

City of Piedmont
CITY COUNCIL AGENDA REPORT

DATE: October 6, 2025

TO: City Council

FROM: Rosanna Bayon Moore, City Administrator

SUBJECT: Second Reading and Adoption of Ordinance 783N.S. Amending the Zoning Ordinance related to Permitted Commercial Uses in Zone D and Conditional Use Permits and Other Conforming Revisions. (CEQA Review: Consistent with Environmental Impact Report (EIR) for the Housing Element Implementation Project (SCH 2022020362), Exempt under CEQA Guidelines Section 15061(b)(3) and Not a "Project" under Public Resources Code section 21065; CEQA Guidelines, 14 California Code of Regulations Section 15378)

RECOMMENDED ACTION

Waive the Second Reading and adopt Ordinance 783 N.S., Attachment A, Amending Chapter 17 of the Piedmont City Code to bring the City Code into compliance with State regulations, implement the 6th Cycle Housing Element, and improve current procedures and practices surrounding permitted commercial uses and conditional use permits.

BACKGROUND

On September 15, 2025, the City Council approved a first reading and introduced Ordinance 783 N.S., amending the Piedmont City Code Chapter 17 related to permitted commercial uses in Zone D and the conditional use permit process and findings.

Additionally, on September 15, 2025, the City Council found the proposed amendments to be exempt under CEQA Guidelines 15061(b)(3), 15378, and Public Resources Code section 21065 because it can be seen with certainty that there is no possibility that the adoption of these provisions would have a significant adverse effect on the environment (Public Resources Code section 21065; CEQA Guidelines, 14 California Code of Regulations Sections 15378), and the amendments are not a project as they modify organizational or administrative activities that will not result in direct or indirect physical changes to the environment (Public Resources Code section 21065; CEQA Guidelines, 14 California Code of Regulations Sections 15061(b)(3)).

A second and final reading is required for adoption. Once approved, this ordinance will become effective thirty days later, or on November 5, 2025.

Prepared by: Gopika Nair, Senior Planner

ATTACHMENTS AND RELEVANT DOCUMENTS

	<u>Pages</u>	
A	3-13	Zoning Ordinance

ORDINANCE NO. 783 N.S.

**AN ORDINANCE
AMENDING DIVISIONS 17.26 ZONE D: COMMERCIAL AND MIXED-USE
COMMERCIAL/RESIDENTIAL, 17.30 PARKING, 17.60 GENERAL PROVISIONS, 17.68
CONDITIONAL USE PERMIT, 17.70 VARIANCE AND 17.90 DEFINITIONS &
MEASUREMENT OF CHAPTER 17 OF THE PIEDMONT CITY CODE TO
IMPLEMENT THE 6TH CYCLE HOUSING ELEMENT AND MAKE STAFF
RECOMMENDED CHANGES**

WHEREAS, to comply with State housing element law, the City Council adopted the 2023-2031 6th Cycle Housing Element (the 6th Cycle Housing Element) on March 20, 2023; and

WHEREAS, the 6th Cycle Housing Element requires consistency within the elements of the General Plan and consistency between the City's General Plan and the City's Zoning Ordinance, codified in Chapter 17, Planning and Land Use, of the Piedmont City Code ("City Code"); and

WHEREAS, the City adopted the first tranche of 18 programs from the Piedmont's 2023-2031 Housing Element on April 3, 2024, and has prepared further amendments to Chapter 17 of the Piedmont City Code to implement additional Housing Element programs and implement best practices to ensure consistency throughout the Zoning Ordinance. The proposed revisions encompass updated standards, procedures, development standards, and performance criteria to guide residential and commercial development projects throughout the City; and

WHEREAS, these amendments implement the Housing Element programs 4.M: Facilitate Multi-Family and Residential Mixed-Use Projects by Right Subject to Objective Standards, and 4.U: Amend Conditional Use Permit Findings; and

WHEREAS, these amendments also implement staff identified areas of improvements to current procedures and practices surrounding conditional use permits; and

