs.

- **Objective LU-6:** Retain and enhance existing commercial areas to strengthen Fresno's

economic base and site new office, retail, and lodging use districts to serve neighborhoods and regional visitors.

Policy LU-6-a: Design of Commercial Development. Foster high quality design, diversity, and a mix of amenities in new development with uses through the consideration of guidelines, regulations.

Policy LU-6-b: Commercial Development Guidelines. Consider adopting commercial development guidelines to assure high quality design and site planning for large commercial developments, consistent with the Urban Form policies of this Plan.

Policy LU-6-d: Neighborhood and Community Commercial Center Design. Plan for neighborhood mixed use and community commercial uses to implement the Urban Form concepts of this Plan, promote the stability and identity of neighborhoods and community shopping areas, and allow efficient access without compromising the operational effectiveness of the street system.

- Neighborhoods will be anchored by community commercial centers with a mix of uses that meet the area's needs and create a sense of place; and
- Community commercial centers will be located within Activity Centers

Policy LU-6-f: Auto-Oriented Commercial Uses. Direct highway-oriented and auto-serving commercial uses to locations that are compatible with the Urban Form policies of the General Plan. Ensure adequate buffering measures for adjacent residential uses, noise, glare, odors, and dust.

- **Objective ED-1:** Support economic development by maintaining a strong working relationship with the business community and improving the business climate for current and future businesses.

Policy ED1d Strategic Land Regulation. Explore increasing the amount of land properly zoned, consistent with the General Plan, and ready to be expeditiously developed, redeveloped, and/or revitalized for economic development and job creation purposes. Establish a priority infill development program for sites and districts.

Policy ED1e: ReadytoGo Sites. Establish a list of “readytogo” or “shovelready” sites in consultation with property owners and provide the list to interested developers and businesses seeking sites in the city.

McLane Community Plan

The subject properties when designated for Commercial-Community planned land uses provide for ample commercial development along major streets. Upon reviewing the policies contained in the Plan there are no policies that are applicable or are no more restrictive than those contained in the Fresno General Plan or the Fresno Municipal Code (FMC). Should there be a conflict, the FMC shall control pursuant to Chapter 15, Section 15-104-D-4 of the Development Code.

Public Notice and Input

Fresno County Airport Land Use Commission

Plan Amendment/Rezone Application No. P24-00589 was approved by the Airport Land Use Commission on 4/8/2024 as the subject properties are within the area of influence under the Airport Land Use Compatibility Plan within the Fresno Yosemite International Airport (FAT) Safety Zone 6 - Traffic Zone with no additional comments and/or recommendations. **(Exhibit G)**

Council District 4 Project Review Committee

The Council District 4 Project Review Committee considered this project on May 21, 2024, and recommend approval of the GPA/RZ with no additional comments and/or recommendations.

Notice of Planning Commission Hearing

The Planning and Development Department mailed notices of this Planning Commission hearing to all surrounding property owners within 1000 feet of the subject property on May 24, 2024, pursuant to Section 15-5007 of the FMC **(Exhibit E)**.

ENVIRONMENTAL FINDINGS

An initial study (**Exhibit H** Appendix G Initial Study for a Negative Declaration) has been prepared for this project in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines. This process included the distribution of requests for comment from other responsible or affected agencies and interested organizations. The environmental assessment process includes notification to Native American tribes traditionally and culturally affiliated with the project area for consultation pursuant to Senate Bill 18 (SB 18). Notices requesting consultation of the proposed plan amendment/rezone were mailed to the tribes on March 27, 2024, which included the required 90-day time period for tribes to request consultation, which will end on June 24, 2024.

Preparation of the initial study necessitated a thorough review of the proposed plan amendment/rezone and relevant environmental issues and considered previously prepared environmental and technical studies including the Fresno General Plan Program Environmental Impact Report SCH No. 2019050005 ("PEIR"). Therefore, the Planning and Development Department proposes adoption of a Negative Declaration for the proposed project and determined based upon the evidence in the record that there will be no impact on the environment with the proposed plan amendment/rezone and that the filing of a Negative Declaration will be appropriate in accordance with the provisions of CEQA Guidelines Section 15168(d). A public notice of the negative declaration finding was published in the local newspaper (Fresno Bee), filed at the County Clerk's Office, submitted to the State Clearinghouse, and posted to the City Clerk's Office on May 31, 2024, as required for public review and comment.

FRESNO MUNICIPAL CODE FINDINGS

Pursuant to FMC Section 15-5812, the Planning Commission shall not recommend, and the City Council shall not approve an application unless the proposed Plan Amendment or Rezone meets the following criteria:

- A. The change is consistent with the General Plan goals and policies, any operative plan, or adopted policy.

