



Legislation Details (With Text)

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Title: Action related to conversion of motels to permanent residences by modifying zoning and use regulations for Lodging-to-Dwelling uses within the City of Fresno.
***BILL NO. B-____ - (Intro. 8/20/2020) (For adoption) - Adding Section 15-2737.5 to the Fresno Municipal Code, relating to Lodging-to-Dwelling conversion requirements; amending Table 15-1102 relating to use regulations for Mixed-Use Districts; amending Table 15-1202 relating to land use regulations for Commercial Districts; amending Table 15-1302 relating to land use regulations for Employment Districts; and amending Table 15 -1502 relating to use regulations for Downtown Districts and amending Section 15-6702 relating to definitions for residential use classifications related to Text Amendment Application No. P20-00460, to modify zoning and use regulations for Lodging-to-Dwelling uses within the City of Fresno. (Subject to Mayor's veto.)

Sponsors: Planning and Development Department

Indexes:

Code sections:

Attachments: 1. Exhibit A: Fresno City Council Resolution No. 2019-106, 2. Exhibit D: Planning Commission Resolution No. 13661, 3. Exhibit E: CC Presentation - TA P20-00460, 4. Text Amendment.pdf, 5. Attachment.pdf, 6. Additional Information - Text Amendment.pdf, 7. Additional Information - Presentation FINAL.pdf, 8. Additional Information - Final PowerPoint.pdf

Date	Ver.	Action By	Action	Result
8/20/2020	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

August 27, 2020

FROM: DAN ZACK, Assistant Director
Planning and Development Department

THROUGH: ISRAEL TREJO, Supervising Planner
Development Services Division

BY: KELSEY GEORGE, Planner
Development Services Division

SUBJECT

Action related to conversion of motels to permanent residences by modifying zoning and use regulations for Lodging-to-Dwelling uses within the City of Fresno.

***BILL NO. B-____ - (Intro. 8/20/2020) (For adoption) - Adding Section 15-2737.5 to the Fresno Municipal Code, relating to Lodging-to-Dwelling conversion requirements; amending Table 15-1102

relating to use regulations for Mixed-Use Districts; amending Table 15-1202 relating to land use regulations for Commercial Districts; amending Table 15-1302 relating to land use regulations for Employment Districts; and amending Table 15 -1502 relating to use regulations for Downtown Districts and amending Section 15-6702 relating to definitions for residential use classifications related to Text Amendment Application No. P20-00460, to modify zoning and use regulations for Lodging-to-Dwelling uses within the City of Fresno. (Subject to Mayor's veto.)

RECOMMENDATIONS

Staff recommends that the City Council take the following actions:

1. ADOPT Environmental Assessment No. P20-00460, dated May 15, 2020, that Text Amendment Application No. P20-00460 is exempt from the California Environmental Quality Act (CEQA) pursuant to the common sense exemption that it can be seen with certainty that there is no possibility that the proposed Text Amendment may have a significant effect on the environment pursuant to CEQA Guidelines Section 15061(b)(3).
2. APPROVE BILL (For introduction) - Adding Section 15-2737.5 to the Fresno Municipal Code, relating to Lodging-to-Dwelling conversion requirements; amending Table 15-1102 relating to use regulations for Mixed-Use Districts; amending Table 15-1202 relating to land use regulations for Commercial Districts; amending Table 15-1302 relating to land use regulations for Employment Districts; and amending Table 15-1502 relating to use regulations for Downtown Districts and amending Section 15-6702 relating to definitions for residential use classifications related to Text Amendment Application No. P20-00460, to modify zoning and use regulations for Lodging-to-Dwelling uses within the City of Fresno.

EXECUTIVE SUMMARY

Text Amendment Application No. P20-00460 was initiated pursuant to Fresno City Council Resolution No. 2019-106 (**Exhibit A**).

In May 2019, the proposed Text Amendment was initiated by the Fresno City Council along with the Non-Transient Motel Inspection Program. The Motel Inspection Program authorized inspection of all rental units to ensure compliance with minimum health and safety standards.

The proposed Text Amendment would provide pre-2020 hotel and motel owners the option to convert to multi-family residential to accommodate non-transient residents along with the requirement to bring their hotel or motel into compliance with all current State Codes.

The proposed Text Amendment to the Citywide Development Code proposes to modify use regulations to Mixed-Use, Commercial, Employment, and Downtown zone districts to conditionally permit Lodging-to-Dwelling conversions of eligible hotels and creates development standards for such projects.

Fresno City Planning Commission Action

Pursuant to the requirements of Fresno Municipal Code section 15-5806 (and 15-5007.D), notice of the Planning Commission public hearing was published in the *Fresno Bee* on June 5, 2020. Section

15-5007-D allows the posting of a public hearing notice, in at least one newspaper of general circulation, as an alternative noticing method for large mailings.

