

ORDINANCE NO.

AN ORDINANCE AMENDING TITLE 16 OF THE STOCKTON MUNICIPAL CODE TO ESTABLISH NEW INDUSTRIAL WAREHOUSE DEVELOPMENT STANDARDS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STOCKTON AS FOLLOWS:

SECTION I: FINDINGS AND INTENT

The City Council is authorized by section 16.212.030 of the Stockton Municipal Code (SMC) to adopt amendments to Title 16 (Development Code) based on the Mandatory Findings of Fact for Development Code Amendments per SMC 16.116.050.

1. **Finding #1:** The proposed amendment ensures and maintains internal consistency with general land uses, objectives, policies, programs, and actions of all elements of the General Plan on balance and would not create any inconsistencies with this Development Code.

Evidence: The proposed amendments to Title 16 are needed for consistency with General Plan policies to provide enhanced development measures to mitigate potential environmental impacts from future projects. These amendments are internally consistent with all policy and supportive regulatory documents.

2. **Finding #2:** The proposed amendment will not endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the City.

Evidence: The purpose of the proposed amendments is to comply with the General Plan policies to proactively mitigate potential impacts. The proposed amendments will not be detrimental to the public interest, health, safety, convenience, or welfare of the City as they will not result in a physical change in the environment. Future proposals will be reviewed for their compliance with all federal, state, and local standards.

3. **Finding #3:** The proposed amendment complies with the California Environmental Quality Act (CEQA) and the City's CEQA Guidelines.

Evidence: The proposed ordinance is exempt pursuant to the California Environmental Quality Act (CEQA) Section 15061(b)(3), (Common Sense Exemption) and that no future environmental review is required for proposed code amendments pursuant to CEQA Section 15183 (Consistency with General Plan and Community Plan).

For Section 15061(b)(3) Exemption (General Rule "Common Sense")
CEQA requires the analysis of agency approvals for discretionary actions that

could lead to a direct or indirect physical change in the environment. The proposed Project involves discretionary amendments to the Stockton Municipal Code (SMC) but is exempt from CEQA review as it would not significantly impact the environment. The zoning code amendments would amend the City's zoning standards to add enhanced development standards to logistics warehouses. These amendments are consistent with General Plan policies to enhance project reviews, environmental protections, and balance changes to encourage a strong industrial and goods movement market. The amendment would not result in a physical change to the environment as future projects would be reviewed on a case-by-case basis for this consistency to Federal, State, General Plan, zoning, and developmental standards. The Project is exempt from CEQA because it would not significantly affect the environment.

For Section 15183 (General Plan Consistency) Exemption

The General Plan Environmental Impact Report (GPEIR) was prepared and certified by the City Council as part of the Envision Stockton 2040 General Plan process (SCH# 2017052062). The proposed code amendments would amend the City's zoning standards to add enhanced development standards to logistics warehouses. These amendments are consistent with General Plan policies to enhance project reviews, environmental protections, and balance changes to encourage a strong industrial and goods movement market. The amendment would not result in a physical change to the environment as future projects would be reviewed on a case-by-case basis for this consistency to Federal, State, General Plan, zoning, and developmental standards. No potential new impacts related to the Project have been identified that would necessitate further environmental review beyond the impacts and issues already disclosed and analyzed in the GPEIR. Therefore, no additional environmental review is required per CEQA Guidelines section 15183 (Consistency with General Plan or Community Plan).

4. **Finding #4 (Development Code Amendments):** The proposed amendment would be internally consistent with other applicable provisions of this Development Code.

Evidence: The proposed amendments are needed to implement General Plan policies to provide enhanced development measures to mitigate potential environmental impacts from future projects. These amendments are internally consistent with all policy and supportive regulatory documents. The proposed amendments will not be detrimental to the public interest, health, safety, convenience, or welfare of the City as they will not result in a physical change in the environment. Future proposals will be reviewed for their compliance with all federal, state, and local standards.

SECTION II: AMENDMENT OF CODE

Title 16, Chapter 16.80 (Standards for Specific Land Uses) of the Stockton Municipal Code (SMC) is amended to add a new Section 16.80.390 (Logistics Warehouses) to read, as follows:

16.80.390 Industrial Warehouse Standards

This section establishes standards for logistics warehouses in zoning districts where they are allowed in compliance with the provisions of Division 2 (Zoning Districts, Allowable Land Uses, and Zone-Specific Standards).

