



AGENCY: City Council
MEETING DATE: August 9, 2021
DEPARTMENT: City Manager
PRESENTED BY: Tabatha Miller
EMAIL ADDRESS: tmiller@fortbragg.com

AGENDA ITEM SUMMARY

TITLE:

Receive Report, Conduct Public Hearing, Receive Planning Commission Recommendation, and Consider Introducing by Title Only and Waiving the First Reading of Ordinance No. 970-2021 Amending Article 2 (Zoning Districts and Allowable Land Uses), Article 4 (Standards for Specific Land Uses) and Article 10 (Definitions) of Title 18 (Inland Land Use and Development Code) of the Fort Bragg Municipal Code Relating to Regulation of Formula Business

ISSUE:

The City Council discussed regulating formula businesses on October 24, 2019 and February 24, 2020. After the second discussion, the City Council directed staff to bring the matter to the Planning Commission to draft an ordinance that would apply to the Inland area of the City. After delays related to the COVID-19 pandemic, staffing reductions and staff turnover in the Community Development Department, the Planning Commission began working on developing an Ordinance in October 2020. On June 2, 2021, the Planning Commission approved a Resolution (5-0) recommending that the City Council adopt the Formula Business Ordinance, adding Chapter 18.46 Formula Business Regulations to the Inland Land Use and Development Code (ILUDC).

On April 12, 2021, the City Council adopted Urgency Ordinance No. 964-2021 placing a 45-day Moratorium on the Approval of Applications and Permits for Formula Businesses in the Inland Zoning Areas. On the same day, an Urgency Ordinance for a Formula Business Moratorium in the Coastal Zoning Areas failed to receive four-fifths vote. On May 24, 2021, the City Council approved an extension of the moratorium for ten months and fifteen days to provide sufficient time to allow the Formula Business Regulations to be finalized, adopted and to become effective. Staff expects that a final ordinance will be adopted prior to April 4, 2022 and that the Inland moratorium can be rescinded early.

The public hearing for this ordinance was continued from July 26, 2021. Staff is presenting the final proposed Ordinance this evening for Public Hearing and Council's consideration. If the Ordinance is introduced this evening and adopted on September 13, 2021, it would become effective October 13, 2021.

ANALYSIS:

Cities cannot prohibit Formula Business within their jurisdictions, but can pass ordinances to impose specific permit requirements to ensure that new Formula Businesses are located in accordance with legitimate land-use and planning goals that support the City's General Plan Policies.

Three elements to consider in structuring a legally defensible formula business ordinance:

- 1) Establish extensive findings on the purpose of the ordinance;
- 2) Establish clear criteria for the issuance of Use Permits regulating the use of the land which treats the class of Formula Businesses equally; and
- 3) Make clear connections between the Formula Business regulations and stated purpose of the ordinance.

Discussion on Proposed Ordinance Language

Section 1. Legislative Findings

Section 1 of the proposed Ordinance sets forth legislative findings. There have been few legal challenges in California to local Formula Business regulations. One, in which the City of Coronado successfully defended its regulations, was *Organized v. City of Coronado*¹. Although unpublished, so it cannot be relied on as case law, the court relied heavily on the lengthy preamble section that set forth the nondiscriminatory purposes of the regulation. Staff has followed this example, to provide further legal support for adoption of the Formula Business regulations.

Section 2. Chapter 18.46 Formula Business Regulations

18.46.010 Purpose.

The purpose provides an abbreviated purpose for the Ordinance. It introduces the chapter in the code, serves as a sort of preamble and is included in the codified (printed) version in the ILUDC, unlike the more expansive Legislative Findings referenced above. It also helps substantiate the nondiscriminatory justification for the Ordinance.

The purpose of this chapter is to promote and maintain the City's unique small town character, the diversity and vitality of the City's commercial districts, and the quality of life for Fort Bragg's residents and visitors. It is presumed that establishing or preserving a balanced mix of local, regional and national-based businesses will more effectively serve to achieve this purpose as a strategy to maintain and improve the economic health of the City's business districts and the small one-of-a-kind ambiance.

