

CHAPTER 18.46 FORMULA BUSINESS REGULATIONS Public Hearing

PLANNING COMMISSION

JUNE 2, 2021



FORMULA BUSINESS ORDINANCE

PROPOSED ACTION PLAN	PROPOSED DATE
Finalize Ordinance Language	May 5, 2021
Planning Commission Public Hearing	June 2, 2021
City Council Introduction and Public Hearing	June 28, 2021
City Council Adopts Ordinance	July 12, 2021
Formula Business Effective Date	August 11, 2021
City Council Rescinds Moratorium	August 23, 2021

URGENCY ORDINANCE No. 964-2021

- ▶ 45-Day moratorium on approval of applications and permits for Formula Businesses in the Inland Zoning Area
- ▶ Approved by 4/5 Councilmembers
- ▶ May 24, 2021 –City Council extended moratorium for 10 months and 15 days
- ▶ May be extended for a total period of two years
- ▶ Impacts Dollar General Application
- ▶ Moratorium for Coastal Area failed

PROPOSED ORDINANCE - LEGISLATIVE FINDINGS

- ▶ Establishes the nondiscriminatory purpose for regulating Formula Businesses
- ▶ Lengthy preamble section aka “extensive findings”
- ▶ Not codified, so it is not printed as part of the Inland Land Use Development Code (ILUDC)

MODIFIED LANGUAGE– Paragraph 8

- ▶ The City has analyzed the project proposal described herein and finds that the project is exempt from the California Environmental Quality Act (“CEQA”) because Section 15061(b)(3) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations) **exempts from CEQA those activities** where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. This Ordinance will have the net effect of reducing, rather than increasing the amount of change in the City in that does not authorize any additional uses as permitted or conditionally permitted uses nor does it change the uses allowed in the City or their intensity or density.

PROPOSED ORDINANCE – 18.46.010 PURPOSE

- ▶ Abbreviated purpose
- ▶ Serves as an Introduction
- ▶ Included in the codified or printed ILUDC
- ▶ Adds to the support for the nondiscriminatory purpose of the Ordinance

PROPOSED ORDINANCE - 18.46.020 DEFINITIONS

- ▶ Separately, listed in Definitions 18.100 as applicable to “Formula Business Chapter”
- ▶ Replace existing definition of “Formula Business”
- ▶ Added “Commercial Establishment” instead of listing all land uses that were included or excluded from Formula Business
- ▶ Added “Payday or Check Cashing Commercial Establishment”

PROPOSED ORDINANCE – 18.46.030 REGULATIONS

Added Regulation:

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

PROPOSED ORDINANCE – 18.46.040 REQUIRED FINDINGS

- 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.

PROPOSED ORDINANCE – 18.46.050 SELECTED EXEMPTIONS

- 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 (25%) of the total gross floor area of a Retail Complex or Mixed Use Project, except those uses prohibited by Section 18.46.060;*
- F. *A Formula Business, which if approved, would not result in Formula Business(es) occupying more than thirty-five percent (35%) of the total gross floor area of a Mixed Use Project in which at least thirty-five percent (35%) of total gross floor area is a residential component, except those uses prohibited by 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 pursuant to D, E, F, or G of this Section is subject to Design Review as provided in Section 18.71.050.

SQUARE FOOTAGE COMPARISONS – FAST FOOD RESTAURANTS

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

SQUARE FOOTAGE COMPARISONS – LOCAL DEVELOPMENT

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

PROPOSED ORDINANCE – 18.46.060 PROHIBITED FB USES

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

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

PROPOSED ORDINANCE – 18.46.070 BURDEN OF PROOF

- ▶ *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.*

PROPOSED ORDINANCE – USE TABLE UPDATES

Table 2-6

Retail Trade; Services - Business, Financial, Professional; and Services - General

LAND USE (1)	PERMIT REQUIRED BY DISTRICT					Specific Use Regulations
	CN	CO	CBD	CG	CH	
Formula Business	-	UP(2)	UP(2)	UP(2)	UP(2)	Chapter 18.46
Formula Business – Less than 2,001 sf	-	P	P	P	P	Chapter 18.46

(1) See Article 10 for land use definitions

(2) Use Permit required except for exemptions set forth in 18.46.050

QUESTIONS?