



PLANNING COMMISSION
STAFF REPORT

DATE: November 15, 2023

APPLICATION NO: Municipal Code Text Amendment No. TA-23-139

LOCATION: Citywide

REQUEST: Planning Commission to Consider a Recommendation to the City Council to Adopt Various Amendments to the Lathrop Municipal Code (LMC) to Modernize, Simplify, and Streamline Various Sections in Title 5, Business Licenses and Regulations, Title 15, Buildings and Construction, and Title 17, Zoning. The Amendment to the Municipal Code include the following:

- Chapter 5.04 (Business Licenses Generally): Revise and add language to exempt certain institutions and organizations from obtaining a business license.
- Chapter 15.56 (Floodplain Management): Clarify that the City Engineer is the designated Floodplain Administrator.
- Chapter 17.48 (I Industrial District): Add warehouse as a permitted use in the Limited Industrial Zoning District.
- Chapter 17.62 (Central Lathrop Zoning Districts): Update the Residential Site Development Standards Table to modify the off-street parking requirement for dwellings with 5 or more bedrooms.
- Chapter 17.76 (Off-Street Parking and Loading): Revise the language to clarify that the Community Development Director may authorize the joint use of parking facilities under certain conditions.
- New Chapter 17.79 (Hookah Lounges): New Chapter to provide regulations for the establishment of Hookah Lounges.

APPLICANT: City of Lathrop
390 Towne Centre Drive
Lathrop, CA 95330

CEQA STATUS: Exempt according to California Environmental Quality Act Article 5 §15061(b)(3), by the “Common Sense Exemption”.

SUMMARY:

The proposed Code Text Amendment is a staff-initiated proposal to modify various sections of the Lathrop Municipal Code (LMC) to modernize, simplify and streamline Title 5, Business Licenses and Regulations, Title 15, Buildings and Construction, and Title 17, Zoning. The proposed amendments include providing an exemption for certain institutions or organizations from obtaining a business, clarify and assign the Floodplain Administrator, update the permitted uses in the IL, Limited Industrial Zoning District, clarify off-street parking requirements, and add a new Chapter to provide regulations for the establishment of Hookah Lounges.

BACKGROUND:

In 2009, the City adopted an Economic Development Strategic Plan to guide the City Council in making decisions regarding economic growth for the City. In 2011, the City indicated a desire to accelerate economic and business growth development efforts by creating an Economic Development Program. To implement the City’s economic goals and policies, staff regularly reviews and monitors various department policies, procedures, and the Zoning Ordinance for areas that need improvement. Staff determined and identified various sections of the LMC that are ambiguous, unclear and outdated. The intent of the proposed amendments is to assist and encourage development by providing concise and clear requirements for residents, developers and staff.

The City approved similar efforts and updated various sections of the LMC in 2013, 2016, 2017, 2019, 2021, and 2022. Additionally, the City recently approved the 1st Reading of the Zoning Consistency Project, which updated various sections of the LMC to be consistent with the City’s General Plan. The previous updates were well received by the community and staff members that process development applications. The current amendments follow the same principles of the previous updates through integration of current policies and procedures, application of current State law, and incorporating best practices within the planning profession.

ITEM 8.1

ANALYSIS:

Amendments

According to the Lathrop Municipal Code, amendments to the Zoning Ordinance must be reviewed by the Planning Commission and forwarded to the City Council for approval. Before any recommendation to approve by the Planning Commission, or final approval by the City Council, the finding that the proposed amendment will be consistent with applicable provisions of the General Plan must be made.

Staff has determined the following text amendments conform to the General Plan. The proposed text amendments will modify the following Chapters and Sections of the LMC:

Chapter 5.04 Business Licenses Generally

The proposed amendment would modify Section 5.04.070, *Exemptions* to clarify that any institution or organization, which is conducted, managed or carried on wholly for the benefit of charitable purposes, or from which profit is not derived either directly or indirectly by any person is exempt from obtaining a business license. The proposed amendment would further clarify that no license is required for the conducting of any entertainment, dance, concert, exhibition or lecture by any religious, charitable, fraternal, educational, military, state, county or municipal organization or association whenever the receipts of such event is conducted not for profit.