18.46.020 Definitions.

Terms and phrases used in the Formula Business Chapter will be codified in Chapter 18.100 reserved for definitions under the header "Formula Business." Additionally, the Ordinance eliminates the current definition of "Formula Business" in the ILUDC.

The following definitions will be added to the ILUDC as set forth in the Ordinance:

¹ *Organized v. City of Coronado*, 2003 Cal.App.Unpub. LEXIS 5769, Court of Appeals of California, Fourth Appellate District, Division One.

“Array of merchandise/menu” shall be defined as 50 percent or more of in-stock merchandise from a single distributor bearing uniform markings.

“Color scheme” shall be defined as selection of colors used throughout, such as on the furnishings, permanent fixtures, and wallcoverings, or as used on the facade.

“Commercial Establishment” means a commercial establishment that provides goods and/or services directly or indirectly to the consumer.

“Decor” shall be defined as the style of interior finishings, which may include but is not limited to style of furniture, wallcoverings or permanent fixtures.

“Facade” shall be defined as the face, front or side of a building, including awnings, especially the principal front that looks onto a street or an open space.

“Formula Business” means a Commercial Establishment which, along with ten (10) or more other business locations outside of Fort Bragg, regardless of ownership or location at the time that the application is deemed complete, is required by contractual or other arrangement to maintain at least two (2) of the following Standardized features: an Array of merchandise/menu, Decor, Uniforms, Façade, Color scheme, exterior Signage including a Trademark or Service mark as Signage.

“Payday or Check Cashing Commercial Establishment” is a person or company who makes or facilitates a deferred presentment transaction, such that the person or company provides currency or a payment instrument in exchange for a person’s check or agreement to provide access to a drawer’s account in a financial institution and agrees to hold that person’s check for a period of time prior to presentment, deposit, or redemption or facilitates this process.

“Service mark” shall be defined as word, phrase, symbol or design or a combination of words, phrases, symbols or designs that identifies and distinguishes the source of a service from one party from those of others.

For definition of **“Signage,”** see definition of **“sign”** § 18.100.020 (S).

“Standardized” does not mean identical, but means substantially the same.

“Trademark” shall be defined as a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs that identifies and distinguishes the source of the goods from one party from those of others.

“Uniforms” shall be defined as standardized items of clothing including but not limited to standardized aprons, pants, shirts, smocks or dresses, hat, and pins (other than name tags) as well as standardized colors of clothing.

Of note, the definition of “Formula Business” sets the threshold of substantially similar establishments at ten (10). This number allows expanding smaller chains, including regional businesses that have not become ubiquitous with Anywhere USA, to avoid the additional Formula Business regulations. Requiring at least two (2) of the standardized features, provides some flexibility for businesses with national or international trademark or service marks but no other standardized traits. For example, several local hardware stores are affiliated Ace Hardware and many hotels affiliate with chains such as Best Western or

Travelodge for marketing purposes but otherwise maintain relatively unique business attributes.

The phrase “regardless of ownership or location at the time that the application is deemed complete” is to help ensure that the ordinance is not discriminatory against nonlocal businesses. Zoning ordinances enacted to protect local businesses from competition are susceptible to dormant Commerce Clause challenges.² The Dormant Commerce Clause is the constitutional principle that the Commerce Clause prevents state or local regulation of interstate commercial activity even when Congress has not acted under its Commerce Clause power to regulate that activity.

18.46.030 Regulations.

Cities cannot completely ban Formula Businesses within their jurisdictions but they can enact ordinances that impose additional permit requirements that limit the number in a given area, impose certain design guidelines and ensure that the businesses are compatible with surrounding uses. A key tool for cities in regulating Formula Businesses is the Conditional Use Permit (CUP). A zoning ordinance will typically set forth a list of permitted uses, as a matter of right, within each zoning district. Other uses may be allowed but only with a CUP, which in the Fort Bragg Code is referenced as Minor Use Permit (MUP) or Use Permit (UP)³. Use permits add flexibility to zoning and allow for local review to ensure compatibility with the neighborhood or a pre-established set of criteria.