WHEREAS, the proposed amendments to the Zoning Ordinance were presented and discussed as study sessions at the regular meetings of the Planning Commission held on July 8, 2024, August 12, 2024, October 14, 2024, and July 14, 2025, and City Council held on August 19, 2024, during which members of the public had the opportunity to comment on the proposed amendments; and

WHEREAS, on February 20, 2024, the City of Piedmont adopted a program-level Environmental Impact Report (EIR) for the Housing Element Implementation Project (SCH 2022020362) in accordance with the California Environmental Quality Act (CEQA). The proposed amendments to Piedmont City Code Chapter 17 are consistent with and fall within the scope of this adopted Housing Element Implementation EIR. The EIR comprehensively analyzed the potential environmental impacts of implementing Housing Element programs, including Program 4.M (Facilitating Multi-Family and Residential Mixed-Use Projects by Right Subject to Objective Standards) and Program 4.U (Amend Conditional Use Permit Findings), both of which are directly addressed by these code amendments.

Furthermore, there is no possibility that this project would have a significant impact on the physical environment. This determination is based on the following factors:

- Any projects developed within Zone D would be required to comply with all local, state and federal regulations, including but not limited to: (1) compliance with historic and tribal resource regulations; (2) compliance with building code requirements; (3) compliance with Bay Area Air Quality Management District (BAAQMD) regulations; (4) compliance with stormwater and other utility regulations; (5) compliance with hazardous materials requirements; and (6) compliance with all City standards and regulations.
- The Zone D parcels are situated within an established urbanized area of Piedmont that is already developed.
- There are no known special-status species or critical habitats identified within Zone D.
- According to the Natural Resources element of the City's General Plan, Zone D contains no wetlands or significant water bodies.
- No Habitat Conservation Plans or Natural Community Conservation Plans apply to Zone D.
- The majority of proposed commercial uses would be required to comply with the City Code's parking provisions. The two uses with reduced parking requirements (bakery and florist shop) are specifically identified as encouraging walk-ins and shorter dwell times, thereby minimizing parking demand; and

WHEREAS, the amendments to the Zoning Ordinance are also exempt from CEQA because it can be seen with certainty that there is no possibility that the adoption of these provisions would have a significant adverse effect on the environment (CEQA Guidelines, 14 California Code of Regulations Section 15061(b)(3)). Additionally, certain amendments may not constitute a "project" under CEQA as they primarily modify organizational or administrative activities that will not result in direct or indirect physical changes to the environment (Public Resources Code section 21065); and

WHEREAS, the amendments to the Piedmont City Code are in conformance with the City Charter, including sections 9.01 and 9.02 because no zones have been reduced or enlarged, and no zones have been reclassified, pursuant to City Code division 17.02.C; and

WHEREAS, the Planning Commission has held a duly noticed public hearing and took public testimony on the proposed amendments to City Code Chapter 17 on August 11, 2025, consistent with existing City Code section 17.72.040 and pursuant to: Government Code sections Title 7, Chapter 2.7 Section 65090, Publication of notice of public hearing required by title; Chapter 3, Section 65353, Public hearing by Planning Commission; notice, Section 65354, Recommendation by the Planning Commission; and Chapter 3, Section 65355, Public hearing by legislative body; notice; and recommended adoption of amendments to the Zoning Ordinance; and

WHEREAS, the City Council has held a duly noticed public hearing and took public testimony on the proposed amendments to City Code Chapter 17 on September 15, 2025, consistent with existing City Code section 17.72.050.

NOW, THEREFORE, the City Council of the City of Piedmont hereby ordains, based on the oral and written staff report, all oral and written comments received and all other evidence in the record, as follows:

SECTION 1 – INTENT

It is the intent of the City Council of the City of Piedmont to adopt new and updated provisions in City Code Chapter 17 as set forth below that implement the adopted Housing Element and State laws and make staff recommended maintenance updates:

- The inclusion of permitted commercial uses and accompanying performance standards in Zone D: Commercial and Mixed-Use;
- The revisions that update the review body for conditional use permits;
- The revisions that differentiate conditional use process findings between residential and commercial uses and that eliminate subjective criteria for residential uses;
- The revisions that allow for minor amendments to existing conditional use permits to be reviewed by staff;
- The revision that clarifies existing regulations surrounding conditional use permits; and
- The inclusion of new definitions.

