

DRAFT

ORDINANCE NO. ____ (2024 SERIES)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO, CALIFORNIA, APPROVING AN AMENDMENT TO TABLE 2-1 (USES ALLOWED BY ZONE) IN TITLE 17 (ZONING REGULATIONS) OF THE MUNICIPAL CODE WITH AN EXEMPTION FROM ENVIRONMENTAL REVIEW (CEQA)

WHEREAS, the Planning Commission of the City of San Luis Obispo conducted a public hearing in the Council Chamber of City Hall, 990 Palm Street, San Luis Obispo, California on June 12, 2024, for the purpose of recommending an amendment to Table 2-1 (Uses Allowed by Zone) in Title 17 (Zoning Regulations) of the Municipal Code, pursuant to a proceeding under CODE-0224-2024; City of San Luis Obispo, applicant; and

WHEREAS, the City Council of the City of San Luis Obispo conducted a public hearing in the Council Chamber of City Hall, 990 Palm Street, San Luis Obispo, California on _____, 2024, for the purpose of introducing an ordinance to amend Table 2-1 (Uses Allowed by Zone) in Title 17 (Zoning Regulations) of the Municipal Code, pursuant to a proceeding under CODE-0224-2024; City of San Luis Obispo, applicant; and

WHEREAS, notices of said public hearing were made at the time and in the manner required by law; and

WHEREAS, the City Council has duly considered all evidence, including the testimony of interested parties and the evaluation and recommendation by staff, presented at said hearing.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of San Luis Obispo as follows:

SECTION 1. Findings. Based upon all the evidence, the City Council makes the following findings:

1. The proposed amendment to Table 2-1 (Uses Allowed by Zone) in Title 17 (Zoning Regulations) of the Municipal Code to add single-family and multi-family residential uses as conditionally allowed uses with approval of a Minor Use Permit is consistent with the intent of the Neighborhood Commercial (NC) land use designation and purpose of the Neighborhood Commercial (C-N) zone.
2. The proposed amendment to Table 2-1 (Uses Allowed by Zone) in Title 17 (Zoning Regulations) of the Municipal Code to add single-family and multi-family residential uses as conditionally allowed uses with approval of a Minor Use Permit would not alter the character of the City or cause health safety or welfare concerns because the amendment is consistent with the General Plan. In addition, the amendment would directly implement City goals and policies, particularly the Major City Goal for Housing & Homelessness, to support the expansion of housing options and facilitate housing production.

3. Parcels located in the C-N zone include historical residential uses that are currently nonconforming. The proposed amendment would allow these residential uses to become conforming and facilitate additional opportunities for these uses to continue and expand.

SECTION 2. Environmental Determination. The proposed amendment to Table 2-1 (Uses Allowed by Zone) of Title 17 (Zoning Regulations) has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the CEQA Guidelines, and environmental regulations of the City. The amendment is exempt under Section 15061(b)(3) of the CEQA Guidelines. This “Common Sense” exemption states that CEQA only applies to projects that have the potential for causing significant effect on the environment. Since the text amendment is a minor revision that would conditionally allow residential uses with a Minor Use Permit in the C-N zone, the scope of this action is limited to a text amendment where subsequent single-family and multi-family residential development would be subject to discretionary review. Since these uses are subject to discretionary review, environmental review would be evaluated on a project-specific basis. It is also noted that there are existing single-family residences in some of the C-N zoned parcels. Therefore, there would not be additional environmental impacts for these parcels.

SECTION 3. Action. The City Council hereby adopts an ordinance to amend Table 2-1 (Uses Allowed by Zone) in Title 17 (Zoning Regulations) of the San Luis Obispo Municipal Code and add single-family and multi-family uses as conditionally allowed uses in the C-N zone as set forth and incorporated herein.