Regulation A below specifically states where Formula Businesses may locate with a Use Permit. Both the Planning Commission and the City Council wavered on whether a Formula Business should be subject to a Minor Use Permit (MUP), a Use Permit (UP), if some Formula Businesses should be allowed by right, or if some zoning districts should allow Formula Businesses by right. The Planning Commission determined that a Use Permit is the correct level of review, apart from the exceptions in Section 18.46.050 (explained later on).

Regulation B below establishes that Design Review is required when establishing the Formula Business and if making exterior alterations. This is a little redundant in that [Section 18.71.050](#) of the ILUDC establishes the requirements for design review and is comprehensive. Nevertheless, referencing this requirement in the Formula Business Chapter ensures that prospective new businesses, not familiar with the code, that qualify as a Formula Business are clearly informed of this requirement. The Planning Commission recognized Design Review and the exterior appearance of Formula Businesses as a significant concern. So much so, that an update of the City’s current Design Guidelines grew out of developing this Ordinance.

² *Island Silver & Spice, Inc. v. Islamorada*, 475 F. Supp. 2d 1281 (S.D. Fla. 2007) struck down Islamorada, Florida’s Formula Business Ordinance because it was tailored to serve local business interests by preventing competition from national chains.

³ MUPs are approved or denied by the Community Development Director, while UPs must be approved or denied by the Planning Commission. Public notices of an application for an MUP will state that a decision will be made by the Director by the date specified unless an interested person requests in writing a public hearing. Notice of a pending UP or MUP is provided to property owners within a 300-foot radius by mail, is posted on the property and published in the newspaper at least 10 days before the decision.

- A. *A Formula Business Establishment may be allowed in the Commercial Zoning Districts with a Use Permit (UP).*
- B. *Establishment of or exterior alteration of a Formula Business is subject to Design Review as set forth in Section 18.71.050.*

18.46.040 Required Findings for Approval.

In addition to the standard findings for issuing a UP or MUP, specific findings clearly connected to the stated purpose of the Formula Business Ordinance are more likely to withstand a legal challenge. Further, articulated findings ensure that the UP is implemented consistently with the Formula Business Ordinance and the General Plan Policies and Goals.

In 2017, the California Court of Appeals invalidated the City of Malibu's Formula Business Ordinance.⁴ Partly at issue was Malibu's CUP requirements for Formula Businesses. Prior to issuing a CUP, the planning commission was required to make findings about the specific chain. If the CUP was approved, it would only apply to that specific establishment and ownership. The Court found these features of Malibu's CUP contrary to well-established principles. A CUP is not a personal interest and should not attach to the permittee but instead a CUP creates a right that runs with the land. Using Starbucks as an example, the Court pointed out that under Malibu's CUP for formula businesses, a Peet's Coffee would be unable to operate the same use in the same location as the Starbucks, which defeated the purpose of a Conditional Use Permit [emphasis added].

The takeaway is to avoid any formula business specific findings that focus on the permittee or chain and that once approved for a specific use, that right is transferrable to other establishments or businesses operating the same use. Similarly, the question has been raised whether a franchise-owned formula business should be treated differently than a corporation-owned formula business because the profits stay local. At the October 24, 2019 City Council meeting, the City Attorney provided direction that ownership structure couldn't be a factor in evaluating formula businesses.

Special findings A, B, C, & D (below) ensure that a Formula Business supports and adds to the vitality of the local economy. Special findings E, F, & G focus on design and ensure that the Formula Business is consistent with the design and aesthetic values of Fort Bragg. Rightfully so, the Planning Commission spent significant time reviewing and revising these required findings.

In addition to the findings required by 18.71.060 (F) as prerequisite to the issuance of a use permit, the Planning Commission shall make all of the following findings prior to the issuance

⁴ [*The Park at Cross Creek, LLC v. City of Malibu, \(2017\)*](#) 12 Cal.App. 5th 1196.

of a Use Permit for a Formula Business, unless the project is exempt, in conformance with Section 18.46.050:

- A. *The Commercial Establishment will add to, rather than detract from, the overall economic and cultural vitality of the City; and*
- B. *The Commercial Establishment will not result in an over-concentration of Formula Business establishments in its immediate vicinity or in the City as a whole; and*
- C. *The Commercial Establishment will complement existing businesses; and*
- D. *The Commercial Establishment will promote diversity and variety to assure a balanced mix of commercial uses to serve both resident and visitor populations; and*
- E. *The Commercial Establishment has been designed to preserve and enhance the City's small town character; and*
- F. *The Commercial Establishment's exterior design limits "formula" architectural, sign and other components; and*
- G. *The Commercial Establishment's exterior design integrates existing community architectural design features.*

18.46.050 Exemptions.

The Planning Commission invested significant time finding a balance that allowed for some formula business development "by right." Exemptions D, E, and F to the Formula Business regulations create an exclusion from the Formula Business Regulations, most importantly the required findings in Section 18.46.040. These exemptions allow Formula Businesses by right, so long as other Use Permit requirements are not triggered. In exchange for the "allowed by right" designation, the City restricts the amount of the square footage occupied by Formula Business. By not allowing the full space in a development to be occupied by right by Formula Business, additional opportunities exist for non-Formula Business uses which typically require smaller spaces and are locally based. It also encourages much needed housing in Mixed Use Projects.

The Planning Commission originally discussed these exemptions in the context of support for the Central Business District (CBD). As currently written, these exemptions apply to all Commercial Zoning Districts, except Neighborhood Commercial. Staff found the Commissioners' reasoning on the benefits of allowing some Formula Businesses by right, applicable and beneficial to the other Commercial Zoning Districts.

Exemption D allows Formula Businesses "by right" that are no more than 2,000 square feet (sf) in size. The Planning Commission discussed whether 2,000 was the appropriate square footage and reasoned that smaller formula businesses would benefit the City by filling smaller vacant spaces, especially in the CBD, and would not have the same potentially

adverse impact of the larger formula businesses. Further, a more extensive design review policy in the CBD will protect facades and historic storefronts.

Formula Businesses can also be the source of additional traffic, as patrons seek out the familiar offerings. The limit on parking in the CBD means that patrons may not be able to park right in front of the formula business and may instead need to park a block or more away and walk. Likewise, an individual familiar with a formula business brand may spot that brand in the next block and walk farther into the CBD. Both scenarios increase the pedestrian traffic in the CBD and encourage individuals to patronize other businesses along their route.

One possible area of concern with the exemption set at 2,000 sf for formula businesses is that fast food restaurants with small footprints could qualify for the exemption. This is not as much of a concern in the CBD because parking and stricter design review guidelines will likely ensure that a smaller Formula Business, even a fast food restaurant, fits with the character and historical nature of the CBD. Many formula businesses, especially fast food restaurants depend on ample parking and drive thru service. The historic nature of the CBD limits parking and the space necessary to accommodate a drive thru.

Outside of the CBD, it is more likely that a fast food or quick service restaurant could have a negative impact. The chart below shows the average U.S. square footage of several well-known quick service restaurants, all of which are well above 2,000 sf. There are quick service restaurants that operate in smaller spaces but a review of these establishments found they were typically more innovative, specialized, and lesser-known, and as a result more likely to “fit” in Fort Bragg.

Restaurant Chain	Square Footage
McDonald’s	4,500
Chick-fil-A	4,200
Burger King	3,500
Arby’s	3,500
Wendy’s	3,000
Chipotle’s	2,600
Source: www.statista & www.restfinance	

For comparison purposes, the chart below provides the approximate square footage of existing and proposed development in the City of Fort Bragg.

Building	Square Footage
Dry Shed on Mill Site	~70,000
Safeway	~51,700
Rite Aid	~27,000
Proposed Grocery Outlet	~16,150
North Coast Brewery	~15,700
Former Sears Building	~9,800
Proposed Dollar General	~9,000

Floor Store/Holistic Sunshine (retail space only)	~2,960
Starbucks	~2,800
Taco Bell	~2,400
Speedex/Sinclair's Service Station (as expanded)	~1,800

Under Exemption E, a formula business or multiple formula businesses combined cannot occupy more than twenty-five percent (25%) of a Mixed Use⁵ or Retail Complex⁶ project. General Plan Policy LU-4.2 limits commercial development between the Noyo River and Pudding Creek Bridges to 50,000 square feet, which means that the largest space available to formula business under this exemption would be 12,500 square feet. It is difficult to imagine a commercial use other than formula business that could feasibly fill the remaining 37,500 sf. City Council has provided guidance on a cannabis cultivation ordinance, which limits cultivation activities to Industrial and Light Industrial districts, so it is unlikely cannabis cultivation will be allowed in Commercial Zoning Districts.