SECTION 2 – Findings. The City Council hereby makes the following findings:

- A. The above recitations are true and correct and incorporated herein by reference.
- B. This ordinance is consistent with the Environmental Impact Report for the Housing Element Implementation Project EIR as to the code revisions to implement the Housing Element and no further CEQA review is required. The Code updates are also categorically exempt from CEQA under Public CEQA Guidelines, 14 California Code of Regulations Sections 15061(b)(3) or not a project under Public Resources Code Section 21065 and CEQA Guidelines Section 15378.
- C. In addition to the staff recommended updates, the proposed amendments implement 2023-2031 Housing Element goals, policies and programs, and are consistent with the 2023-2031 Housing Element.
- D. Pursuant to City Code Section 17.72.050(B), the amendments are consistent with the Piedmont General Plan, as amended, the purposes of Chapter 17, and the provisions in City Charter Section 9.02.
- E. The proposed amendments further public health, safety, and welfare of the community.

SECTION 3 – ADDITION OF SUBSECTION 17.26.020.L.

Subsection 17.26.020.L. is added to Section 17.26.020, Permitted Uses, of the City Code to read as follows:

“L. The following commercial uses, subject to the performance standards in section 17.26.060: Wine shop, restaurants and café, bakery, florist shop, clothing store, art and craft store, book store, bike shop, hardware store, office, hair salon and barber services, yoga studio, dance studio, martial arts studio, photography studio, tutoring center, and fitness center.”

SECTION 4 – AMENDMENT OF SUBSECTION 17.26.030.D.

Subsection 17.26.030.D of Section 17.26.030, Conditional Uses, of the City Code is amended in its entirety to read as follows:

“D. Minor auto servicing such as fueling station and auto repairs (e.g. tire repair, oil change).”

SECTION 5 – AMENDMENT OF SUBSECTION 17.26.030.E

Subsection 17.26.030.E. of Section 17.26.030, Conditional Uses, of the City Code is amended to read in its entirety as follows:

“E. Commercial uses not listed in 17.26.020.L. and 17.26.040.”

SECTION 6 – AMENDMENT OF SECTION 17.26.040

Section 17.26.040, Prohibited Uses, of the City Code is amended to read in its entirety as follows:

“The following uses are prohibited uses in Zone D: manufacturing, wholesaling, distributing, or industrial use; motor vehicle sales or service (except as provided in section 17.26.030.D); hotel or motel; fast food restaurants; and drive-through establishments.”

SECTION 7 – AMENDMENT OF TITLE OF SECTION 17.26.050

The title of section 17.26.050, Regulations, of the City Code is amended to read in its entirety as follows:

“17.26.050 Development Standards”

SECTION 8 – ADDITION OF SECTION 17.26.060

Section 17.26.060, Performance Standards, is added to read as follows:

“17.26.060 Performance Standards

The following standards apply in Zone D, for permitted commercial uses:

- A. Uses are subject to the following hours of operation and standards as noted. If a use requires a waiver from specified hours of operation and /or performance standards, then a conditional use permit subject to provisions of division 17.68 is required.

Use	Hours of Operation**	Performance Standards
Wine Shop*	9am- 8pm	
Restaurants and Cafes*	8am- 9pm	If serving alcohol, the establishment shall not be located within 100 feet of a school.
Bakery*	7am- 6pm	- Prohibit manufacturing of products to be sold elsewhere - Exempt from parking provisions in division 17.30 - Ground floor only
Florist Shop*	6am- 8pm	Exempt from parking provisions in division 17.30
Clothing Store*	8am- 8pm	
Art and Craft Store*	8am- 8pm	
Book Store	8am- 8pm	
Bike Shop	8am- 8pm	
Hardware Store	8am- 8pm	
Office	8am- 8pm	Not permitted on ground floor
Hair Salon and Barber Services	8am- 8pm	No massage services
Yoga Studio	8am- 8pm	
Dance Studio	8am- 8pm	
Martial Arts Studio	8am- 8pm	
Photography Studio	8am- 8pm	
Tutoring Center	8am- 8pm	Not permitted on ground floor
Fitness Center	6am- 8pm	On-site child care is not permitted.
* Use is defined in Division 17.90		
** Hours of operation are the duration the business can be open to the public		