- B. The change is consistent with the purpose of the Development Code to promote the growth of the city in an orderly and sustainable manner and to promote and protect the public health, safety, peace, comfort, and general welfare; and
- C. The change is necessary to achieve the balance of land uses desired by the City and to provide sites for needed housing or employment-generating uses, consistent with the General Plan, any applicable operative plan, or adopted policy; and to increase the inventory of land within a given zoning district to meet market demand.

Staff has provided potential findings (Exhibit G) with this staff report. If the Commission chooses to recommend approval under either of the two options presented below, the Commission may either make a recommendation for approval subject to the finding included as Exhibit G to the staff report; or adopt its own alternative findings pursuant to Section 15-5812 of the Fresno Municipal Code.

CONCLUSION

The appropriateness of the proposed General Plan Amendment and Rezone has been examined with respect to its consistency with goals and policies of the Fresno General Plan and the McLane Community Plan; compliance with the provisions of the FMC; its compatibility with surrounding existing or proposed uses; and its avoidance or mitigation of potentially significant adverse environmental impacts. These factors have been evaluated as described above and by the accompanying environmental assessment and exhibits. Upon consideration of this evaluation, staff presents the Planning Commission with the following options for consideration and recommendation for action:

Option 1:

1. Recommend denial to the Fresno City Council by making the following motion:
 - a. **RECOMMEND DENIAL** (to the City Council) of the Environmental Assessment for P24-00589 of a Negative Declaration, dated May 31, 2024, prepared for the proposed plan amendment/rezone pursuant to California Environmental Quality Act (CEQA) Guidelines; and
 - b. **RECOMMEND DENIAL** (to the City Council) of General Plan Amendment No. P24-00589 to amend the planned land use designation of the subject (±2.26 acres) properties from Employment - Light Industrial to Commercial - Community; and
 - c. **RECOMMEND DENIAL** (to the City Council) of Rezone No. P24-00589 to rezone the subject (±2.26 acres) properties from the IL (*Light Industrial*) zone district to the CC (*Community Commercial*) zone district consistent with the amended land use designation.

Option 2:

2. Recommend approval to the Fresno City Council by making the following motion:
 - a. **RECOMMEND ADOPTION** (to the City Council) of the Environmental Assessment for P24-00589 of a Negative Declaration, dated May 31, 2024, prepared for the proposed plan

amendment/rezone pursuant to California Environmental Quality Act (CEQA) Guidelines; and

- b. **RECOMMEND APPROVAL** (to the City Council) of General Plan Amendment No. P24-00589 to amend the planned land use designation of the subject (±2.26 acres) properties from Employment - Light Industrial to Commercial - Community; and
- c. **RECOMMEND APPROVAL** (to the City Council) of Rezone No. P24-00589 to rezone the subject (±2.26 acres) properties from the IL (*Light Industrial*) zone district to the CC (*Community Commercial*) zone district consistent with the amended land use designation.

*The Commission may make this recommendation subject to the findings included as **Exhibit G** to the Staff Report; or adopt its own alternative findings pursuant to Section 15- 5812 of the Fresno Municipal Code.*

Option 3:

- 3. Recommend approval to the Fresno City Council with conditions by making the following motion:
 - a. **RECOMMEND ADOPTION** (to the City Council) of the Environmental Assessment for P24-00589 of a Negative Declaration, dated May 31, 2024, prepared for the proposed plan amendment/rezone pursuant to California Environmental Quality Act (CEQA) Guidelines; and
 - b. **RECOMMEND APPROVAL** (to the City Council) of General Plan Amendment No. P24-00589 to amend the planned land use designation of the subject (±2.26 acres) properties from Employment - Light Industrial to Commercial - Community; and
 - c. **RECOMMEND APPROVAL** (to the City Council) of Rezone No. P24-00589 to rezone the subject (±2.26 acres) properties from the IL (*Light Industrial*) zone district to the CC (*Community Commercial*) zone district consistent with the amended land use designation subject to conditions.

*The Commission will need to include any recommended conditions within its motion. The Commission may make this recommendation subject to the findings included as **Exhibit G** in the Staff Report; or adopt its own alternative findings pursuant to Section 15-5812 of the Fresno Municipal Code.*

ATTACHMENTS:

Exhibit A - Project Location Map
Exhibit B - City Council Resolution 2023-264 [9/28/2023]
Exhibit C - Land Use Diagram
Exhibit D - Zoning Diagram
Exhibit E - Public Hearing Notice & Mailing Radius Map
Exhibit F - Airport Land Use Commission Letter [4/11/2024]
Exhibit G - Fresno Municipal Code RZ/PA Criteria

Exhibit H - Environmental Assessment [5/31/2024]
Exhibit I - Cross Parking & Access Agreement [11/17/1981]
Exhibit J - Zone Districts / Uses Comparison List
Exhibit K - Property Owners Discussion Status (6/27/24 email)