Table 2-1: Uses Allowed By Zone																	
Key:	A = Allowed; MUP = Minor Use Permit approval required; CUP = Conditional Use Permit approval required																
	M/A = Minor Use Permit approval required on ground floor along street frontage, allowed on second floor or above																
Land Use	Permit Requirement by Zoning District																Specific Use Regulations
	AG	C/OS	R-1	R-2	R-3	R-4	PF	O	C-N	C-C	C-R	C-D	C-T	C-S	M	BP	

AGRICULTURE

Agricultural Accessory Structure	A	A															
Animal Husbandry and Grazing	A	A															
Community Garden	A	MUP	A	A	A	A	A										
Crop Production	A	A					A							MUP	MUP		
Greenhouse/Plant Nursery, Commercial	CUP	CUP															

INDUSTRY, MANUFACTURING & PROCESSING, WHOLESALING

Fuel Dealer (propane, etc)														MUP	A		See also Sec. 17.74.060
Laboratory - Medical, Analytical, Research, Testing								CUP			A			A	A	A	See also Sec. 17.74.060
Manufacturing - Heavy															CUP	CUP	See also Sec. 17.74.060
Manufacturing - Light														A	A	A	See also Sec. 17.74.060
Recycling																	
Recycling - Collection Facility										MUP	MUP			MUP	A		
Recycling - Processing Facility															MUP		
Research and Development														A	MUP	A	See also Sec. 17.74.060
Salvage and Wrecking															MUP		
Warehousing, Storage, and Distribution																	
Outdoor Storage														MUP	MUP		
Personal Storage														A	A		
Warehousing and Indoor Storage														A	A	MUP	

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Wholesaling and Distribution														A	A	MUP	

LODGING

Bed and Breakfast Establishment	MUP				CUP	CUP					A	A	A				See Sec. 17.86.070
Homeless Shelter				A	A	A	A	A	A	A	A	A	A	A	A		See Sec. 17.86.150 and GC Sec. 65583(a)(4)
Hostel					CUP	CUP					A	A	A				
Hotels and Motels											A	A	A	CUP		CUP	
RV Parks													CUP				

PUBLIC AND QUASI-PUBLIC USES

Cultural Institutions							CUP			A	A	A	CUP				
Hospitals and Clinics																	
Clinic								MUP		MUP	A	MUP		MUP		MUP	See Sec. 17.36.030.C and Sec. 17.42.030.A
Hospital							CUP	CUP									
Park and Recreation Facilities			A	A	A	A	A	A	A	A	A	A	A	A	A	A	Parks and Recreation Commission review required.
Public Assembly Facilities							CUP	A		MUP	MUP	M/A	MUP	CUP			
Religious Assembly Facilities			CUP	MUP	MUP	MUP	MUP	A	MUP	MUP	A	M/A	MUP	MUP	MUP		See 42 U.S.C. §§ 2000cc, et seq.
Schools - Colleges							CUP										
Schools - Primary and Secondary			CUP	CUP	MUP	MUP	CUP	CUP		CUP	MUP			CUP			See Sec. 17.86.240
Schools - Trade Schools							CUP	MUP				CUP		MUP		MUP	In the C-D zone, Trade Schools are not allowed on the ground floor.
Sports and Entertainment Assembly Facility							CUP								CUP		

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RESIDENTIAL USES

General Residential Housing Types																	
Single-Unit Dwellings, Detached	A	CUP	A	A	A	A		A	MUP								
Multi-Unit Residential				A	A	A		A	MUP								
Boarding House					CUP	CUP					MUP	MUP					
Caretaker Quarters	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	MUP	
Continuing Care Community			MUP	MUP	MUP	MUP		MUP			MUP	MUP					
Elderly and Long Term Care					MUP	MUP		MUP			M/A	M/A	MUP				
Family Day Care (Small and Large)	A		A	A	A	A		A	A	A	A	A	A	A	A		See Sec. 17.86.100 and H&SC 1597.40
Fraternities and Sororities					CUP	CUP											Section 17.86.130
Hospice In-Patient Facility				CUP	CUP	MUP	CUP	CUP			MUP						
Mobile Home Park			A	A	A	A											See GC Sec. 65852.7, 65863.7, 65863.8
Residential Care Facilities - 6 or Fewer Residents	A		A	A	A	A		A	M/A		M/A	M/A	MUP				Multiple state statutes
Residential Care Facilities - 7 or More Residents			MUP	MUP	MUP	MUP		MUP			MUP	MUP					Multiple state statutes
Supportive and/or Transitional Housing, with On or Off-Site Services			A	A	A	A	MUP	A	A	A	A	A	A	A	A		See GC Sec. 65583(a)(5)
Farmworker Housing	A	A															

