ORDINANCE AMENDMENT:

Modifications to Industrial Warehouse Standards (Title 16 – Development Code)

City Council Meeting July 9, 2024 Item 16.2

Background

- In 2022, the City agreed to present an industrial warehouse ordinance for City Council consideration by 12/31/23
- Over 20 meetings and numerous communications from August October '23:
 - Planning Commission Ad-Hoc Committee
 - Environmental and Industry Advisors
 - Residents and Citizens
 - CA Attorney General's Office
 - Other Cities with Warehouse Ordinances
 - Environmental and Climate Professionals
 - Industry Experts (project review)

Timeline

December 12, 2023: City Council adoption of Warehouse Standards Ordinance

- Directed exploration of six (6) potential ordinance modifications
- Analysis due back to Council by July 9th

March 6, 2024: Public Workshop (Ag Center)

March 28, 2024: Planning Commission Public Information Session

May 9, 2024: PC Public Hearing (Recommendation Vote)

Proposed Modifications

Proposed Modifications	Source	PC Consensus
1. Clarification for solar installation	Stockton Environmental Justice Advocates	Remove
2. Adjustments to automobile charging requirements	Stockton Environmental Justice Advocates	Remove
3. Adjustments to setback standards	Stockton Environmental Justice Advocates/City Staff	Modify*
4. Adjustments to truck charging requirements	Stockton Environmental Justice Advocates	Modify
5. Change the Ordinance to apply to warehouses 400,000 square feet and greater instead of 100,000 square feet and greater	Chamber of Commerce / San Joaquin Partnership	Keep as Proposed
6. Change Ordinance to apply to annexation projects submitted after December 31, 2023	Holman Investors, LLC	Keep As Proposed

1-2. PC Removed Modifications

- 1. Solar Installation: Proposed by (EJA)
- "The solar system installation should be done by owners, operators, tenants, or a qualified solar system contractor."
- Already included in current process/code for planning and building permits
- 2. Automobile Charging: Proposed by (EJA)
- Required 10% auto parking EV ready, 5% auto parking quick charge ready, and signage
- Already included in the current Building Code and could be superseded via future state updates

3. Setback Restrictions

Origin: Proposed by Stockton Environmental Justice Advocates (EJA)

Proposed Modification(s):

- Commission consensus to remove any modifications that would require further building setback and prohibit truck movement/access within the 300-foot setback to maintain flexibility for site design
- After the March workshop/informational meetings, staff received feedback on clarifying allowances in the 300-foot setback area

3. Setback Restrictions (con't)

Unless determined to be physically impossible, when adjacent to sensitive receptors, a loading dock door shall be oriented away from the sensitive receptor and located a distance of 300 feet from said receptor, unless the dock doors are utilized by zero emission trucks and equipment only. The building and auto parking can be located within the 300-foot distance. A sensitive receptor shall be defined as schools, health care facilities, libraries, churches, correctional facilities, parks/recreational facilities, in home daycare, health facilities (hospitals, long term care facilities, retirement, and nursing homes) or more than two directly contiguous residential units. The following may be included within the 300-foot distance: the building; auto parking; and other site design and use elements, including but not limited to, stormwater basins, employee gathering areas (daytime use), pedestrian and bicycle pathways, outdoor storage, and a drive aisle for auto, truck and emergency vehicle circulation around the building, provided the drive aisle is placed immediately adjacent to the building and not abutting a sensitive receptor.

Red Italic indicates modification

4. Truck Charging

Origin: Proposed by EJA

Proposed Modification(s):

- Commission Consensus to modify and facilitate future charging stations by expanding the current electric vehicle charging station infrastructure requirement to *include light-heavy duty (LHD) and medium-heavy duty (MHD)* in addition to heavy-heavy duty (HHD) trucks
- Commission Consensus to remove any modification to extending conduit to serve 50% of truck docking stations

5. Increased Size

Origin: Chamber of Commerce / San Joaquin Partnership

Proposed Modification: Commission Consensus to keep as proposed to provide for the following:

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

1. To these standards shall apply to all logistics warehouses 1400,000 square feet in size or greater. Logistics Warehouses are considered facilities used for the storage of farm products, furniture, household goods, or other commercial goods for distribution to wholesalers and/or retailers, including cold storage

6. Annexation Applicability

Origin: Holman Investors, LLC

Proposed Modification(s):

Commission Consensus to keep as proposed to provide for the following to clarify the applicability of the Warehouse Ordinance standards:

2. The standards provided in this section (SMC 16.80.390) shall not apply to any new building constructed on property that was incorporated into the City of Stockton prior to December 31, 2023.



Feasibility Analysis

A feasibility analysis concluded:

- Modifications 1, 2, and 4 (solar, auto + truck EV ready) are essentially requirements of the California Green Building Code and City processes
- The setback restrictions could impact small facilities/businesses and result in cost increases
- The proposed applicability to increased warehouse 1) size and 2) future annexation projects would not impact most existing warehouse projects due to the age and review status of those existing project applications (pre-effective date of January 2024.)

Conclusion

- The modifications, or their consideration, are not required per any legal agreement
- Staff has conducted outreach, held a public workshop, and Planning Commission informational session and public hearing for feedback
- The Amendment as proposed aligns with the current standards and does not require additional environmental review
- On May 9th, the Planning Commission voted 6-0 (vacant seat) to recommend approval of the ordinance as proposed

Recommendation

Staff recommends that the City Council adopt an Ordinance:

- 1) Finding the proposed ordinance is exempt per CEQA Section 15061.b.3 (General Rule) and Section 15183 (Consistency with General Plan and Community Plan); and
- 2) Amend Title 16 (Development Code) of the Stockton Municipal Code (SMC) Section 16.80.390 (Industrial Warehouse Standards)