As such, Exemption E encourages smaller businesses and balanced development and ensures that anything larger than 12,500 sf with a proposed Formula Business use meets the Special Findings in Section 18.46.040, meaning it is a complementary fit for Fort Bragg. This is consistent with the City's Inland General Plan and the ILUDC which provides certain limits on Big Box Stores.

Under Exemption F, a formula business or businesses can occupy up to thirty-five percent (35%) of a Mixed Use Development project, so long as at least thirty-five percent (35%) of the project is a housing component. This furthers the City Council's goal and the community's need for additional housing at all income levels. Additionally, by limiting the amount of space available to Formula Businesses there is more space available for non-Formula Businesses or additional housing.

Overall, the Planning Commission was concerned with the size and scale of Formula Business stores. Exemption D, E and F support those limitations by encouraging smaller uses on a scale better fitting Fort Bragg and a mix of Formula and non-formula businesses.

Exemption G establishes that a Use Permit is transferrable to a new business, so long as the land use category, location and gross floor area remain the same. This is a legal requirement and counters one of the reasons that the City of Malibu's original citizen initiative regulating Formula Businesses was overturned in 2017.

This Chapter shall not apply to:

- A. *Those land use applications approved prior to the adoption of the Ordinance codified in this chapter;*

⁵ Mixed Use Project is a project that combines both commercial and residential uses, where the residential component is typically located above the commercial. Mixed Use Projects can also be located in separate buildings on the same parcel.

⁶ Retail Complex is defined as a primarily retail commercial site with 3 or more separate businesses sharing common pedestrian parking areas.

- B. *Construction required to comply with fire and/or life safety requirements;*
- C. *Disability accessibility work;*
- D. *A Formula Business that does not exceed 2,000 square feet of gross floor area, except those uses prohibited by Section 18.46.060;*
- E. *Formula Business, which if approved, would not result in Formula Business(es) occupying more than twenty-five percent of the total gross floor area of a Retail Complex or Mixed Use Project, subject to the prohibited uses in Section 18.46.060;*
- F. *A Formula Business, which if approved, would not result in Formula Business(es) occupying more than thirty-five percent of the total gross floor area of a Mixed Use Project in which at least thirty-five percent of total gross floor area is a residential component, subject to the prohibited uses in Section 18.46.060; or*
- G. *Changes in ownership of existing Formula Businesses where there is no substantial change to the land use classification of the use, or in the mode or character of the operation.*

Proposed development that qualifies as an Exemption per D, E, F, or G of this Section is subject to Design Review as provided in Section 18.71.050.

18.46.060 Prohibited Formula Business Uses.

The proposed Ordinance allows Formula Businesses with regulations in all Commercial Zoning Districts except Neighborhood Commercial.⁷ The reason for excluding Neighborhood Commercial was the Planning Commission’s discussions about protecting residential neighborhoods from larger more impactful retail development. Typically, chain stores generate more traffic, both vehicular and pedestrian. Neighborhood Commercial businesses should serve the local neighborhood and not the broader service area, thus this zoning use did not seem to be a good fit for Formula Business.

A prohibition on Payday Lending Formula Businesses has also been added to the Ordinance. These businesses are often associated with taking money out of communities and draining resources instead of adding to them. Formula Business versions of this business model have proliferated in the last twenty years and are credited with downward community economic spirals.⁸

- A. *Formula Businesses are prohibited in the Neighborhood Commercial (CN) Zoning District.*

⁷ Note there is currently no Office Commercial land use zoned in the Inland Area of Fort Bragg.