B. Any physical modifications to structures or buildings or new structures or buildings shall be subject to the development standards of the underlying zone. No physical modifications or new construction can take place until all required planning and building permits have been obtained.

C. Uses may not include outdoor services. The uses must be conducted primarily within an enclosed structure. Outdoor storage is permitted when screened from street view.

D. Uses must be primarily neighborhood serving. Commercial uses that are primarily neighborhood serving are those that neighbors would be expected to use on a regular basis, and not uses that would be expected to draw the major portion of their clientele from outside the neighborhood.

E. Storage, repair, and production may not take place in required setbacks. Every part of each required minimum setback shall be open and unobstructed from finished grade to the sky except for landscaped areas.

F. There shall be no loading between 8-9 a.m. on school days

G. The site must be kept free of trash and debris. All receptacles for collection and recycling shall be completely screened from view at street level.

H. Unless specified, the uses shall comply with the parking provisions in Division 17.30.

I. No sooner than 30 days prior to the opening of a new business, an unlighted temporary sign announcing the name of the new business may be displayed in one storefront window per façade. The sign shall not exceed eight (8) square feet in the sign area and may identify the name of the business in a graphic or text format.

J. Signage shall be subject to the provisions of Division 17.36.”

SECTION 9 – AMENDMENT OF SUBSECTION 17.30.030.A

Subsection 17.30.030.A of Section 17.30.030, Commercial use and mixed-use residential/commercial (Zone D), of the City Code is amended to read in its entirety as follows:

“A. Residential uses in mixed use commercial/residential: same as provided in section 17.30.020, except as otherwise provided for commercial uses in section 17.26.060.”

SECTION 10 – AMENDMENT OF SUBSECTION 17.60.060.C

Subsection 17.60.060.C of Section 17.60.060, Approval authority, of the City Code is amended to read in its entirety as follows:

“C. Planning Commission. The Planning Commission has the primary authority to approve applications for variances, some design review permits, conditional use permits, some wireless communication facilities permits, and to make recommendations to the City Council regarding zoning amendments, some subdivisions, and development agreements. The Planning Commission also hears appeals from decisions of the Planning Director, and matters referred from the Planning Director. Combined applications involving multiple permits or approvals will be heard together.”

SECTION 11 – AMENDMENT OF SUBSECTION 17.60.060.D

Subsection 17.60.060.D of Section 17.60.060, Approval authority, of the City Code is amended to read in its entirety as follows:

“D. City Council. The City Council has the authority to approve development agreements, zoning ordinance amendments, some subdivisions, and to hear appeals from the Planning Commission. Combined applications involving multiple permits or approvals will be heard together.”

SECTION 12 – AMENDMENT OF DIVISION 17.68 CONDITIONAL USE PERMITS

Division 17.68 of the City Code is deleted and replaced in its entirety with the following:

“DIVISION 17.68**CONDITIONAL USE PERMIT**

Sections:

- 17.68.010 General: Intent; Applicability.
- 17.68.020 Application.
- 17.68.030 Decision Making body
- 17.68.040 Findings for Conditional Use Permit
- 17.68.050 Review
- 17.68.060 Modification
- 17.68.070 Permit to run with land

17.68.010 General: Intent; Applicability.

A. General; Intent. No person shall begin a conditional use without first obtaining a conditional use permit. The purpose of conditional use permits is to provide a process for reviewing land uses which may be compatible with the zoning district, but whose effect on the site and surroundings cannot be determined before being proposed for a specific location. The Planning Commission may approve a conditional use permit, upon making findings of approval and imposing any necessary conditions of approval.