Chapter 15.56 Floodplain Management

The proposed amendment would modify Section 15.56.240, *Designation of floodplain administrator* to clarify that the City Engineer is the designated floodplain administrator, not the Community Development Director.

Chapter 17.48 I Industrial District

The proposed amendment would modify Section 17.48.020, *IL: limited industrial district* to add warehouse and distribution facility as a permitted use. This is a clarification to ensure that the warehouse and distribution facility use is specifically listed in the Limited Industrial Zoning District.

Chapter 17.62 Central Lathrop Zoning Districts

The proposed amendment would update the Residential Development Standards Table (Table 17.62.110(A)) to remove the footnote that requires 3 covered parking spaces for any dwellings with 5 or more bedrooms. The current requirement for single-family dwelling is 2 covered spaces per unit (e.g., a garage). The requirement for 3 covered spaces if the unit has 5 or more bedrooms (e.g., 3 car garage) is excessive and not the industry standard.

Chapter 17.76 Off-Street Parking and Loading

The proposed amendment would amend Section 17.76.020, *Off-street parking facilities required* to clarify that the Community Development Director (instead of the Building Official) may authorize the joint use of parking facilities because the Community Development Director provides oversight during the entitlement process. Joint use of off-street parking facilities are business that share the off-street parking and in many instances, are businesses that have different business hours (e.g., one is daytime use and the other is nighttime use).

ITEM 8.1

New Chapter 17.79 Hookah Lounges

On October 9, 2023, the City Council directed staff to prepare a Code Amendment to Hookah Lounges in the City. The proposed amendment would create a new Chapter (Chapter 17.79) titled “Hookah Lounges” that includes regulations for the establishment of Hookah Lounges in the City. The new Chapter identifies the maximum number of Hookah Lounges allowed, development standards, and the zoning districts in which Hookah Lounges are permitted.

PUBLIC NOTICE:

A Notice of Public Hearing was advertised in the Manteca Bulletin on November 3, 2023 and the meeting agenda was posted at our designated posting locations in the City. As of the writing of this report, no comments were received in favor or against the proposed amendment.

CEQA REVIEW:

The proposed Municipal Code Amendment is exempt according to the California Environmental Quality Act (CEQA) Article 5 §15061 by the “Common Sense Exemption” that CEQA applies only to projects that have a potential for causing a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The amendment does not change the zoning designation on any individual property and does not affect existing land use or density. The purpose of the amendment is to modify existing language in the Municipal Code to provide flexibility and is primarily procedural in nature. It also does not propose or require any specific development project; any specific development project undertaken in the future pursuant to the amended zoning code would be required to comply with CEQA at that time.

RECOMMENDATION:

Staff recommends the Planning Commission consider Resolution No. 23-14 recommending the City Council adopt various amendments to the Lathrop Municipal Code to modernize, simplify, and streamline various sections of Title 5, Business Licenses and Regulations, Title 15, Buildings and Construction, and Title 17, Zoning.

ITEM 8.1

Approvals:



David Niskanen, Contract Planner

11/3/2023
Date



Rick Caguiat, Community Development Director

11/3/23
Date



Salvador Navarrete, City Attorney

11.3-2023
Date

Attachments:

1. Planning Commission Resolution No. 23-14
2. Mark-up of Chapter 5.04 Business Licenses Generally
3. Mark-up of Chapter 15.56 Floodplain Management
4. Mark-up of Chapter 17.48 I Industrial District
5. Mark-up of Chapter 17.62 Central Lathrop Zoning Districts
6. Mark-up of Chapter 17.76 Off-Street Parking and Loading
7. New Chapter 17.79 Hookah Lounges

**CITY OF LATHROP
PLANNING COMMISSION RESOLUTION NO. 23-14**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LATHROP
RECOMMENDING CITY COUNCIL ADOPT VARIOUS AMENDMENTS TO THE
LATHROP MUNICIPAL CODE TO MODERNIZE, SIMPLIFY, AND STREAMLINE
VARIOUS SECTIONS OF TITLE 5, BUSINESS LICENSES AND REGULATIONS,
TITLE 15, BUILDINGS AND CONSTRUCTION, AND TITLE 17, ZONING (TA-23-139)**