The subject applications were considered by the Fresno City Planning Commission at its meeting on June 17, 2020. Staff did not receive any correspondence in support or in opposition to the project. One Commissioner was recused from hearing and voting on the item.

After hearing testimony from city staff, the Planning Commission voted to recommend approval of the proposed applications by a vote of 6-0-1 (6 in favor, 0 in opposition, 1 recused).

BACKGROUND / ANALYSIS

Text Amendment Application No. P20-00460 was initiated pursuant to Fresno City Council Resolution No. 2019-106 to amend the Citywide Development Code to set minimum standards for non-transient lodging.

The proposed Text Amendment was initiated by the Fresno City Council along with the Non-Transient Motel Inspection Program. The Motel Inspection Program authorized inspection of all rental units to ensure compliance with minimum health and safety standards. The proposed Text Amendment would provide pre-2020 hotel and motel owners the option to convert to multi-family residential to accommodate non-transient residents along with the requirement to bring their hotel or motel into compliance with all current State Codes.

The proposed Text Amendment to the Citywide Development Code proposes to modify zoning and use regulations to Mixed-Use, Commercial, Employment, and Downtown zone districts to conditionally permit Lodging-to-Dwelling conversions of eligible hotels.

The proposed Text Amendment (City of Fresno Text Amendment Application No. P20-00460) will provide an application process for owners of hotels and motels which were constructed prior to January 1, 2020 to convert an existing building from a commercial use to a residential use in order to accommodate non-transient residents, with requirements that an applicant bring their building into compliance with all applicable State codes, including the Building, Fire and Electrical codes. The proposed Text Amendment will also include an amendment to the use table for certain zone districts to allow for conversion of pre-2020 hotel/motels to accommodate non-transient residents without requiring an amendment to the site's land use or zone district.

The proposed Text Amendment would conditionally permit multi-family residential land uses in districts which permit hotel and motel land uses, such as Mixed-Use, Commercial, Employment, and Downtown zone districts. Hotels and motels wanting to convert to multi-family residential will be reviewed individually and required to submit a Conditional Use Permit with the City of Fresno for discretionary review and will be subject to the provisions of the California Environmental Quality Act (CEQA).

The proposed Text Amendment does not relate to any physical project and will not result in any physical change to the environment. The approval of this Text Amendment does not approve any development or specific project. Rather, it clarifies the requirements of a conversion and makes the use conditionally permitted in districts which previously did not permit the use.

Summary of Text Amendment

Text Amendment Application No. P20-00460 proposes to add a section to the Citywide Development Code that conditionally permits Lodging-to-Dwelling conversions in Mixed-Use, Commercial, Employment, and Downtown zone districts. As proposed, the proposed Text Amendment includes:

1. Provides for a Conditional Use Permit application process for owners of hotels and motels that were constructed and operational prior to January 1, 2020 to convert an existing lodging use to a residential use to accommodate non-transients residents, with the requirements that the applicant bring their building into compliance with all applicable State codes.
2. Individual projects will be subject to discretionary review of a Conditional Use permit that will be subject to California Environmental Quality Act (CEQA).
3. Streamlines and clarifies the requirements of a conversion and makes the use conditionally permitted in districts which previously did not permit residential uses.
4. Common-use kitchen space requirements which would require minimum kitchen facilities including a sink, food preparation counter, storage cabinets, and permanent cooking facilities.
5. Legal Non-Conforming Structure and Site Features to permit hotels and motels lawfully constructed prior to the adoption of the current Municipal Code repair, maintain, and replace structures and site features of Eligible Hotels.
6. Addresses Fresno City Council Resolution 2019-206 and ensures minimum health and safety standards for non-transient residents.

Airport Land Use Commission

The Fresno County Airport Land Use Commission (ALUC) reviewed the proposed Text Amendment on June 1, 2020. The ALUC voted unanimously to recommend approval of the proposed Text Amendment.

Council District Advisory Committees

The recommendations of the Council District Plan Implementation Committees are as noted below.

Council District 1

On July 2, 2020, the Council District 1 Plan Implementation Committee voted 5-0 to recommend approval of the proposed Text Amendment.

Council District 2

On June 8, 2020, the Council District 2 Plan Implementation Committee voted 5-0 to recommend approval of the proposed Text Amendment.

Council District 3

On May 28, 2020, the Council District 3 Plan Implementation Committee voted 6-0 to recommend approval of the proposed Text Amendment with the recommendation that the full kitchen to unit ratio be 4 units/kitchen and that anti-displacement language be added to the ordinance.

Council District 4

On June 8, 2020, the Council District 4 Plan Implementation Committee voted 4-0 to recommend approval of the proposed Text Amendment.

Council District 5

On June 22, 2020, the Council District 5 Plan Implementation Committee voted 4-0 to recommend approval of the proposed Text Amendment.

Council District 6

On June 1, 2020, the Council District 6 Plan Implementation Committee voted 5-0 to recommend approval of the proposed Text Amendment with the recommendation that open space be required for each project when space is available.

