

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: July 18, 2023

PREPARED BY: Nick Melloni, Principal Planner

REQUEST: CONSIDERATION OF A RECOMMENDATION TO THE CITY COUNCIL TO ADOPT A NOTICE OF EXEMPTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) AND APPROVAL OF CHANGE OF ZONE 23-0001 TO CHANGE THE ZONING DESIGNATION OF PARCEL 1 OF PARCEL MAP NO. 36614, LOCATED APPROXIMATELY 500 FEET FROM THE NORTHWEST CORNER OF HIGHWAY 111 AND FRED WARING DRIVE FROM RESORT COMMERCIAL CENTER (PC-4) TO DISTRICT COMMERCIAL CENTER (PC-2)

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## **RECOMMENDATION:**

Waive further reading and adopt Planning Commission Resolution No. 2837 to:

1. Conduct a public hearing and receive public testimony.
2. Recommend that the City Council adopt a Notice of Exemption pursuant to the General Rule Exemption under Section 15061(b)(3) "General Rule."
3. Recommend that the City Council approve Case No. CZ23-0001 for a Change of Zone for Parcel 1 of Parcel Map No. 36614 from the PC-4 to PC-2 zoning designation.

## **EXECUTIVE SUMMARY**

The project is a request by 72221 Highway 111 LLC (Applicant) to change the zoning designation of a parcel located at 72221 Highway 111 (Assessor's Parcel Number 640-020-054) from Resort Commercial Center (PC-4) to District Commercial Center (PC-2). This is a 1.34-acre parcel developed with an existing 16,008-square-foot multi-tenant commercial building and associated parking lot, which is shared with neighboring parcels in the same shopping center.

City staff has reviewed the request and concludes that the proposed Change of Zone will not result in non-conformities for the existing land uses within the center or development standards for the parcel. The requested zoning designation is consistent with the General Plan Land Use Designation for the site, Suburban Retail Center.

Adopting the staff's recommendation will result in a recommendation that the City Council adopt a notice of exemption pursuant to CEQA under the General Rule exemption and approve Case No. CZ23-0001.

## **BACKGROUND/ANALYSIS:**

- a) **Property Description:** The project site is a 1.34-acre parcel located at 72221 Highway 111, near the northwest corner of Highway 111 and Fred Waring Drive. The lot is more specifically Parcel No. 1 of Parcel Map (PM) 36614. The site contains multi-tenant commercial buildings totaling approximately 16,008 square feet, with existing tenants, including a dog groomer, tattoo shop, and restaurant. The parcel and building were originally approved in 1979 as part of the "Las Sombras" development via Development Plan 01-78 and Variance 01-78, which established a commercial center on the northwest corner of Fred Waring Drive and Highway 111 for five (5) parcels and five (5) buildings and granted a

parking variance. At the original time of approval, the complex was intended to be occupied by primarily restaurant land uses. Construction of the buildings was completed in 1980. The project parcel has an existing parking lot with a total of 59 spaces, accessible from Fred Waring Drive and Painters Path, and has access to approximately 508 total spaces from adjoining parcels within the commercial center.

The building currently has seven (7) suites, four (4) of which are occupied by a restaurant, tattoo shop, dog grooming business, and private gym. There is a pending application for a Use Determination (UD23-0001) and Conditional Use Permit (CUP).

**b) Current Zoning & General Plan Land Use Designation:**

**Table 1 – Adjacent Land Use and Designations**

	Existing Uses	General Plan	Zoning
<b>Project Site</b>	Commercial	Suburban Retail Center	Resort Commercial Center (PC-4)
<b>North</b>	Commercial	Suburban Retail Center	Resort Commercial Center (PC-4)
<b>South</b>	Restaurant/Commercial	Suburban Retail Center	Resort Commercial Center (PC-4)
<b>East</b>	Commercial	Regional Retail	Regional Commercial Center (PC-3)
<b>West</b>	Professional Office	Employment Center	District Commercial Center (PC-2)

**Project Description/Analysis:**

The project is a request to change the zoning designation of the project site from PC-4 to PC-2. If approved, the change will require the zoning map be altered to reflect the parcel specific change. The applicant has requested the change to enable additional land uses to open within the existing commercial building.

Requests to amend the zoning designation of the parcel require approval by the City Council pursuant to Palm Desert Municipal Code (PDMC) 25.78.040 upon a recommendation of the Planning Commission. The PDMC does not establish specific findings for the approval of a change of zone. Staff has analyzed the proposed change based on the following criteria:

1. General Plan Land Use Consistency.
2. Conformance of existing site conditions with Zoning Requirements.
3. Conformance with SB 330, with regard to downzoning for housing.

General Plan Land Use Consistency

The General Plan Land Use Designation for the site is Suburban Retail Center. This designation was adopted for the site in conjunction with the comprehensive 2035 General Plan Update adopted by the Palm Desert City Council in November 2016. This land use designation is intended to provide a concentration of retail businesses, including “big box” and “large format” retailers in a setting that provides surface parking to accommodate parking requirements for the businesses. Allowable uses include small-scale and large-scale retail, as well as flexibility to allow multi-family housing in a mixed-use configuration at densities of ten (10) to 15 dwelling units per acre.