MIXED USES

Mixed-use Development								A	A	A	A	A	A	A	A		See Sec. 17.70.130
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COMMERCIAL USES

Adult Entertainment Businesses											A		A				See Sec. 17.86.030 and GC Section 65850.4
Animal Care, Sales and Services																	
Animal Boarding/Kennels	CUP													MUP	MUP		Outdoor runs and kennel areas shall be allowed only in the C-S zone. See also Sec. 17.86.170.
Animal Grooming									A	A	A	A		A	MUP		
Animal Retail Sales									MUP	A	A	A		A			
Veterinary Services, Large Animal	CUP													MUP	MUP		
Veterinary Services, Small Animal								A	A	A	A	M/A		A			
Banks and Financial Institutions																	
ATMs								A	A	A	A	A	A	A	A	A	
Banks and Credit Unions								A		A	A	A		MUP	MUP	MUP	See Sec. 17.36.030.B and Sec. 17.40.030.A
Check Cashing Shops/Payday Loans										MUP	MUP						
Business Services								A		A	A	M/A		A	A	A	
Cemetery		CUP	CUP	CUP	CUP	CUP	CUP				CUP		CUP	CUP	CUP		
Commercial Recreation - Large Scale							CUP			CUP	CUP	CUP	CUP	CUP	CUP	MUP	See Sec. 17.36.030.D and Sec. 17.86.110
Commercial Recreation - Small Scale								MUP	MUP	A	A	A	A	A	A	MUP	
Day Care Center			MUP	MUP	MUP	MUP	MUP	A	A	A	A	M/A	MUP	MUP	MUP	MUP	See Sec. 17.86.100

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Eating and Drinking Establishments																	
Bars and Taverns										MUP	MUP	MUP	MUP	MUP	MUP		See also Sec. 17.86.040 and Sec. 17.86.050
Restaurant									A	A	A	A	A	A	MUP	MUP	
Restaurant with Late Hour Alcohol Service									MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	See Sec. 17.86.040 and Sec. 17.86.050
Food and Beverage Sales																	
General Market									A	A	A	A	CUP				See Sec. 17.26.030.B.1
Convenience Store				MUP	MUP	MUP			A	A	A	A	A	MUP	MUP	MUP	See Sec. 17.26.030.B.1 and Sec. 17.86.090
Produce Stand	MUP	MUP							A		A	A		A			
Liquor Store									MUP	MUP	MUP	MUP	CUP				See Sec. 17.26.030.B.2 and Sec. 17.86.040
Food Preparation											A			A	A		
Funeral Parlors and Internment Services							MUP	MUP			A			MUP			
Instructional Services							MUP	CUP	MUP	M/A	A	M/A	CUP	A	MUP		
Maintenance and Repair Services														A	A	CUP	
Offices																	
Business and Professional Offices							MUP	A		A	A	M/A		M/A	MUP	MUP	In the C-S zone, a MUP is required for office uses on the ground floor. See also Sec. 17.36.030.B and Sec. 17.40.030.A.
Medical and Dental Offices								A		A	A	M/A		MUP		MUP	See Sec. 17.36.030.C
Personal Services									A	A	A	A	MUP	A		MUP	

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Retail Sales										A	A	A		A	A		See Sec. 17.26.030.A, 17.30.030.A, 17.32.030, and 17.34.034.A and 17.36.030.A
Building Materials and Services - Indoor										A	A	A		A	A		
Building Materials and Services - Outdoor										MUP	A	MUP		A	A		
Extended Hour Retail								MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP		
General Retail									MUP	A	A	A	MUP	MUP			
Large-Scale Retail										CUP	CUP	CUP					
Nurseries and Garden Centers											CUP			A	A		
Theaters								CUP			MUP	MUP	MUP			MUP	Only nonprofit theaters are allowed in the PF zone. See also Sec. 17.86.030.
Vehicle Sales and Services																	
Auto and Vehicle Sales and Rental											MUP		CUP	A	MUP		
Large Vehicle, Construction and Heavy Equipment Sales, Service, and Rental														MUP	A		
Service Stations									MUP	MUP	MUP		MUP	A			See Sec. 17.86.250, and Sec. 17.86.060.
Vehicle Services - Major Repair/Body Work														A	A	MUP	
Vehicle Services - Minor Repair/Maintenance										CUP	MUP			A	A	MUP	
Vehicle Services - Washing										MUP	MUP		CUP	MUP	MUP		