⁸ [Controlling the Growth of Payday Lending Through Local Ordinances and Resolutions, October 2012](#)

- B. *Formula Business Payday Lending or Check Cashing Commercial Establishments are prohibited in all Zoning Districts.*

18.46.070 Burden of Proof.

This section simply places a permit applicant on notice that they bear the burden of proving that a use does not meet the definition of a Formula Business.

In the event the City determines that a permit application or permit is subject to this chapter for a Formula Business, the permit applicant or holder bears the burden of proving to the City that the proposed or existing use does not constitute a Formula Business.

Community Survey

In October 2020, staff conducted a non-scientific and [informal survey of community members](#) to gauge support for or against further regulation of formula businesses. Over 1,100 responses were received and approximately two-thirds of respondents favored some regulation of formula businesses. Of those in favor, the largest number of respondents indicated a desire to regulate the total number and type of businesses allowed.

Planning Commission Agenda Items History

1. 06-02-2021 Planning Commission Agenda Item:
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=4969275&GUID=8293464C-DC69-425B-ABBF-C29A84008F5C&Options=&Search=>
2. 05-05-2021 Planning Commission Agenda Item:
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=4931044&GUID=D05A39F8-64C5-4386-80A1-3878652A4C5D&Options=&Search=>
3. 02-10-2021 Planning Commission Agenda Item:
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=4791266&GUID=BC2A0%20DF5-7E5B-4B2E-92F5-A2990439AB54&Options=&Search=>
4. 01-6-2021 Planning Commission Agenda Item:
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=4734368&GUID=95%20841ACC-F213-497A-A7C0-5B6B5DD266E6&Options=&Search=>
5. 11-12-2020 Planning Commission Agenda Item:
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=4690413&GUID=86%204E59CA-C811-40B0-A2EA-74FE8B15A4FF&Options=&Search=>
6. 10-14-2020 Planning Commission Agenda Item:
<https://cityfortbragg.legistar.com/LegislationDetail.aspx?ID=4663892&GUID=CF%207C04D6-1EDB-46DE-A786-C6C165DE4242&Options=&Search=>

RECOMMENDED ACTION(S):

1. Open the Public Hearing continued from July 26, 2021;
2. Receive Staff Report;
3. Council questions and clarification;
4. Receive public comment;
5. Close public hearing;
6. Council Deliberation; and
7. Introduce by title only, and waive further reading of Ordinance 970-2021 amending Article 2 (Zoning Districts and Allowable Land Uses), Article 4 (Standards for Specific Land Uses) and Article 10 (Definitions) of Title 18 (Inland Land Use and Development Code) of the Fort Bragg Municipal Code Relating to Regulation of Formula Business as recommended by the Planning Commission.

ALTERNATIVE ACTION(S):

Provide direction to staff regarding revisions to the Municipal Code addressing formula businesses. Substantive changes would require further review and recommendation by the Planning Commission.

FISCAL IMPACT:

The impact of the Ordinance on City revenues is unknown. Of the City’s top twenty-five (25) sales tax generating businesses, as of Fourth Quarter 2020, which represents 69.4% of the General Fund City’s Sales Tax Revenue, fifteen are formula businesses.

Additionally, a number of the hotels in Fort Bragg are associated with chains, such as Super 8, Holiday Inn, Motel 6, Best Western and Travelodge. The Transient Occupancy Tax (TOT) is the General Fund’s largest source of revenue.

Fort Bragg Top Twenty-Five Sales Tax Businesses - Quarter 4, 2020

ARCO AM/PM MINI MART	REDWOOD COAST FUELS
BOATYARD TOBACCO	RINO SERVICE STATIONS
CANCLINI TV & APPLIANCE	RITE AID DRUG STORES
CHEVRON SERVICE STATIONS	ROSSI BUILDING MATERIALS
CVS/PHARMACY	SAFEWAY STORES
DOLLAR TREE STORES	SINCLAIR SERVICE STATIONS
GEO AGGREGATES	SPORT CHRYSLER-JEEP-DODGE
HARVEST MARKET	TACO BELL
KEMPPE LIQUID GAS	THE BREWERY SHOP
MCDONALD'S RESTAURANTS	TRUE VALUE HARDWARE
MENDO MILL & LUMBER COMPANY	TWO SHORT SALES
MENDOCINO COUNTY HORTICULTURE SUPPLY	US CELLULAR
O'REILLY AUTO PARTS	

**Listed in Alphabetical Ordinance*

GREENHOUSE GAS EMISSIONS IMPACT:

N/A

CONSISTENCY:

The Community Design Element of the City's Inland General Plan provides support for regulating Formula Businesses. The intent of the Community Design Element is to establish goals, policies and programs to preserve and enhance Fort Bragg's authentic, small town character, and is concerned primarily with the visual quality of the City.