A. Applicability. The standards will apply to the following applications:

1. These standards shall apply to logistics warehouses 100,000 square feet in size or greater.

B. Development Standards.

1. Site Plan Design. The following standards shall apply to all entitlement reviews (site plan), grading and improvement plans, and construction permit reviews associated with facilities subject to the Logistics Warehouse standards. A copy of these standards shall be included on the approved (issued) construction plan and kept on-site during all phases of construction.
 - a. All loading docks shall be located no closer than 300 feet from all sensitive receptor groups. The distance shall be measured from the loading dock or any building edge, whichever is closer to the property line of any nearby sensitive receptor defined as any residence including private homes, condominiums, apartments, and living quarters, schools, preschools, daycare centers, in-home daycares, health facilities such as hospitals, long term care facilities, retirement and nursing homes, community centers, places of worship, parks (excluding trails), prisons, and dormitories.
 - b. All landscaping adjacent to residential or institution zoning designations or uses shall install an onsite landscape buffer. The buffer shall extend the property line abutting those designations and uses and be sized at a 2:1 ratio for the closest warehouse building(s)—for every one (1) foot of building height, the buffer shall be two (2) foot minimum, unless approved by the Director if the depth is infeasible. The buffer shall be landscaped not be less than 50 percent of the total buffer size with two rows of 15-gallon trees planted along the length of the entire buffer.
 - c. The buffer landscape can include areas to be used for bioswales, retention/detention areas and/or other stormwater and water quality management areas in compliance with SMC Section 16.56 (Landscaping).
 - d. The buffer area shall include a minimum 14-foot solid decorative wall(s), or landscaped berm and wall, or landscaped berm

adjacent to sensitive receptors unless a noise analysis indicates an alternative height is needed for sound attenuation.

- e. All on and off-site landscaping shall comply with SMC Chapter 16.56 (Landscaping).
- f. All landscaping shall be drought tolerant and, to the extent feasible, comprised of species with low biogenic emissions. Palm trees shall not be utilized.
- g. All landscaping areas shall be properly irrigated for the life of the facility to allow for plants and trees to maintain growth with no undue pruning.
- h. Tree maintenance shall comply with SMC Section 16.56 as a certified Landscape Architect must prepare the Preliminary and Final Landscape plan and certify the planting is water efficient at the time of construction permit approval.
- i. All applicable facilities shall maintain Electric Vehicle (EV) fleets in accordance with the following:
 - i. Heavy-Duty Trucks: all heavy-duty trucks (Class 7 and 8) domiciled on site are model year 2014 or later from start of operations and shall expedite a transition to zero-emission vehicles, with the fleet fully zero-emission by December 31, 2025, or when commercially available for the intended application, whichever date is later.
 - ii. Medium-Duty Vehicles: vehicles/delivery vans/trucks (Class 2 through 6) on site shall apply: (i) 33% of the fleet will be zero emission vehicles at start of operations, (ii) 65% of the fleet will be zero emission vehicles by December 31, 2023, (iii) 80% of the fleet will be zero emission vehicles by December 31, 2025, and (iv) 100% of the fleet will be zero emission vehicles by December 31, 2027.
 - iii. "Domiciled on site": applies to vehicles parked or kept overnight at the qualifying facility(ies) more than 70% of the calendar year or dedicated to the qualifying facility(ies) site (defined as more than 70% of the truck routes during the calendar year that start at the qualifying facility(ies) site even if parked or kept elsewhere). The tenant/operator of the qualifying facility(ies) shall not be responsible to meet "clean fleet" requirements for vehicles used by common carriers operating under their own authority that provide delivery services to or from the qualifying facility(ies) site.
 - iv. Zero emission vehicles that require maintenance can be temporarily replaced with alternative vehicles.
 - v. If an EV fleet is not commercially viable, documentation from a minimum of three (3) EV dealers identified on the californiahvip.org website must be submitted prior to issuance of a building permit for the new building

demonstrating the inability to obtain the required EVs or equipment needed within 6 months.