WHEREAS, the City of Lathrop Planning Commission held a duly noticed public hearing to consider the text amendment pursuant to the Lathrop Municipal Code; and

WHEREAS, the proposed text amendment is Citywide and affects all applicable properties in the City; and

WHEREAS, Chapter 17.124 of the Lathrop Municipal Code mandates the transmittal of a recommendation to the City Council by resolution; and

WHEREAS, the proposed text amendment is exempt according to the California Environmental Quality Act (CEQA) Article 5 §15061(b)(3) by the “Common Sense Exemption” that CEQA applies only to projects that have a potential for causing a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; and

WHEREAS, the Planning Commission finds that the proposed text amendment is consistent with applicable provisions of the Lathrop General Plan and will implement the City’s Economic Development goals by providing streamline procedures, minor clarifications and incorporate updated policies; and

WHEREAS, proper notice of this public hearing was given in all respects as required by law; and

WHEREAS, the Planning Commission has reviewed all written evidence and oral testimony presented to date.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Lathrop based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby recommend the City Council adopt Municipal Code Text Amendment No. TA-23-139 as shown in Attachments 2 through 7 of the Staff Report, incorporated by reference herein.

PASSED AND ADOPTED by the Planning Commission of the City of Lathrop at a regular meeting on the 15th day of November, 2023 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tosh Ishihara, Chair

ATTEST:

APPROVED AS TO FORM:



Rick Caguiat, Secretary

Salvador Navarrete, City Attorney

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Chapter 5.04 Business Licenses Generally

[...]

5.04.070 Exemptions.

A. No person shall be exempt from the necessity of procuring a license to do business in the city. License taxes, however, will not be charged for the persons enumerated in the cases listed below.

B. In each of these cases, the persons claiming exemption from license taxes shall first present satisfactory evidence to the finance director that he or she is entitled to such an exemption, which evidence shall include a written statement under oath (certified statement), setting forth such facts and giving such information that the finance director may require; and provided further, that all such persons comply with all other provisions of this chapter.

1. Veterans who are exempt by state law from the payment of a license tax and application fees who meet the following criteria:

- a. The applicant was honorably discharged,
- b. The business license must be solely owned by the veteran (exemption extended to spousal ownership, under community property laws),
- c. The applicant is requesting a license to hawk, peddle or vend any goods, wares or merchandise owned by applicant except for liquor;

2. Those persons who by trade are engaged in interstate commerce, and who are by law exempt from payment of a license tax by virtue of the fact that they are engaged in interstate commerce;

3. Persons transacting and carrying on any business exempt by virtue of the Constitution or applicable statutes of the United States of America or other state from the payment to municipal corporations of such license taxes;

4. ~~Persons conducting dances, concerts, lectures, parties or entertainment where all the receipts are appropriated exclusively to any church or school, or for benefit of any religious, benevolent, patriotic or other public, charitable or beneficial purpose of a local character within the city;~~ Any institution or organization, which is conducted, managed or carried on wholly for the benefit of charitable purposes, or from which profit is not derived either directly or indirectly by any person; nor shall any license be required for the conducting of any entertainment, concert, exhibition or lecture on scientific, musical, historical, literary, patriotic, religious or moral subjects, whenever the receipts of any such entertainment, concert, exhibition or lecture are to be appropriated to any church or school, or to any charitable, religious or benevolent purpose within the city. No license shall be required for the conducting of any entertainment, dance, concert, exhibition or lecture by any religious, charitable, fraternal, educational, military, state, county or

municipal organization or association whenever the receipts of any such entertainment, dance, concert, exhibition or lecture are to be appropriated for the purposes and objects for which such association or organization was formed, and from which profit is not derived, either directly or indirectly.

The permit holder or event organizer/host organization has the right to control and regulate the sale of goods, food and beverages within the event.

