

## Zoning Update Committee

Michael Colbruno, Chair

Doug Boxer

Anne E. Mudge

October 17, 2007

**Location:** Areas in the City with Business Mix and General Industrial General Plan Land Use Classifications

**Item:** Discussion of proposed industrial zoning

**Applicant:** Zoning Update Committee, City Planning Commission

**Case File Number:** ZT 07398

**Action to be Taken:** Forward a Recommendation to the full Planning Commission by December 2007.

**For Further Information:** Contact Margot Lederer Prado, Business Development at (510) 238-6766 or by email at [mprado@oaklandnet.com](mailto:mprado@oaklandnet.com)

## SUMMARY

On September 19, 2007 the Zoning Update Committee (ZUC) heard a staff report that presented a general concept of two commercial and industrial mix zoning districts (CIX-1 and CIX-2) intended to implement the Business Mix General Plan classification, and proposed Land Use Classification definition changes to the present ordinance. The CIX zones presented were intended to resume discussions regarding updating the City's industrial zones that took place roughly between April 2002 and May 2004 at over 10 public hearings.

The Commissioners received the staff report and heard testimony from the public; issues such as whether one or two light industrial zones were appropriate, performance standards vs. "proxies" for performance standards (e.g. buffering distance, size threshold and/or type of use), whether work/live would be allowed (and under what circumstances) were raised. At the end of the testimony, the ZUC requested that staff bring back the latest version of the previously discussed draft zoning text (May 19, 2004) and land use classifications (September 23, 2003) with any proposed revisions, as staff would see as appropriate at the present time, in order to be able to pick up the discussion with interested members of the public and proceed in an expedient manner towards a presentation to the Planning Commission.

## BACKGROUND

The City's General Plan was adopted in 1998 after many years of public comment and discussion. From April 2002 through May 2004, the ZUC heard presentations on new industrial zoning districts proposed to be mapped in the Business Mix and General Industrial General Plan land use classifications. In June 2004, a decision was made to postpone further meetings on the industrial zones until further notice.

In June 2005, a separate but related discussion regarding the City’s industrial land use policy was initiated by the Planning Commission, in response to a concern for the growing number of individual applications for general plan amendments in industrial areas. Staff of CEDA Business Development Services subdivided the City’s industrial lands into 17 sub-areas for mapping and discussion purposes, and conducted extensive land use and economic analysis. Business Development staff presented analyses of these sub-areas relative to future zoning proposals at three ZUC meetings: December 13, 2006 (sub-areas 11 & 11a), January 17<sup>th</sup> (sub-areas 11, 11a, 4 and 17) and February 14, 2007 (West Oakland sub-areas 15 & 16). A report to the full Planning Commission on policy decisions is tentatively scheduled for November 2007.

In the summer of 2007 based on direction from the ZUC and the Mayor’s Office to continue updating the citywide zoning to be consistent with the General Plan, and concurrent with opportunities presented by augmentation in staff of the Strategic Planning Division, staff has resumed discussions of industrial zones with the goal of building upon the extensive work accomplished previously and completing the task in an expedient manner. Per the ZUC’s request, Business Development Services and Strategic Planning staff have worked together to prepare the following report that focuses on the industrial zoning district regulations.

A brief chronology of significant discussions issues and decisions related to the industrial zoning update made in the last several years, and a summary of the last issues remaining to be of the latest draft (“May 19 Draft”) is presented below.

**A. Brief Chronology of Key Discussions of the Industrial Zoning Update Process**

Approximately 10-12 Zoning Update Reports on the topic of land use classifications and industrial zoning were presented to the ZUC in the 2.5 years between 2001 and the final ZUC report of May 19, 2004. A list of some of the key discussions is shown below:

ZUC Meeting Date	Topic of Staff Report	Discussion Content, Actions
Apr. 17, 2002	Initial Staff Report	Initial Staff report on industrial land issues and proposed industrial zoning districts
Mar. 19, 2003	Performance, Operational, Buffering Hazardous Material Standards text	Operating Standards for Heavy Commercial & Industrial activities General Performance Standards Buffer Yards Health & Safety Protection Zone
Sept. 25, 2003	Revisions to land use classifications incorporating industrial classifications	WOCA comments of early September incorporated. Discussion held but not finalized
Dec. 17, 2003	Zoning Maps and full discussion of draft text chapter for four Industrial Zoning Districts (CIX, IBX, IG and IO)	Maps of existing zoning and proposed zoning citywide in industrial areas included in report with community comments received
May 19, 2004	Proposed revisions and reformatting to draft text chapter	Reflected decisions of Dec 17 <sup>th</sup>

## **B. Latest Draft of Industrial Zoning Proposal (May 19, 2004)**

The last ZUC meeting where industrial zoning district regulations was on May 19, 2004. The staff report, draft zoning text and proposed mapping, draft meeting minutes from May 19, 2004, as well as the latest version of land use classifications (dated Sept. 25, 2003) are attached (See Attachments A and B). The May 19<sup>th</sup> draft was thoroughly vetted with industrial stakeholders. The May 19<sup>th</sup> draft does not reflect potential “fine tuning” discussed, which is reflected in the draft meeting minutes). A summary of the overall principles of the May 19<sup>th</sup> meeting is provided below, with the intent to continue discussion at the October 17<sup>th</sup> ZUC meeting and additional meetings, as deemed necessary by the Commissioners, prior to forwarding a final draft to the full Planning Commission before the end of the year.

The summary below addresses the key issues that were discussed at the May 19<sup>th</sup> ZUC meeting:

1. Brief summary of four zoning districts
2. Formatting changes presented in May 19<sup>th</sup> draft
3. Trucking uses
4. Work/live and live/work

### **1. Brief summary of four zoning districts (CIX, IBX, IG and IO).**

The May 19<sup>th</sup> draft emphasizes the importance and contribution of business activity found in industrial zones as a contributor to the local and regional economy, and as zones of employment. It also emphasizes the principles of locating high impact activities away from residential zone areas, while steering high impact activities to areas with direct access to Oakland’s critical transportation amenities such as the rail lines, port and airport. The draft presents regulations for four industrial zoning districts in one chapter: Commercial Industrial Mix (CIX), Industrial Business Mix (IBX), General Industrial (IG) and Industrial Office Park (IO). In addition to formatting changes (discussed further below), it incorporated concepts and regulations found in the environmental buffering principles of the S-16 Industrial Residential Overlay District (adopted in 2000).

#### **a. CIX (West Oakland) and IBX (Central and East Oakland) Light Industrial Zoning Districts**

CIX and IBX were intended to be light industrial zones that were for West and Central/East Oakland, respectively. The primary differences between CIX and IBX were:

1. Treatment of primary trucking uses: permitted with a CUP in IBX, and outright prohibited within two blocks (600 ft) of a residential zone in CIX.
2. Conditional Use Permits for Civic Uses in IBX: Community Assembly, Education, Administrative, Healthcare and Utilities.
3. Conditional Use Permits in IBX for restaurants and stores, laundry, trade/training schools, recreation uses, animal care services and for building material stores (uses generally for citizens versus professional trades consumers).

Further differences may be found highlighted in Attachments A and C (May 19, 2004 and March 19, 2003 ZUC reports, respectively).

The Sept. 19<sup>th</sup> ZUC staff report proposed that differences between the two zones could be addressed through revisions to the permitted, conditionally permitted uses and other regulations

in a singular CIX zone with two variations ((CIX-1 (West) and CIX-2 (East/Central)). At the September 19, 2007 ZUC meeting, the public and the ZUC again brought up the question of whether a differentiation between West and East Oakland light industrial zones was necessary. A member of the industrial community refreshed the group about the many differences crafted in the 2004 text, reflecting comments from the East Oakland stakeholders at the time (known as the Industrial & Labor Alliance of Oakland (ILAO)).

