EFFECTIVE DATE OF ORDINANCE

ORDINANCE NO. 2724 N.C.S.

March 16, 2020

Introduced by

Kathy Miller

D'Lynda Fischer

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PETALUMA EXTENDING A MORATORIUM ON THE APPROVAL OF APPLICATIONS FOR NEW GAS STATION USES IN THE CITY OF PETALUMA THAT WERE NOT COMPLETE AS OF MARCH 6, 2019 PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 AND OTHER APPLICABLE LAW

WHEREAS, Article XI, Section 5 of the California Constitution provides that it shall be competent in any city charter to provide that the city governed thereunder may make and enforce all ordinances and regulations in respect to municipal affairs subject only to restrictions and limitations provided in their several charters and in respect to other matters they shall be subject to the general laws; and

WHEREAS, Section 54 of Article VIII of the Petaluma Charter provides that the City, by and through its council and other officials shall have and may exercise all powers necessary or appropriate to the municipal corporation and the general welfare of its inhabitants, which are not prohibited by the constitution and which it would be competent for the charter to set forth particularly or specifically, and the specification of any particular powers shall not be held to be exclusive or any limitation on the general grant of powers; and

WHEREAS, California Government Code Section 65858, subdivision (a) provides: that city legislative bodies may, to protect public safety, health and welfare, adopt as an urgency measure an interim ordinance prohibiting any uses that may conflict with a contemplated general plan, specific plan, or zoning proposal that the legislative body is considering or studying or intends to study within a reasonable time; that adoption of such urgency measures requires a four-fifths vote of the legislative body; that such measures shall be of no effect 45 days from the date of adoption, and may be extended a maximum to two times and have a maximum total duration of two years; and

WHEREAS, California Government Code Section 65858, subdivision (c) provides that legislative bodies may not adopt or extend such interim ordinances unless they contain findings that there is a current and immediate threat to the public health, safety, or welfare, and that the approval of additional entitlements would result in that threat to public health, safety, or welfare; and

WHEREAS, California Government Code Section 65858, subdivision (c) further provides that such interim ordinances that have the effect of denying approvals needed for the development of projects with a significant component of multifamily housing (as defined in California Government Code Section 65858, subdivisions (g) and (h)) may not be extended except upon written findings adopted by the legislative body, supporting by substantial evidence on the record, that:

- (1) the continued approval of the development of multifamily housing projects would have a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date that the ordinance is adopted by the legislative body,
- (2) the interim ordinance is necessary to mitigate or avoid such impact, and
- (3) there is no feasible alternative to satisfactorily mitigate or avoid such impact as well or better, with a less burdensome or restrictive effect, than the adoption of the proposed interim ordinance; and

WHEREAS, California Government Code Section 65858, subdivision (d) provides that ten days prior to the expiration of an interim ordinance or any extension, the legislative body shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of the ordinance; and

WHEREAS, residents in the neighborhood in proximity to the proposed Safeway Fuel Station project at 335 South McDowell Boulevard at the corner of South McDowell Boulevard and Maria Drive have expressed opposition to the project based on concerns related to air quality, health risks, safety, and circulation and traffic impacts;

WHEREAS, teachers, administrators, parents, and students and the adjacent McDowell Elementary School have expressed opposition to the project based on concerns involving potential impacts associated with air quality, health risk, safety, and circulation impacts; and

WHEREAS, public comments received in opposition to the project express a common concern with the incompatibility of the proposed gas station with the surrounding land uses and sensitive receptors, including residential, parks, and schools; and

WHEREAS, the property located at South McDowell Boulevard and Maria Drive is currently zoned C-2 and new gas station uses are a permitted use in the Zone C-2, subject to approval of Site Plan and Architectural Review (SPAR); and

WHEREAS, SPAR approval pursuant to Section 24.010 of the City's Implementing Zoning Ordinance (IZO), Ordinance No. 2300 N.C.S. adopted July 2, 2008, involves consideration of SPAR factors such as appropriate use of materials, architectural style, siting of structures on property, size, location and design of signs, and bulk and height of proposed structures, landscaping to approved City standards, and ingress, egress and internal circulation; and

WHEREAS, currently in the City new gas station uses are permitted in the C1, C2, and D4 zoning districts subject to SPAR, and are permitted in the BP, MU1A, MU1B, and T5 zones subject to SPAR and issuance of a Conditional Use Permit; and