5. Any person who, by reason of blindness, infirmities of age, or loss of limbs is unable to obtain livelihood by other means than street vending or entertaining or house-to-house selling;

6. Every natural person of the age of seventeen (17) years of age or under whose annual gross receipts from any and all businesses are three thousand dollars (\$3,000.00) or less;

7. Any public utility which pays to the city a tax under a franchise or similar agreement.

C. The city may revoke any exempt license granted pursuant to the provisions of this chapter upon information that the licensee is not entitled to the exemption as provided therein. In such revocation, the procedure to be followed and the right of appeal shall be as provided in this chapter for the determination of a disputed tax. (Ord. 16-363 § 1; Ord. 02-198 § 1; Ord. 94-111; Ord. 90-22)

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Chapter 15.56 Floodplain Management

[...]

15.56.240 Designation of floodplain administrator.

The city engineer~~community development director~~ or the city manager's designee is appointed to administer, implement and enforce this chapter by granting or denying development permits in accord with its provisions. (Ord. 10-298 § 1; Ord. 98-158)

[...]

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Chapter 17.48 I Industrial District

[...]

17.48.020 IL: limited industrial district.

- A. Application. This district is intended primarily for application to those areas of the city which are designated for light industrial use by the general plan.
- B. Permitted Uses.
1. Any use listed as a permitted use in the CS, service commercial district;
 2. Light industrial and related uses, including:
 - a. Assembly of small electric appliances, such as lighting fixtures, irons, fans, toasters and electric toys, refrigerators, washing machines, dryers, dishwashers and similar home appliances,
 - b. Assembly of small electrical equipment, such as home motion picture equipment, stereos, video cameras and radio and television receivers, but not including electrical machinery,
 - c. Manufacture of scientific, medical, dental and drafting instruments, orthopedic and medical appliances, cameras and photographic equipment, except film, electronic equipment, musical instruments, precision instruments, optical goods, watches and clocks,
 - d. Manufacture of ceramic products, such as pottery, figurines and small glazed tile,
 - e. Manufacturing, assembling, compounding, packaging and processing of cosmetics, drugs, pharmaceuticals, toilet soap (not including refining or rendering of fats or oils) and toiletries,
 - f. Manufacture and assembly of electrical supplies, such as coils, condensers, crystal holders, insulation, lamps, switches and wire and cable assembly, provided no noxious or offensive fumes or odors are produced,
 - g. Manufacture of cutlery, hardware, hand tools and furniture, dye and pattern making, metal stamping and extrusion of small products, such as costume jewelry, pins and needles, razor blades, bottle caps, buttons and kitchen utensils,
 - h. Manufacturing, assembling, compounding, packaging and processing of articles or merchandise from the following previously prepared materials: bone, canvas, cellophane, cellulose, cloth, cork, feathers, felt, fiber and synthetic fiber, fur, glass, hair, horn, leather, paint (not employing a boiling process), paper, plastics, precious or semi-precious metals or stones, rubber and synthetic rubber, shell, straw, textiles, tobacco and wood,

i. Manufacturing, assembling, compounding, processing, packaging or treatment of such products as bakery goods, candy, dairy products, food products, including fruits and vegetables, but not including fish and meat products, pickles, sauerkraut, vinegar or yeast, or refining or rendering of fats and oils,

j. Blacksmith shops, boat building, electric motor rebuilding, machine shops and paint shops,

k. Food lockers and accessory sales,

l. Gasoline service stations, including dispensing of diesel and liquid petroleum gas fuels and complete truck service,

m. Lumber yards, including planing mills; mattress manufacture; storage yards for commercial vehicles or feed; flour, feed and grain mills; grain elevators,

n. Manufacture and maintenance of electric and neon signs, billboards and commercial advertising structures,

o. Offices, retail stores and watchpersons' living quarters incidental to and on the same site with an industrial use,

p. Warehouse and distribution

qp. Public utility and public service structures and facilities, such as communications equipment buildings, electric distribution substations, electric transmission substations, gas regulator stations, pumping stations, public utility service yards, corporation yards, railroad rights-of-way and stations, reservoirs and storage tanks,

rq. Incidental and accessory structures and uses located on the same site as a permitted use,

sf. Other uses which are added to this list according to the procedure in Section 17.16.020.