**b. General Industrial (IG)**

Early in the Zoning Update process (Dyett & Bhatia draft of 2001) a decision was made to merge M-30 General Industrial and M-40 Heavy Industrial into a singular zone. This zone generally covered the principal district mapped on San Leandro Street south of High Street to the San Leandro City border, with some additional pockets of general industrial mirrored in specific parcels in the Estuary Policy Plan area (specifically for Owners Brockway parcel).

**c. Industrial Office Park (IO)**

The subject of the IO zone was not discussed to great extent in the 2002-2004 period, as discussion of the CIX and IG zones predominated stakeholder concerns. However, given the growing importance and value of Oakland's office market, with less than 10% vacancy in Class A space downtown, it is important to highlight this zone at this time. In addition, the IO could be an appropriate zoning district for the industrial sub-area "4/ Waterfront" waterfront area. The Mayor Chamber Partnership efforts to examine Oakland's competitive advantage in the areas of Healthcare (biotech to some extent); Green Tech and Building Materials, and Digital Arts & Media particularly relate to the importance of crafting appropriate intention and attraction for such districts. Edgewater Business Park represents the main area that would be affected by this new zone. Currently that area has M-30 and M-40 zoning, with C-36 commercial zone on the airport entry boulevards.

**2. Format of permitted, conditionally permitted uses and "limitations" (Ps, Cs and Ls)**

The stakeholder community had worked intensively with staff in the years 2002-2004 to make the regulations sensitive to residential edge communities, but at the same time clear and transparent as far as regulations and limitations for business. The idea was to limit the imposition of conditional use permits though descriptive limitations on specific activity types in proximate distances from residential zones. This was done through the introduction of a series of "L" Limitations, found throughout the Activity section (Section 17.73.020 of the attached May 19<sup>th</sup> draft) and footnoted at the end of that section. The Conditional Use Permit is retained in cases where all standards for a particular activity should be reviewed overall in order to assess its compatibility at a given location, or to regulate businesses which may require additional review by other experts such as hazardous material storage, primary trucking uses, or those involving sales of alcohol.

**3. Trucking Uses**

Regulating the location of primary truck uses was one of the main considerations of the difference between CIX and IBX, in light of the long-standing issue of the impact of Port-related trucks on West Oakland residential areas, particularly the negative impacts to personal health and safety. The May 19<sup>th</sup> draft incorporated the intent of the existing ordinance Section 17.102.380 (the West Oakland "trucking" ordinance adopted at the end of 2000) into the text of the CIX zone.

The May 19<sup>th</sup> draft of the CIX zone prevents primary truck yards and terminals within 600 feet of any residential zone. The largest contiguous area in West Oakland that is beyond 600 feet of any residential zone is the area approximately bounded by West Grand Avenue, Magnolia/Union Streets, 28<sup>th</sup> Street. There are several trucking facilities in this area now, due to its proximity to the Port.

The trucking regulation differences were made with the consideration of the specific geographic areas of IBX. However, to some degree they also represented concerns of specific businesses at the table in those discussions, which would be made legal non-conforming through the merging into a singular set of light industrial regulations. Those who would be made nonconforming to some extent by the proposed regulations include long time businesses in the Jingtletown neighborhood (E 11<sup>th</sup> Street), and in the Sobrante Park neighborhood (105<sup>th</sup> and Pearmain). Other IBX neighborhoods such as Baldwin Street near the Humane Society, abut regional commercial or general industrial neighborhoods and would not be economically impacted by a merged CIX/IBX text.

Most industrial business activities involve the use of trucks. Minimizing those impacts through the revision of the West Oakland Truck Routes is already underway. Relocation of a group of trucking businesses which rely on immediate proximity to the Port is occurring through an RFP issued by the City for 15-acres at the Army Base.

#### **4. Work/Live and Live/Work**

In the spring of 2003 a Work/Live Technical Advisory Committee was formed that included architects, the Building Services Director, City Engineers, as well as members of the Oakland Arts Commission and the housing advocate community. The recommendations of this group were presented and agreed upon by the ZUC on July 30, 2003. New standards for live/work and work/live in the Housing & Business Mix (HBX) zoning district regulations were eventually adopted by the City Council in November 2006.

