



**STAFF REPORT
HOLLISTER PLANNING COMMISSION
MEETING DATE: March 26, 2026
REPORT # Community Development-2026-21**

AGENDA ITEM: AMENDMENTS TO THE ZONING ORDINANCE RELATED TO IMPLEMENTATION OF THE GOALS AND POLICIES OF THE CITY'S 6TH CYCLE HOUSING ELEMENT (ZOA 2026-1)

DEPARTMENT HEAD: Rod Powell, Assistant City Manager
STAFF CONTACT: Erica Fraser, AICP, Consulting Senior Planner

RECOMMENDED ACTION: Adopt a Resolution recommending City Council approval of the Zoning Ordinance Amendments related to implementation of the 6th Cycle Housing Element.

CEQA: The proposed Zoning Ordinance amendments are exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines because the proposed amendments will not result in any direct physical change to the City, and any future development projects will be subject to the requirements of CEQA and therefore the proposed amendments are not a project under CEQA and are exempt from further review (CEQA Guidelines, Section 15378).

PROJECT DESCRIPTION: The Planning Commission is reviewing the City's 6th Cycle Housing Element (2023-2031) during tonight's meeting. The Housing Element contains a number of goals and policies that require amendments to the City's Zoning Ordinance. Because the City more than one year past the deadline for adoption of the Housing Element (December 15, 2023), the City is required to adopt several of the text and rezone amendments along with the Housing Element.

The City must amend the Zoning Ordinance to comply with the following Policies:

- Policy Action H1.3, 6th Cycle RHNA Strategy;
- Policy Action H2.1, Objective Design Standards;
- Policy Action H3.1, Variety of Housing Choices;
- Policy Action H3.8, Remove Development Constraints;
- Policy Action H5.2, Agricultural and Employee Housing;
- Policy Action H5.7, Emergency, Transitional and Supportive Housing;
- Policy Action H5.8, Housing for Persons with Disabilities; and
- Policy Action H5.10, Residential Care Homes.

The proposed amendments are discussed in further detail below.

ANALYSIS: The following Chapters are proposed to be amended. Open space standards and design requirements are also proposed to be removed from the individual chapter and relocated so that they are together within the Zoning Ordinance.

Chapter 17.04, Residential Zoning Districts

This Chapter is proposed to be amended to comply with the amended land use designations of the General Plan and the requirement for upzoning by the General Plan and Housing Element. The Zoning Districts have been updated to correctly reflect the density in the General Plan.

The Zoning Designations have been modified to remove R-2 (Two Unit Residential) and relocate these uses within the R-1 Zoning District (where duplexes and duets were already permitted). The R-3 (Medium Density Residential) Zoning District has been renamed to R-M (Medium Density Residential). The City's two high density zoning districts have been combined and renamed R-H (High Density) Zoning District.

A new Zoning Designation was added to the Zoning Ordinance. As required by the Housing Element, the R-MH (Mobile Home Park) Zoning District has been added for long-term living within a mobile home park (stays over 30 days). The City currently has one mobile home park (Mission Oaks) which is zoned RMH (Single Family Mobile Home) on the City's adopted Zoning Map. However, this zoning district is not mentioned in the Zoning Ordinance. The new R-MH Zoning District has been added to the Zoning Ordinance and includes the allowed density, purpose of the zoning district, development standards, and permitted and conditionally permitted uses.

Several uses were added to comply with the Housing Element and state law. Single Room Occupancy (SRO) has been included as a permitted use. Supportive and Transitional Housing have been revised so that they are a permitted use as required by state law and the Housing Element.

Table 17.04-2, Residential Development Standards, has been slightly modified to reflect the allowed residential densities as modified by the General Plan and Housing Element. Minimum lot size and lot depth have been removed to both accommodate the density modifications, and to remove an outdated development standard. Additionally, lot coverage was increased in the R-OTM and R-OTH Zoning Districts to allow for an increase in density by the Housing Element. Height requirements and setbacks were modified for clarity and to ensure that an applicant can build a project that meets the required density. Density requirements have also been added to this Table to clearly show the allowed density for each district.