B. Applicability. A conditional use permit is required for a use listed as a conditional use in any zone, or a change in an existing conditional use, unless the new proposed use is permitted by right or is a minor modification under 17.68.060.

C. Wireless communication facilities permit. A wireless communication facility is a conditional use in all zones if not otherwise permitted by and approved under division 17.46.

17.68.020 Application.

The applicant must submit an application for a conditional use permit, or a minor modification to a conditional use permit on a form provided by the Director. The application shall be accompanied by plans as set forth in the required materials for the applicable permit application, and the application fee. Where necessary, the Director or hearing body may waive a requirement or require additional information.

17.68.030 Decision Making body.

A. Conditional Use Permit. The Planning Commission will hold a hearing on a conditional use application and make a final decision. The decision of the Planning Commission may be appealed to the City Council subject to Division 17.78.

B. Minor modification. The Director will make a determination on a minor modification. The decision of the Director can be appealed to the Planning Commission subject to 17.78.

17.68.040 Findings for Conditional Use Permit.

A. The Planning Commission may approve a conditional use permit for residential use requiring a conditional use permit (e.g. large family day care home, residential group home, residential component of mixed-use development) only after making the following findings:

1. The proposed use is consistent with the general plan and any applicable specific plan, and the use conforms to the zoning code.
2. The proposed use will not cause an increase in peak hour traffic exceeding 50 trips as determined by a traffic study.
3. The proposed use will not generate a parking demand greater than the number of on-site spaces provided in accordance with the city parking standards.
4. The proposed use will not produce mechanically-generated noise levels that exceed 50 dBA measured at the nearest residential property line.

B. The Planning Commission may approve a conditional use permit for a commercial or commercial component of mixed-use development only after making the following findings:

1. Necessity, Desirability, Compatibility. That the size, intensity and location of the proposed use will provide a development that is necessary or desirable for, and compatible with, the general neighborhood; and
2. Adverse Impacts. That such use as proposed will not be detrimental to the public health, safety, or general welfare, or physically injurious to property, improvements or potential development in the vicinity, with respect to aspects including but not limited to the following:
 - a) The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;
 - b) The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;
 - c) Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, trash and recycling management, lighting and signs; and
3. Consistency with Zoning Ordinance, General Plan and Specific Plan. That such use or feature as proposed will comply with the applicable provisions of this chapter and will be consistent with the policies and standards of the General Plan and any applicable specific plan.

17.68.050 Review.

A. Review. Each conditional use permit is subject to review two years after the permit is approved, or a longer period if provided in the approved permit, and each five years after that, or longer as determined by the Planning Commission. The Director will initiate the review and provide a report to the Planning Commission. If the Director or Planning Commission determines that there may be grounds for revocation of the permit, the Director will schedule the matter for a revocation hearing under section 17.80.050.

B. Applicability to prior conditional use permits. If a use permit issued before December 2013 has a condition with an automatic review or termination date, that condition is superseded by this section.

17.68.060 Modification.

A. Application. A person may apply for a minor modification to a conditional use permit if the modification meets any of the following criteria:

1. The cumulative physical expansion of any structure or space approved in the original Conditional Use Permit by no more than 10 percent.
2. Relocation of a use within the same property or structure.
3. A maximum 25% increase or decrease in the number of employees or hours of operation.

B. Minor Modification Findings: The Director may approve a minor modification to a conditional use permit only after making the following findings:

1. The modification qualifies as a minor modification described in 17.68.060.A.
2. The modification does not have any new significant impact and is Categorically Exempt from the California Environmental Quality Act,
3. The modification is consistent and in substantial conformance with the conditions of approval of the existing conditional use permit.

C. Other Modifications. An applicant wishing to make modifications to an existing conditional use permit that does not meet the criteria in section 17.68.060.A, shall submit an application for an amendment to their existing conditional use permit. Consideration of this application requires the same procedures and findings as for the original use permit.

D. It is not the intent of this Section that a series of minor modifications be used to circumvent the need for a new Conditional Use Permit.