Adopting Formula Business Regulations is consistent with numerous goals and policies because these regulations are in place to ensure that development within the City maintains and enhances the unique coastal character of our rural small-town. The proposed Ordinance regulating Formula Business is consistent with the following Inland General Plan Goals and Policies:

Goal LU-3 Ensure that the Central Business District remains the historic, civic, cultural, and commercial core of the community.

Policy LU-3.1 Central Business District: Retain and enhance the small-scale, pedestrian friendly, and historic character of the Central Business District (CBD).

Goal LU-4 Promote the economic vitality of the City's existing commercial areas.

Policy LU-4.1 Formula Businesses and Big Box Retail: The location, scale, and appearance of formula businesses and big box retail shall not detract from the economic vitality of established commercial businesses, and shall be consistent with the small town, rural character of Fort Bragg.

Policy LU-4.2 Large-Scale Commercial Development: To maintain scenic views along Main Street and to ensure that building sizes at the City's gateways are in scale with the community, no commercial building shall exceed the following limitations on the gross floor area: a) between the Noyo River and Pudding Creek Bridges - maximum 50,000 square feet b) east of Highway One and north of Pudding Creek Bridge - maximum 30,000 square feet

Policy LU-4.3 Standards for Commercial Uses in Residential Areas: Commercial uses in and adjacent to residential areas shall not adversely affect the primarily residential character of the area.

Policy C-5.1 Community Priorities for Transportation Improvements: Place a higher priority on maintaining a sense of place and enhancing the attractiveness of the Central Business District than on efficient traffic flow and movement.

Policy CD-1.5 Strip Development: Discourage strip development along Main Street.

Goal CD-2 Preserve the Central Business District as the commercial, civic, historic, and cultural center of the community.

Policy CD-2.1 Adaptive Reuse: Facilitate the adaptive reuse of existing older buildings in the Central Business District.

Policy CD-2.3 Economic Vitality: Continue to support the economic diversity and vitality of downtown businesses.

Policy CD-2.5 Strengthen the Distinctive Identity of the Central Business District: Strengthen the distinctive identity and unique sense of place of the Central Business District.

Policy CD-3.2 Gateway Development: Encourage a higher quality of development at the City's gateways.

Policy CD-6.1 Protect and Preserve Buildings and Sites with Historic and Cultural Significance to the Community.

Central Business District Frontage and Façade Standards

Section 18.22.060 applies to new development in the Central Business District. The policies limit the uses allowable on the ground floor (pedestrian-oriented uses, such as retail), prescribe requirements on pedestrian entrances (shall be recessed from the sidewalk), and prohibits formula design.

The following policy regulates formula design:

***E. Formula design prohibited.** The architectural style and exterior finish materials of each proposed structure shall be designed based upon the architectural traditions of Fort Bragg and Mendocino County, and the architectural styles prevalent in the site vicinity. Buildings proposed with architectural features substantially similar to those found in other communities on buildings occupied by the same corporate or franchise entity that will occupy the proposed building are strongly discouraged.*

IMPLEMENTATION/TIMEFRAMES:

If the Ordinance is introduced on August 9, 2021, and adopted on September 13, 2021 it would become effective October 13, 2021.

ATTACHMENTS:

1. Proposed Ordinance
2. Planning Commission Resolution
3. Public Hearing Notice
4. Current Zoning Map

NOTIFICATION:

1. Economic Development Planning, **Notify Me subscriber list**
2. Tourism and Marketing, **Notify Me subscriber list**
3. Fort Bragg Downtown Businesses, **Notify Me subscriber list**
4. John Wojtila, **Dollar General Applicant**