Under state law, more specifically Government Code Section 65860, zoning provisions must be consistent with the General Plan for general law cities and charter cities with a population greater than two million persons. Palm Desert is a charter city, and the state requirement for zoning consistency with the general plan does not apply; however, it is a practice that has been historically applied and encouraged by the PDMC. PDMC Section 25.04.020 *Zoning Districts* establishes how each General Plan land use designation is implemented through zoning and establishes that the Suburban Retail Center is implemented through the PC-2 zoning designation. The current PC-4 designation is, according to this chapter, more appropriate for the Resort and Entertainment General Plan land use designation. Based on the preceding, the proposed zoning designation is consistent with the General Plan.

Zoning Consistency

The project site is developed with an existing retail commercial building, which contains existing tenants. The proposed Change of Zone must be evaluated to ensure that the new zone will not result in nonconforming land uses or inconsistent development standards. To evaluate this, staff reviewed the existing approved land uses on the parcel for consistency with the allowed land uses established by Table 25.16-1 Use Matrix for Commercial and Industrial Districts. The Table 2 below summarizes the land use conformity based on the current and proposed zoning designation:

**Table 2 – Land Use Classification Conformance Determination**

Existing or Proposed Land Use Classification	Land Use Classification	Regulation under PC-4	Regulation under PC-2	Conformance (Allowed by Zone)
<b>Pet Groomer</b>	Personal Services	Permitted by right	Permitted by right	Yes
<b>Restaurant</b>	Personal Services	Permitted by right	Allowed by administrative use permit	Yes
<b>Tattoo Shop</b>	Personal Services	Permitted by right	Permitted by-right	Yes
<b>Bar/Lounge</b>	Not listed – Use Determination Required	Not listed – Use Determination Required	Not listed – Use Determination Required	Not listed

In summary, the existing land uses on the project site will remain largely unaffected as they are permitted by right. Restaurant uses, which are permitted by right under the current zoning designation will require Administrative Use Permit (AUP) approval before they will be allowed to open under the District Center Designation. The existing restaurant will require an AUP if future expansions of the space are requested in the future. Notably, there is a pending application for a bar/lounge proposed on the property, though this will require a separate action by the Planning Commission to determine whether that specific use is allowable.

Due to the existing improvements on the site, the request must also be elevated to determine that the change will not result in nonconformities with the development standards due to the change. Table 3 on the next page summarizes and evaluates the conformance of the existing site with the current and proposed zoning designation:

**Table 3 – General Development Standard Conformance Determination**

Development Standard	Existing Site Condition	PC-4 Requirement	PC-2 Requirement	Conformance under PC-2
Lot size minimum area	1.37 acres	4 acres	5 acres	No
Front yard setback minimum	21'	None	None	Yes
Side yard (interior)	1.2' minimum	0'	0'	Yes
Street side yard	N/A	None	None	Yes
Rear yard, minimum	120'+	20'	20'	Yes
Floor area ratio	0.27	1.0	0.10	Yes
Maximum building height	Approximately 20'	35'	55'	Yes
Maximum building size	16,008square feet	None	30,000 square feet maximum	Yes

As indicated above, the existing project would comply with applicable general development standards under the PC-2 zoning designation. The parcel area does not meet the minimum requirement of the PC-2 zone with regard to the minimum required lot size; however, the project does not include a subdivision request, and this requirement is not relevant, nor does it render the building non-conforming. The table only covers general development standards and does not analyze site-specific design standards, which are not relevant to the change of zone.

The parcel is contiguous with other properties within the PC-2 zoning district located to the west of the site across Painters Path. At the time of the application, the existing development is adequately served by existing utilities with adequate sewer and water lines. No new alterations to the site are proposed at this time in conjunction with the Change of Zone.

Senate Bill 330/ Housing Crisis Act

The Housing Crisis Act (HCA), otherwise known as SB 330/SB 8, broadly restricts the City from reducing the zoning of a property to a less intensive residential use. The PC-4 and PC-2 zone allow for residential land uses; therefore, the HCA is relevant to the project. The proposed change will increase the maximum residential density of the site from ten (10) dwelling units to up to 15 dwelling units per acre.

**Public Input:**

Public Notification

Public noticing was conducted for the July 18, 2023, Planning Commission meeting per the requirements of PDMC Section 25.60.060 and Government Code Sections 65090 to 65094. A public hearing notice was published a minimum of ten (10) days before the hearing date in *The Desert Sun*

newspaper. Notices were mailed to all property owners within 300 feet of the project site. No comments have been received as of the date of this report.

**Environmental Assessment/Environment Review:**

Pursuant to CEQA and the State CEQA Guidelines, the project was found to be exempt from further environmental review per Section 15061(b)(3) (General Rule exemption). The project enacts the General Plan in accordance with the Zoning Ordinance by changing the designation of the site to PC-2. The project site is an existing approved commercial center. No significant impacts on the environment are anticipated.

**Findings of Approval:**

Findings can be made in support of the project under the City’s Municipal Code. Findings in support of this project are contained in Planning Commission Resolution No. 2837, attached to this staff report.

**REVIEWED BY:**

Department Director:	<i>Richard D. Cannone, AICP</i>
Principal Planner	<i>Nick Melloni</i>

**ATTACHMENTS:**

1. Draft Planning Commission Resolution No. 2837
2. Public Hearing Notice
3. Notice of Exemption
4. For Reference Only: Site Plan