WHEREAS, on December 17 and 18, 2018, respectively, the cases of Georgetown Preservation Society v. County of El Dorado and McCorkle Eastside Neighborhood Group v. City of St. Helena were published; and

WHEREAS, although the court in *Georgetown* held that evidence of aesthetic impacts of the proposed development in that case was sufficient to trigger the need for an Environmental Impact Report, the court in *McCorkle* held that environmental review in that case was limited to the scope of St. Helena's design review authority, and, specifically, its authority under its zoning regulations to mitigate project environmental impacts; and

WHEREAS, based on the McCorkle ruling, legal counsel for Safeway argued that the City Council could not order an Environmental Impact Report based on information in the record concerning project emissions and health risk impacts that are outside of the scope of the City's discretionary approval under its SPAR regulations, and

WHEREAS, on the advice of the City Attorney and following the McCorkle ruling, the City Council denied that appeal regarding the Planning Commission's approval of the Safeway Fuel Station project, upholding the Planning Commission approval, despite concerns regarding potential health and other impacts of the project; and

WHEREAS, prior to the McCorkle decision, it had been the City's consistent practice to treat applications for SPAR approval as subject to the exercise of discretion of the approving body, up to and including the authority of the approving body to disapprove the project on SPAR grounds, and to conduct full CEQA review, up to and including the ordering of an Environmental Impact Report, if warranted; and

WHEREAS, the McCorkle case limits environmental review of development applications to environmental impacts the approving body has authority to mitigate; and

WHEREAS, the California Supreme Court has denied petitions to de-publish or overturn the McCorkle ruling, which remains in effect and binding on the City and its ability to conduct environmental review regarding projects such as applications for new gas stations that may be subject to only design review in specified zones; and

WHEREAS, the City's SPAR regulations do not address emissions or other project health risks unrelated to aesthetics, siting and internal circulation; and

WHEREAS, City Planning staff has been contacted by a potential applicant for a new gas station use located at the corner of Industrial Drive and Petaluma Boulevard North, near sensitive receptors including a school, and where new gas stations uses are permitted as of right and subject only to SPAR review, posing a threat to the public health, safety and welfare, from environmental and health impacts that the City may be unable to avoid or mitigate following the McCorkle decision; and

WHEREAS, there is no information in the record supporting that an interim ordinance regarding new gas station applications in the City of Petaluma that are not complete as of May 6, 2019 may have the effect of denying approvals needed for the development of projects with a significant component of multifamily housing as defined in the California Government Code Section 65858, subdivisions (g) and (h); and

WHEREAS, pursuant to Section 15001 of the California Environmental Quality Act (CEQA) Guidelines, the urgency ordinance was determined exempt from CEQA based on the following:

- (1) This ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately; it prevents changes in the environment related to new gas station use applications pending consideration of possible amendments to the City's Zoning Code or other land use regulations;
- (2) This ordinance is categorically exempt from CEQA under Section 15308 of the CEQA Guidelines as a regulatory action taken by the City pursuant to its policy power and in accordance with Government Code Section 65858 to assure maintenance and protection of the environment pending the evaluation and possible adoption of

- contemplated local legislation, regulation and policies, which local legislation, if adopted, will be subject to CEQA requirements;
- (3) This ordinance is not subject to CEQA under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment, and for the reasons set forth in subparagraphs (1) and (2) above, it can be seen with certainty that there is no possibility that this ordinance will have a significant effect on the environment:

WHEREAS, on May 6, 2019 the City Council adopted Urgency Ordinance 2681 imposing a moratorium on approval of applications for new gas station uses that are not complete as of the effective date of the ordinance; and

WHEREAS, consistent with California Government Code Section 65858 interim ordinances are effective for 45 days unless extended by the City in accordance with Government Code Section 65858; and

WHEREAS, the City Council adopted Ordinance 2688 on June 3, 2019, extending the moratorium on approval of applications for new gas station uses that are not complete as of May 6, 2019, established by Urgency Ordinance 2681, for a period of 10 months, 15 days.

WHEREAS, Government Code Section 65858, subsection (a), provides for a second extension of an urgency ordinance for a period of one year with approval by the City and noticing of a public hearing consistent with Government Code Section 65090; and

WHEREAS, consistent with Government Code Section 65090, notification of a March 16, 2020 public hearing on a potential final extension of the moratorium on approval of applications for new gas station uses was published in the Argus Courier on March 5, 2020.