Council District 7

There is no Council District 7 Plan Implementation Committee at this time.

Tower District

On June 9, 2020, the Tower District Design Advisory Committee voted 5-0 to recommend approval of the proposed Text Amendment.

Development Code Text Amendment Findings

The Planning Commission shall not recommend and the City Council shall not approve an application unless the proposed amendment meets the following criteria, as set forth in Fresno Municipal Code section 15-5811:

1. The Development Code Text Amendment is consistent with the General Plan, the Fresno County Airport Land Use Compatibility Plan, and any applicable operative plans; and

Response: Each project applying for a Conditional Use Permit under the proposed Text Amendment will be individually reviewed and assessed for consistency with the General Plan, the Fresno County Airport Land Use Compatibility Plan, the underlying base zone district, and any applicable specific or community plans. Text Amendment Application No. P20-00460 has been examined with respect to its consistency with the Fresno General Plan and applicable operative plans and it was concluded that Text Amendment Application No. P20-00460 is consistent with said plans.

2. The amendment 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.

Response: The purpose of the proposed Text Amendment is to provide a process for existing hotels and motels to be converted and to require any applicant to comply with State codes including Building, Fire and Electrical codes, this will promote the growth of the city in an orderly and sustainable manner and also promote and protect the public health, safety and general welfare. The proposed Text Amendment was routed to Department of Public Utilities Water Division, Department of Public Utilities Planning and Engineering, Department of Public Utilities Solid Waste Management, Department of Public Works Traffic Planning, Fresno Irrigation District, Air Pollution Control District, Historic Preservation, Fresno Fire Department, Fresno Police Department, Flood Control District, and Building and Safety Services for comment regarding its impacts to public health, safety, peace, comfort, and general welfare. No such

impacts were identified thus it can be concluded that Text Amendment Application No. P20-00460 is consistent with the purpose of the Development Code.

ENVIRONMENTAL FINDING

An environmental assessment was prepared for this project in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines.

CEQA Guidelines Section 15061(b)(3) states that a project is exempt from CEQA if it is “covered by the common sense exemption 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 that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.”

Staff has conducted a preliminary review of the project and has determined that it is exempt from CEQA pursuant to CEQA Guidelines Section 15061 (b)(3) under the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The proposed Text Amendment establishes a framework for future land use planning and approvals and does not commit the City to any specific project, or development on any particular site. It does not intensify the use of hotel/motel buildings beyond what is already in place. Further, the proposed Text Amendment requires that future applications for lodging conversions obtain discretionary approval from the City via a Conditional Use Permit, at which time the particular impacts of each proposed project will be assessed, including environmental impacts pursuant to the requirements of CEQA. Because the Text Amendment merely creates a procedure for applying for conversions and does not approve any conversions with its adoption, it can be seen with certainty that there is no possibility that adoption of the Text Amendment may have a significant effect on the environment. Therefore, this action is exempt from CEQA pursuant to CEQA Guidelines Section 15061 (b)(3); the Environmental Assessment is attached as **Exhibit C**.

Notice of City Council Hearing

Pursuant to the requirements of Fresno Municipal Code section 15-5806 (and 15-5007.D), notice of this public hearing was published in the *Fresno Bee* on August 7, 2020, which is at least 10 days prior to the public hearing. Section 15-5007-D allows the posting of a public hearing notice, in at least one newspaper of general circulation, as an alternative noticing method for large mailings.

CONCLUSION

The appropriateness of the proposed Text Amendment has been examined with respect to its consistency with stated goals of the Fresno General Plan; compatibility with surrounding existing and proposed uses; and avoidance or mitigation of potentially significant adverse environmental impacts. These factors have been evaluated as described above and by the accompanying environmental assessment. Upon completion of this evaluation, it can be concluded that Text Amendment Application No. P20-00460 is appropriate.

LOCAL PREFERENCE

Local preference was not considered because this project does not include a bid or award of a construction or service contract.

FISCAL IMPACT

Affirmative action by the Council will result in timely deliverance of the review and processing of the applications as is reasonably expected by the applicant. Prudent financial management is demonstrated by the expeditious completion of this land use application inasmuch as the applicant has paid to the city a fee for the processing of this application and that fee is, in turn, funding the respective operations of the Planning and Development Department.

Attachments:

- Exhibit A: Fresno City Council Resolution No. 2019-106
- Exhibit B: Text Amendment No. P20-00460 adding Section 15-2737.5 to the Fresno Municipal Code, amending Tables 15-1102, 15-1202, 15-1302, and 15-1502, and amending Section 15-6702 relating to definitions for residential use classifications
- Exhibit C: Finding of No Possibility of Significant Adverse Effect as prepared for Environmental Assessment No. P20-00460 dated May 15, 2020
- Exhibit D: Planning Commission Resolution No. 13661
- Exhibit E: CC Presentation - TA P20-00460