- vi. If a qualifying facility fails to meet the "clean fleet" requirement, the tenant/operator must implement a Voluntary Emissions Reduction Agreement (VERA) that mitigates emissions through emission reduction projects. The Air District will verify the mitigation effort. The tenant/operator must continue to fund the VERA until fully compliant with the clean fleet requirements.
 - j. Electric charging facilities shall be provided onsite sufficient to charge all automobiles, and electric trucks domiciled on the site.
 - k. All truck turning movements at entrances, exits, and street intersections shall be located on local industrial, collector or arterial streets and all vehicle entries shall be designed to prevent truck access to local and back-up residential collector streets.
 - l. All trucks and commercial vehicles serving the facility shall occur in compliance with the City of Stockton Truck Traffic Route Map in SMC 10.08.030 and Surface Transportation Assistance Act (STAA) Truck Route Map.
 - m. Off-street loading shall comply with Section 16.64.110 Off-street loading space standards.
 - n. Signs shall be posted inside and outside of the building and facility indicating all off-site parking is prohibited for adjacent street that do not permit parking.
 - o. All truck driveway exits shall include signs directing truck drivers to the truck routes identified in the City of Stockton Truck Traffic Route Map and State Highway System designations.
 - p. Upon commencement of operations, the tenant/operator of the facility shall be required to restrict truck idling on site to a maximum of three (3) minutes, subject to exceptions defined by CARB's commercial vehicle idling requirements.
2. Building Design. The following standards shall apply to all entitlement reviews (design review), grading and improvement plans, and construction permit reviews associated with facilities subject to the Logistics Warehouse standards. A copy of these standards shall be included on the approved (issued) construction plan and kept on-site during all phases of construction.
- a. All qualifying facilities shall be constructed using "cool roof" materials with an aged reflectance and thermal emittance values that are equal to or greater than those specified in the current edition of the California (CAL) Green Building Tier 1 Standards.
 - b. All architectural and industrial maintenance coatings (e.g., paints) applied on site shall be consistent with a VOC content of <10 g/L. Developer or tenant is not expected to exercise control over materials painted offsite by a third party.

- c. All buildings shall be constructed consistent with the California (CAL) Green Building Tier 2 Standards Energy Efficient Standard Section 5.1, 5.2, 5.5.
 - d. All buildings shall be constructed with Solar Power and Energy Systems large enough to accommodate the building and operation's base power use demand at the start of operation and as the base power demand increases to accommodate an electric fleet.
 - e. The energy storage systems shall have enough battery capacity to serve the photovoltaic system in the event of a blackout.
 - f. All facilities shall be designed to accommodate enough space for all solar panels and batteries.
 - g. The solar system installation should be done by owners, operators, tenants, or a qualified solar system contractor. Operation should begin after receiving permission from the utility. The owner is responsible for maintaining the system at 80% of rated power for 20 years. After 20 years, install a new system or maintain the existing one for the life of the facility.
 - h. Demonstration of compliance with the San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 9510 (Indirect Source Review) is required prior to obtaining any building permit for a qualifying facility.
 - i. The tenant/operator of the qualifying facility(ies) shall enroll and participate the in SmartWay program. Proof of enrollment shall be given to the Community Development Department prior to issuance of a Building Permit for the facility.
3. Construction Permit Approval. The following standards shall apply to all construction related activity associated with facilities subject to the Logistics Warehouse standards. A copy of these standards shall be included on the approved (issued) construction plan and kept on-site during all phases of construction.
- a. Qualifying facilities shall comply with the San Joaquin Valley Air Pollution Control District (SJVAPCD) requirements prior to beginning construction.
 - b. All off-road construction equipment, with a power rating of less than 19 kilowatts (e.g., plate compactors, pressure washers, shall be electric-powered.
 - c. The use of electric-powered, battery-powered, natural gas, or hybrid construction equipment and vehicles are required during construction if commercially available meeting the highest rated California Air Resources Board (CARB) Tier technology available at the time of construction may be used.
 - d. Subject to all other idling restrictions, off-road diesel-powered construction equipment shall not be left in the "on position" for more than 10 hours per day.