Staff recommends considering only allowing work/live within a 150-foot distance from any existing R-zone with a conditional use permit. If the ZUC agrees with this approach, it may direct staff to further examine the existing live/work definition in HBX zones with consideration of the following issues in order to ensure applicability in commercial and industrial contexts:

- the completed size of such units, which if under 1,200 sf may not constitute viable working spaces that should existing in the industrial districts, where substantially augmenting employment and larger economic ventures are a higher priority. Small work/live units may, however, be perfectly appropriate in a commercial corridor, where custom manufacturing and office type activities may flourish;
- their location within the district, and;
- the impact of their activities on the operational aspects of adjoining larger, higher-impact industrial operations in industrial districts.

Such decisions would be considered at a subsequent meeting, as part of consideration of all of the proposed industrial zoning districts regulations.

**5. Operational, Performance Standards and Health & Safety Protection Overlay Zone**

The March 19, 2003 ZUC staff report (Attachment C) presented the latest drafts of proposed additions to the Zoning Code related to business performance and operations. After nine months of work with community stakeholders, including groups representing residential homeowner associations in East Oakland, staff presented four new proposed text sections for the Municipal Code:

- 1) General Performance Standards, amending Section 17.120 of the current code to reflect concerns for noise, air particulates, smoke, vibrations, odors etc;
- 2) Operating Standards for Commercial and Industrial Businesses, generally intended to limit potential negative impacts of outdoor operational components of businesses in HBX and CIX zones abutting residential zones, the location of truck loading docks and driveways (open air activities) in new industrial development and expansions of existing facilities, the height of material stored in such areas, and mandating screening of employee parking areas where shift changes may occur between 10:00pm and 7:00 am.
- 3) Buffer Requirements in HBX and adjacent borders between industrial and residential zones, requiring minimum fence heights and allowing liberal fence height maximums, requiring tree and other planting to be applied only for new development and expansions of existing facilities under some conditions; and
- 4) Health & Safety Protection Zone, a proposed Overlay Zone to be mapped within industrial zones and throughout all HBX zones, which mandates an over-the-counter signoff (clearance) by businesses classified under the Industrial Land Use Classifications, from the Fire Department, Hazardous Materials unit. Through the existing Certified Uniform Program Agency (CUPA) ordinance, if deemed necessary by Fire staff, a Local Hazardous Materials Plan or Risk Management Plan would be then required prior to issuance of a city business license and zoning clearance. A map showing the proposed 300-foot HSP boundary was included in the report on March 19, 2003. The Health and Safety Protection Zone was crafted with community association representatives, industrial business owners and the City Hazardous Material Program Supervisor endorsement of the final proposed text, and in addition, was referenced the State Regional Air Quality Board in their Land Use and Air Quality manual as a “best practice” example.

The ZUC should consider whether it wants to direct staff to use the approach as presented above regarding performance, operational and buffering standards, which included a combination of creating a separate overlay zone applied to certain areas and amending citywide performance standards, or an alternate approach of addressing these issues within the industrial zoning district chapter regulations itself.

**ACTIONS REQUESTED OF THE ZUC:**

Staff requests that the ZUC Commissioners to direct staff to continue with existing draft of industrial zoning regulations (May 19, 2004 draft) with the following considerations:

- should performance, operational and buffering standards be addressed as part of the industrial zoning district chapter regulations, exist as a separate overlay zone, be addressed in the citywide performance standards, or some combination of the above?
- whether to allow work/live in the proposed industrial zones (following the approach staff recommended or an alternate approach).

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Approved for forwarding to the  
Zoning Update Committee of the  
City Planning Commission

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Attachments:

- [Attachment A](#): May 19, 2004 staff report, draft zoning text, proposed mapping, draft meeting minutes and one-page summary of zoning districts (circulated to public in December 2003)
- [Attachment B](#): Latest version of proposed land use classifications (Sept. 25, 2003)
- [Attachment C](#): March 13, 2003 ZUC Meeting staff report and attachments related to Performance, Operational, Buffering Hazardous Material Standards proposed text