Language within the West Fairview Road (R-WF) Zoning District (Section 17.04.080) has been cleaned up for clarity.

Additionally, this Chapter has been modified to remove any subjective language so that the Ordinance complies with the Housing Accountability Act and the Housing Element. Residential design standards were removed from this Chapter and relocated to Chapter 17.30, Design Standards, which is discussed in further detail below.

Residential open space standards were removed from this Chapter and relocated to a new section of the Zoning Ordinance so that all open space requirements for residential

developments can be found in one location.

Chapter 17.04 is included as Exhibit A of Attachment 2.

Chapter 17.07, Mixed-Use Zoning Districts

Staff are proposing to remove the mixed-use zoning districts from the existing Chapter 17.08, Commercial Zone Land Use and Permit Requirements, in order to keep the different zoning designations separate.

This new Chapter has been written to include purpose, all zoning designations which are mixed-use, the characteristics of each zoning designation, permitted and conditionally permitted uses, and development standards.

Table 17.07-1, Mixed-Use Land Uses and Permit Requirements, is similar to the existing 17.08-1 Table. Slight modifications have been made to the table to change the APR (Administrative Permit Review) requirement to MCUP (Minor Conditional Use Permit), consistent with the modifications to the permitting chapters. Single Room Occupancy, Transitional, and Supportive Housing have been added as permitted uses consistent with State Law and the Housing Element. Residential uses have been added to the North Gateway Zoning District consistent with the requirements of the General Plan and Housing Element which have changed this designation to Mixed-Use.

Chapter 17.07 is included as Exhibit B of Attachment 2.

Chapter 17.08, Commercial Zoning Districts

As discussed above, the existing Chapter 17.08 has been modified to remove mixed-use zoning districts and relocate those zoning designations to their own chapter.

Slight modifications have been made to Table 17.08-1 (Land Uses and Permit Requirements) to change the APR (Administrative Permit Review) requirement to MCUP (Minor Conditional Use Permit), consistent with the modifications to the permitting chapters. Additionally staff are proposing two permitting changes in the commercial land use table. Firstly, staff are proposing to change minor vehicle repair facilities from “not permitted” to “permitted” in the General Commercial Zoning District, due to many existing facilities being considered non-conforming, and permitting of new or transition of ownership of these existing facilities has proven problematic for these businesses. Secondly, staff are proposing to change the requirement for an Administrative Permit Review for medical clinics and laboratories to a permitted-by-right use in both the Commercial Office and General Commercial zoning districts.

Design requirements were removed from this Chapter and relocated to Chapter 17.30, Design Standards, so all design standards can be located in one place.

Chapter 17.08 can be found in Exhibit C of Attachment 2.

Section 17.16.142, Open Space Requirements

Open space requirements refer to space within a residential development that is restricted for private use or public use (common open space). Currently, open space requirements are located within Chapters 17.04, Residential Zoning Districts, and 17.08, Commercial Zone Land Uses and Permit Requirements. Portions of the regulations conflict with one another as a result.

Staff are proposing to relocate all open space requirements to one Chapter within the Zoning Ordinance. This Section has been broken up by project type (i.e. single family residential, multi-family residential, mobile home park, etc). and the requirement for private and common open space has been clearly delineated.

Staff are proposing modifications to open space requirements in the City. The modifications are as follows:

- **Downtown Mixed-Use Zoning District.** Modify the requirement to remove the requirement for private open space and only require one major amenity for developments with 26-200 dwelling units and two major amenities for developments with 201 or more dwelling units. This requirement is proposed to be reduced because staff have observed that the current requirements impede the ability of a developer to construct residential dwellings in the downtown and provide the current amount of required square footage of private and common open space. The increase in density of the downtown will further exacerbate this problem. Furthermore, the Housing Element requires the City to remove obstacles to the construction of housing and staff have identified this a barrier. The proposed modification will still allow for an amenity to support the residents of the project in a more flexible way, and applicants are not prohibited from increasing the amount of open space over what will be required.
- **Multi-Family Developments.** Staff have broken up the requirements for open space into small scale (10 or fewer dwellings) and larger (11 or more) multi-family developments. This has allowed staff to lower the requirement for smaller multi-family developments which are often found on smaller parcels and are typically unable to meet the open space requirements.
- **Mobile Home Park.** Open space requirements have been added for mobile home parks and tailored to these unique developments.