[...]

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Chapter 17.62 Central Lathrop Zoning Districts

Article 11. Residential Development Standards

Table 17.62.110(A) Central Lathrop Specific Plan: Residential Site Development Standards for Conventional Plotted Units

Standard ^{4,13}	Single Family Detached (SFD)		
	SFD Large Lot (5000 sq. ft. or larger)	SFD Medium Lot (4000-5000 sq. ft.)	SFD Small Lot (up to 4000 sq. ft.)
Front Yard Setback ^{4, 5,} 12 ¹³			
Living Area	15	12	10
Porch/Side-on Garage ³	12	10	8
Side Yard Setback ^{4, 5}			
Interior Side	5	5	0/5 11 ¹⁰
Street Side	10	10	10
Rear-Yard Setback ^{4, 5, 7}			
Living Area	15 min./20 avg.	12 min./15 avg.	5 min./10 avg.
Garage Setback ^{4, 11} 12, 12 ¹³			
Street-Primary	20	20	20
Street-Secondary	3-5 or 20+	3-5 or 20+	3-5 or 20+
Lot Size			
Minimum Width	45	40	32
Minimum Depth	85	75	60
Lot Coverage (%) ²	50% /60%	50% /60%	65% /na
MUPYS (sq. ft.) ¹	400	300	180
Building Height (ft.)	40	40	40
Minimum Frontage ⁸			
Lots 45' wide or greater	35	35	35
Lots less than 45' wide	30	30	30
Parking			
On-Street Parking	1 Space per Unit	1 Space per Unit	1 Space per Unit
Covered Parking ^{9, 10}	2 Spaces per Unit	2 Spaces per Unit	2 Spaces per Unit

All dimensions are in feet unless otherwise noted

na=not applicable

avg=average per lot

Notes to Table 17.62.110(A)

1 MUPYS = Minimum Usable Private Yard Space. Ten (10') foot minimum dimension required.

2 Lot coverage percentage = multi-story/single story.

3 Side-on garage only on lots greater than 55'. A minimum 30' between the garage door and the side property line is required to accommodate back-up space.

4 Setbacks measured from property line.

5 Items such as, but not limited to, air conditioning condensers, porches, chimneys, bay windows, media centers, etc. may encroach 2' into the required setback provided a minimum of 36" flat and level area is maintained for access around the house.

6 Curbside parking may be counted toward required number of guest spaces. Tandem garages may be used to accommodate required parking stalls if not used towards fulfilling the minimum 2 required parking stalls. The CLDRB may consider and approve the use of tandem garages to meet parking standards if requested by a builder or developer, and approved by the community development director or the city manager's designee.

7 At cul-de-sac bulbs and knuckles where lot depths are less than the standard depth, minimum rear yard setback requirements may be reduced by an amount equal to the standard depth minus the actual depth of the lot (i.e., 100' - 90' = 10'). In no case will the rear yard setback be reduced to less than 10'.

8 Minimum frontage allows lots to be placed more efficiently around curves such as cul-de-sac bulbs and knuckles.

~~9 — For any dwellings with 5 or more bedrooms, 3 covered parking spaces are required.~~

~~9~~¹⁰ Two spaces for 2+ bedroom units, 1 space for 1 bedroom or less units.

~~10~~¹¹ Zero lot line products are permitted if building separation is 10' minimum.

~~11~~¹² Primary elevations contain more than 2 feature windows per floor. All other elevations are considered secondary walls (no more than 2 individual unit entries may occur on a secondary elevation).

~~12~~¹³ If 2nd story living is stacked on top of garage, minimum setback to drive aisle may be a minimum of 3' so long as there is 30' clear across the drive aisle to any obstruction.

~~13~~¹⁴ The development standard (large, medium, or small) applicable to a neighborhood is based on the nominal lot size as determined during the architectural design review process per Section [17.62.142](#) of this code. (Ord. 21-418 § 13; Ord. 10-298 § 1)

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Chapter 17.76 Off-Street Parking and Loading

[...]