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TRANSPORTATION, COMMUNICATIONS, & UTILITIES

Airport							CUP							CUP	CUP	MUP	
Wireless Telecommunications Facilities	MUP	MUP					MUP	MUP		MUP	MUP	MUP	MUP	MUP	MUP	MUP	See Sec. 17.86.290, 47 USC Sec. 332(c)(7) of the Telecommunications Act, Pub. Util. Code Sec. 7901 et seq., GC Sec. 65850.6
Freight/Truck Terminals														A	A	MUP	
Light Fleet-Based Services														A	MUP	MUP	
Media Production																	
Backlots and Soundstages														MUP	MUP	MUP	
Broadcast Studios								A			A	M/A		A	A	A	
Heliport							CUP	CUP						CUP	CUP		
Parking Facilities							CUP	CUP			CUP	CUP		CUP	CUP		See Sec. 17.86.200
Public Safety Facilities							CUP									CUP	
Transit Station or Terminal							CUP				CUP	CUP		MUP	A		
Utilities Facilities																	
Facilities with Onsite Staff	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	Ground-mounted equipment in residential zones shall be screened by landscaping to the satisfaction of the Director.
Facilities with No Onsite Staff (unmanned)	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	
Transmission Lines	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	

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CANNABIS ACTIVITY

Cannabis																	See Section 17.86.080
Specialty Cultivator														MUP	MUP	MUP	
Small Cultivator														MUP	MUP	MUP	
Nursery														MUP	MUP	MUP	
Manufacturing														MUP	MUP	MUP	
Distributor														MUP	MUP	MUP	
Microbusiness											CUP			MUP/ CUP	MUP/ CUP	MUP/ CUP	See Sec. 17.86.080(E)(12) for specific requirements per zone.
Testing								CUP						A	A	A	Director's action required. See also Sec. 17.86.080(E)(9).
Retailer (Delivery)														MUP	MUP	MUP	
Retailer (Storefront)											CUP			CUP			

SPECIFIC AND TEMPORARY LAND USES

Educational Conferences					MUP	MUP					MUP	MUP					
Housing																	
Homestay Rentals	See Sec. 17.86.160																
Home Occupation	See Sec. 17.86.140																
Food Trucks	See Sec. 17.86.120																
Nightclubs and Live Entertainment										MUP	MUP	MUP	MUP	MUP	MUP		
Office - Temporary	See Chapter 17.113																
Outdoor Temporary and/or Seasonal Sales	See Sec. 17.86.190 and Chapter 17.113																
Parking Facility - Temporary								CUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP	See Chapter 17.113
Safe Parking			CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP	CUP		See Sec. 17.86.230
Special Event								MUP	MUP	MUP	MUP	MUP	MUP	MUP	MUP		See Chapter 17.113
Vending Machine									See Section 17.86.280								

SECTION 4. A summary of this ordinance, together with the names of Council members voting for and against, shall be published at least five (5) days prior to its final passage, in the New Times, a newspaper published and circulated in this City. The Ordinance shall be effective thirty (30) days after its final passage.

INTRODUCED on the ____ day of _____, 2024, AND FINALLY ADOPTED by the Council of the City of San Luis Obispo on the ____ day of _____, 2024, on the following vote:

AYES:

NOES:

ABSENT:

Mayor Erica A. Stewart

ATTEST:

Teresa Purrington,
City Clerk

APPROVED AS TO FORM:

J. Christine Dietrick,
City Attorney

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Luis Obispo, California, on _____.

Teresa Purrington,
City Clerk