This Section can be found in Exhibit D of Attachment 2.

Chapter 17.30, Design Standards

The review of the design of a residential project is regulated by State legislation including Senate Bill 35 and Senate Bill 330. These Bills require residential projects to be reviewed against objective standards (meaning that no discretion is involved). Objective design

standards are intended to be a predictable, easy to determine requirements that can be applied to a residential development.

The Planning Commission and City Council previously reviewed objective design standards (Chapter 17.30), however these standards were never adopted.

The Planning Commission is reviewing Objective Design Standards for the Downtown Mixed-Use Zoning District at tonight's meeting. As a part of adopting this standalone document, the City must also remove any existing subjective language within the Zoning Ordinance.

Staff are proposing to remove all design requirements from the Residential, Mixed-Use and Commercial chapters and relocating the design requirements to Chapter 17.30 so that all design requirements (with the exception of the DMU) are located together.

The existing (relocated) language has been slightly modified to clean up ambiguous language, remove conflicting requirements, and remove subjective language only. Staff have also grouped common requirements together to make the requirements more user-friendly. No significant modifications are proposed to the language which was relocated.

Staff are proposing to add new basic objective requirements for single-family residential units. Requirements for single family developments are the same as was previously reviewed by the Planning Commission and City Council.

The long-term goal for our design requirements is to locate all design requirements within one standalone document with updated and refreshed requirements and diagrams and pictures to assist the public. This Chapter is intended to be temporary and intended only to remove subjective language (as required) and put all applicable requirements together to make it easier to find for applicants, while we work on the remainder of the Zoning Ordinance and then the design standards for projects within the City.

Each Chapter discussed tonight refers to this Chapter in the development standards table to show where designers and applicants must look for additional information.

This Chapter is included as Exhibit E of Attachment 2.

CEQA: The proposed Zoning Ordinance amendments are exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines because the proposed amendments will not result in any direct physical change to the City, and any future development projects will be subject to the requirements of CEQA and therefore the proposed amendments are not a project under CEQA and are exempt from further review (CEQA Guidelines, Section 15378).

CONCLUSION: The proposed modifications to the Zoning Ordinance are related to the goals and policies of the City's 6th Cycle Housing Element. These modifications are required to be adopted tonight, along with the Housing Element. As part of this implementation, the City must modify the language within the Zoning Ordinance to reflect

the 2040 General Plan land use designations density requirements, upzoning of parcels, requirements for permitted uses, remove barriers related to the construction of housing, and remove subjective design standards. This ordinance constitutes the ordinance text amendments necessary to complete the “rezoning” for our Housing Element to become certifiable.

PREVIOUS COUNCIL OR COMMISSION ACTION: None

PLANNING COMMISSION OPTIONS: The Planning Commission has the following options:

1. Adopt a Resolution recommending City Council approval of Zoning Ordinance Amendments (ZOA 2026-1) related to Housing Element Implementation as shown in the Draft Ordinance; or
2. Adopt a Resolution recommending City Council approval of Zoning Ordinance Amendments (ZOA 2026-1) related to Housing Element Implementation with modifications to the Draft Ordinance proposed by the Planning Commission; or
3. Adopt a Resolution recommending City Council denial of the proposed Zoning Ordinance Amendments.

Staff recommend option 1.

ATTACHMENTS:

1. Resolution recommending City Council approval of ZOA 2026-1 related to implementation of the City’s 6th Cycle Housing Element Goals and Policies.
2. Draft City Council Ordinance (ZOA 2026-1) with the draft Chapters included as Exhibits A – E.