NOW THEREFORE BE IT ORDAINED by the Council of the City of Petaluma as follows:

- **Section 1.** Recitals Made Findings. The above recitals are hereby declared to be true and correct and findings of the City Council of the City of Petaluma.
- **Section 2.** <u>Time Extension</u>. This ordinance hereby extends the moratorium imposed on approval of applications for new gas station uses not complete as of May 6, 2019 pursuant to Ordinance 2681, and extended for an addition ten months and fifteen days pursuant to Ordinance 2688 on June 3, 2019, for an additional period of one year in accordance with California Government Code Section 65858 and other applicable law.
- Section 3. Moratorium Extended. The moratorium initially imposed by the adoption of Ordinance 2681 and extended pursuant to Ordinance 2688 shall remain in effect for an additional year expiring on March 16, 2021 and prohibit the approval of applications for new gas station uses in the City of Petaluma that were not complete as of May 6, 2019, the initial effective date of Ordinance 2681, in accordance with the City's powers under Article XI, Section 5 of the California Constitution, Article VII, Section 54 of the City Charter and California Government Code Section 65858 and other applicable law, as follows:

A. Scope

Applications for land use or development entitlements for new gas station uses in the City of Petaluma not complete as of May 6, 2019 may not be approved during the moratorium period.

B. Statutory Findings and Purpose

This ordinance is an interim ordinance as defined in California Government Code Section 65858. This ordinance is deemed necessary to protect the health, safety and welfare of Petaluma residents and visitors for the following reasons:

- The purpose of this ordinance is to protect the public safety, health, and welfare
 from a current and immediate threat posed by the issuance of land use or
 development entitlements for new gas station uses that could result in negative
 health, safety or other impacts on adjacent or nearby existing uses or
 neighborhoods with which new gas station uses may not be compatible, absent
 adequate local regulation addressing compatibility of new gas station uses with
 adjacent or nearby uses or neighborhoods.
- 2. New gas station uses have been and/or may be proposed for construction in the City, and unless a moratorium is imposed on the issuance of land use or development entitlements for new gas station uses in the City, such development may result in negative health, safety or other impacts on adjacent or nearby existing uses or neighborhoods with which new gas station uses may not be compatible, absent adequate local regulation addressing compatibility of new gas station uses with adjacent or nearby existing uses or neighborhoods. This is particularly true regarding City zoning districts where currently new gas stations are permitted uses (C1, C2, and D4 zones) and approval of applications for such proposed new uses is subject only to site plan and architectural review, which review does not take into account such consideration as project emissions and other health impacts unrelated to aesthetics, siting and internal circulation.
- 3. The extension of a moratorium on issuance of land use or development entitlements for applications for new gas station uses in the City that were not complete as of May 6, 2019 in order to provide time to evaluate and adopt legislation, guidelines and/or policies is required to address negative health, safety or other impacts of proposed new gas station uses on, adjacent to or nearby existing uses or neighborhoods.

C. Applicability

The moratorium extended pursuant to this ordinance applies to approval of applications for land use or development entitlements for new gas station uses in the City that were not complete as of May 6, 2019. The ordinance has no effect on the processing of applications for land use or development entitlements for new gas station uses in the City, except that such applications may not be approved during the moratorium period. Subject to the moratorium on approval of applications for land use or development entitlements for new gas station uses, applications for such entitlements will continue to be processed during the moratorium period in accordance with applicable law.

Section 4. Severability. If any provision of the ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

Section 5. <u>Effective Date and Duration</u>. This ordinance shall become effective on April 18, 2020 following passage and adoption if passed and adopted by at least four-fifths vote of the City Council and shall be in effect for one year therefrom, expiring on March 16, 2021 in accordance with Government Code Section 65858.

INTRODUCED and ordered posted, and **ADOPTED** this 16th day of March 2020, by the following vote:

Ayes:

Mayor Barrett, Vice Mayor Fischer, Healy, Kearney, King, McDonnell, Miller

10 Noes:

None

1 Abstain:

None

Absent:

ATTEST:

None

Claire Cooper, CMC, City

Teresa Barrett, Mayor

APPROVED AS TO FORM:

Eric Danly, City Attorney