17.76.020 Off-street parking facilities required.

[...]

I. Joint Uses. The community development director~~building official~~ may, upon written application by the owner or lessee of any property, authorize the joint use of parking facilities by the following uses and activities, and under the conditions specified herein:

1. Seventy-five percent (75%) of the parking facilities required for a use considered to be primarily a daytime use may be provided by the parking facilities of a use considered to be primarily a nighttime use, or the reciprocal.

2. The following uses are typical daytime uses: banks, business offices, retail stores, personal services, manufacturing or wholesale uses and similar uses. The following uses are typical nighttime uses: dance halls, theaters, bars, auditoriums and restaurants that only serve dinners.

3. The following are conditions required for joint use:

a. The building or use for which application is made for authority to utilize the existing off-street parking facilities provided by another building or use shall be located within two hundred (200) feet from such parking facility.

b. The applicant shall show that there is no substantial conflict in the principal operating hours of the building or uses for which the joint use of off-street parking facilities is proposed.

c. If the building, structure or improvement requiring parking space is in one ownership and the required parking space provided is in another ownership, partially or wholly, there shall be a recording in the office of the county recorder of a covenant by such owners for the benefit of the city, in a form approved by the city, that such owner or owners will continue to maintain such parking space so long as the building structure or improvement is maintained by the owner within the city. The covenant herein required shall stipulate that the title to and right to use the parcel or parcels upon which the parking space is to be provided will be subservient to the title to the premises upon which the buildings to be erected and that the parcel or parcels are not, and will not be made subject to any other covenant or contract for use without prior written consent of the city.

[...]

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Chapter 17.79 Hookah Lounge

17.79.010 Purpose

The purpose and intent of this chapter is to define the zoning districts where hookah lounges are permitted and to define the activities of hookah lounges that are subject to this Chapter. The provisions of this chapter are in addition to any other permits, licenses and approval that may be required to operate a hookah lounge business in the City.

17.79.020 Definitions

“Hookah” shall mean any water pipe made of metal, glass, or other material, usually decorated and shaped like a bottle or small tank, with a mouthpiece at the end of a long flexible hose or cord; also referred to as a narghile, shisha, and goza, typically used to smoke flavored or sweetened tobacco.

“Hookah Lounge” shall mean an establishment holding a valid Tobacco Retail License that exclusively occupies an indoor space and is primarily engaged in the retail sale of hookah tobacco for consumption on site by customers age 21 and over.

17.79.030 Operational Standards

A. The number of hookah lounge businesses that is permitted to operate in the city at any given time shall be a maximum of one.

B. The hours of operation shall be from 11:00 am to 10:00 pm.

C. No person under the age of 21 shall enter the facility.

17.79.040 Site Location

A. No hookah lounge establishment shall be located within one thousand (1,000) feet of any other hookah lounge establishment.

B. No hookah lounge establishment shall be located within five hundred (500) feet from any adult entertainment business.

C. No hookah lounge establishment shall be located within one hundred (100) feet of any existing residential zone.

D. No hookah lounge establishment shall be located within five hundred (500) feet of a school, park, day care center or family day care home.

E. The distance measurement shall be from any point from the outer boundaries of the business lease space containing the hookah lounge establishment to the nearest property line of the use prescribed in this section.

17.79.050 Use Table

The use table in this section lists the zoning districts in which a hookah lounge establishment is permitted.

A. “P” designates hookah lounge establishment as a permitted use.

B. Hookah and Hookah Lounge are defined in Section 17.79.020. In cases where a service or activity is not defined, the service or activity is prohibited.

Use Table

	<u>CN</u>	<u>CC</u>	<u>CH</u>	<u>CS-MV</u>	<u>CH-MV</u>	<u>CV-MV</u>	<u>CO-LG</u>	<u>CO-SL</u>	<u>MU-RI</u>	<u>NC-CL</u>	<u>CO-CL</u>
<u>Hookah Lounge Establishment*</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>

* Also includes the Commercial Manufacturing Overlay of Crossroads