17.68.070 Permit to run with land.

A conditional use permit granted pursuant to the provisions of this division shall run with the land and shall continue to be valid upon a change of ownership of the business or property which is the subject of the conditional use permit.”

SECTION 13 – AMENDMENT OF SECTION 17.70.030

Section 17.70.030., Hearing Body, of the City Code is amended to read in its entirety as follows:

“The Planning Commission will hold a hearing and decide on a variance request.

However, when another related application is normally decided by the City Council, the City Council will also be the decision-making body on the variance, and the Planning Commission will make a recommendation to the City Council. For example, this applies to an application for a subdivision (under chapter 19).”

SECTION 14 – AMENDMENT OF SUBSECTION 17.90.010 TO ADD DEFINITION OF “ART AND CRAFT STORE”.

The definition of “*Art and Craft Store*” is added to Section 17.90.010., Definitions, of the City Code as follows:

“*Art and Craft Store* means a retail store that sells art, glass, ceramics, paintings, sculpture, or other handcrafted items. This establishment may also feature on-site studio or workshop spaces designed for the creation of items like knitted goods, pottery, and paintings.”

SECTION 15 – AMENDMENT OF SUBSECTION 17.90.010 TO ADD DEFINITION OF “BAKERY”.

The definition of “*Bakery*” is added to Section 17.90.010., Definitions, of the City Code as follows:

“*Bakery* means any room, building or place used or operated for making, preparing or baking bread, cakes, pies, pastry, doughnuts, rolls, biscuits, crackers or other edible products of flour or meal to be sold to the public.”

SECTION 16 – AMENDMENT OF SUBSECTION 17.90.010 TO ADD DEFINITION OF “CLOTHING STORE”.

The definition of “*Clothing Store*” is added to Section 17.90.010., Definitions, of the City Code as follows:

“*Clothing store* means a retail establishment whose principal purpose is to sell ready-made and made-to-order clothing and/or accessories such as bags, headwear, footwear, and jewelry.”

SECTION 17 – AMENDMENT OF SUBSECTION 17.90.010 TO ADD DEFINITION OF “FLORIST SHOP”.

The definition of “*Florist Shop*” is added to Section 17.90.010., Definitions, of the City Code as follows:

“*Florist Shop* means a retail establishment that sells cut flowers and ornamental plants. Florist shops may also offer services such as flower care, arranging, design, merchandising, and delivery.”

SECTION 18 – AMENDMENT OF SUBSECTION 17.90.010 TO ADD DEFINITION OF “RESTAURANT”.

The definition of “*Restaurant*” is added to Section 17.90.010., Definitions, of the City Code as follows:

“*Restaurant* means an establishment that prepares food or sells packaged food for on-site consumption, take-out, or delivery. Service models typically range from self-serve to full-service. This classification includes cafeterias, delicatessens, sandwich shops, pizza parlors, and take-out restaurants that have a storefront restaurant component.”

SECTION 19 – AMENDMENT OF SUBSECTION 17.90.010 TO ADD DEFINITION OF “WINE SHOP”.

The definition of “*Wine Shop*” is added to Section 17.90.010., Definitions, of the City Code as follows:

“*Wine shop* means a retail establishment that specializes in serving wine and the selling of wine for off-premises consumption.”

SECTION 20 – CONFLICTS

If a previous City Council ordinance or resolution is in conflict with this ordinance, that ordinance or resolution is superseded, and the provisions of this ordinance prevail.

SECTION 21 – SEVERABILITY

The provisions of this Ordinance are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Ordinance or their applicability to other persons or circumstances.

SECTION 22 – CODIFICATION

The City Clerk is directed to codify this ordinance in a manner which reflects the legislative intent of the City Council

SECTION 23 – POSTING, EFFECTIVE DATE, AND SUBMISSION

This Ordinance shall be posted at City Hall after its second reading by the City Council for at least 30 days and shall become effective 30 days after the second reading. The City Clerk is directed to submit a copy of this ordinance to the Department of Housing and Community Development in the manner required by law.

[END OF ORDINANCE]