- e. Temporary electrical hookups to all construction yards and associated work areas shall be required.
- f. Temporary signage shall be posted in public view throughout the construction site indicating truck idling lasting more than five (5) minutes is prohibited. The signs shall include contact information for the facility operator or designee responsible for receiving complaints (i.e. excessive dust, fumes, odors) for the site and contact information for the San Joaquin Valley Air Pollution Control District's on-line complaint system and its complaint call-line for those interested in filing a complaint. Any complaints made to the facility operator's designee shall be answered within 72 hours of receipt.
- g. The construction contractor(s) shall maintain on the construction site an inventory of construction equipment, maintenance records, and datasheets, including design specifications and emission control tier classifications.
- h. The facilities shall require the construction contractor to establish one or more locations for food or catering truck service to construction workers and to cooperate with food service providers to provide consistent food service.
- i. The facilities shall require the construction contractor to provide transit and ridesharing information for construction workers.
- j. Diesel Generators are prohibited, except in emergency situations and during construction when establishing the facility's new electrical service connection. In those temporary cases, all generators shall have Best Available Control Technology (BACT) that meets CARB's Tier 4 emission standards.

C. On-Going Operations: The following standards shall be implemented during all on-going business.

- 1. All forklifts, yard trucks, and other equipment used for on-site movement of trucks, trailers and warehoused goods, as well as landscaping maintenance equipment used on the site, shall be electrically powered or zero-emission.
- 2. All facilities shall maintain a zero emission vehicles/trucks required to meet the "clean fleet" requirements above.
- 3. Within 30 days of issuance of the final certificate of occupancy, the tenant/operator shall demonstrate to the satisfaction of CDD staff that the applicable clean fleet requirements are being met. Any extension of time granted to implement this condition shall be limited to the shortest period necessary to allow for 100% electrification under the clean fleet requirements.
- 4. The tenant/operator shall submit similar reports every two years thereafter until full compliance with the applicable clean fleet requirements is achieved.

5. If the tenant/operator has not met each 100% clean fleet requirement by December 31, 2027, then the tenant/operator shall submit reports annually until the 100% clean fleet requirement is implemented.
6. After the 100% clean fleet requirement has been implemented, the tenant/operator shall submit to the CDD an on-going compliance report every three years containing all necessary documentation to verify that the clean fleet requirements are being met.
7. Each subsequent on-going compliance report shall be due within 30 days of, but not later than, the three-year anniversary of the preceding due date.
8. Refrigeration Units: proposed cold storage and associated transport refrigerated units (TRUs) shall include electric plug-in units at loading docks serving such refrigerated space.
9. Employers shall provide employees with transit route and schedule information on systems serving the facility area and coordinate ridesharing amongst employees.
10. Employers shall provide on-site locations for food or catering truck service and cooperate with food service providers to accommodate food service to operations employees.
11. All outdoor areas allowing smoking shall be located at least 25 feet from the nearest property line.
12. All trucks, supportive vehicles and equipment shall be kept onsite in all loading, storage, and parking areas, and kept behind locked gates during nonbusiness hours.
13. Truck queuing, idling, or circling of vehicles, onsite or on public streets adjacent to the facility is prohibited.
14. Periodic yard and parking area sweeping shall be provided to minimize dust generation.
15. Every development agreement, approved and executed in conjunction with the applicable warehouse, shall be subject to periodic review of the applicant's/contracting party's compliance with the agreement, by the Commission, during the full term of the agreement, as specified in the agreement, but in no case less frequently than once every 12 months as required per SMC 16.128.110 (Periodic Review). Appropriate fees to cover the City's cost(s) to conduct the periodic reviews in compliance with the Council's fee resolution shall be collected from the applicant/contracting party.
16. A neighborhood meeting shall be required for any application requiring Council review. At the discretion of the Director, a neighborhood meeting may be required for other applications consistent with SMC section 16.88.025 (Neighborhood Meetings).

SECTION III. SEVERABILITY

If any part of this Ordinance is held invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and the City Council hereby

declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

SECTION IV. EFFECTIVE DATE

This Ordinance shall take effect and be in full force thirty (30) days after its passage.

ADOPTED: _____

EFFECTIVE: _____

KEVIN J. LINCOLN II
Mayor of the City of Stockton

ATTEST:

ELIZA R. GARZA, CMC
City Clerk of the City of Stockton