



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: November 19, 2004 REPORT NO. PC-04-138

ATTENTION: Planning Commission
Agenda of December 2, 2004

SUBJECT: Draft Ordinance Regulating Large Retail Development

REFERENCE: Planning Commission Memorandum dated May 7, 2004;
Planning Commission Report PC-04-014;
Manager's Report 03-151; Manager's Report 01-126;
Manager's Report 00-205; Planning Commission Report P-96-180;
Planning Commission Report P-96-080.

SUMMARY

Issue - Should the Planning Commission recommend to the City Council adoption of an ordinance that would apply a building size limitation, discretionary review at specified thresholds, additional design and landscape regulations, and incentive-based requirements to large retail development in some areas of the City?

Planning Department Recommendation - Adopt the staff-recommended ordinance (see Attachment 1), which would:

- Limit the size of large retail establishments to 150,000 square feet except in the CR (Commercial-Regional) zones and the Centre City Planned District Ordinance (CCPDO);
- Establish a Process 2 Neighborhood Development Permit (NDP) at 50,000 square feet of building size in the CC (Commercial--Community) zones, CR zones, IL-2-1 (Industrial-Light) zone, IL-3-1 (Industrial-Light) zone, and planned districts, except in the CCPDO;
- Establish a Process 4 Site Development Permit (SDP) at 100,000 square feet of building size in the CC zones and planned districts;
- Include incentive-based requirements; and
- Establish additional design and landscape regulations in the CC zones, CR zones, IL-2-1 zone, IL-3-1 zone and planned districts.

Land Use and Housing (LU&H) Committee Recommendation - On July 23, 2003, LU&H directed staff to evaluate an ordinance proposal distributed at the meeting (SKU Ordinance) and to draft an ordinance regulating large retail development that includes design standards.

Community Planner's Committee (CPC) Recommendation – On September 28, 2004, CPC voted 21-2-0 (one recusal) to support staff's recommendation presented to CPC with modifications as follows:

- Eliminate the 150,000 square feet building size limitation;
- Establish discretionary review (SDP Process 4) at 75,000 square feet instead of 100,000 square feet recommended by staff in the CC zones and planned districts;
- Require a discretionary review (NDP Process 2) instead of Process 1 recommended by staff at 50,000 square feet of building size.

Three separate motions failed regarding re-leasing. More specifically, the first motion was to have staff return at a later date with a staff report on re-leasing issues; it failed with a vote of 1-17-2. The second motion was to have City Council recognize CPC's concerns about vacant buildings creating blight, public nuisance and contributing to lack of services; it failed with a vote of 10-12-1. The final motion stated that a re-leasing requirement, not involving demolition, should be added to the ordinance to require the vacating leaseholder to actively pursue re-leasing of the property and to prohibit leases from tying up vacant properties; it failed with a vote of 5-16-1.

Technical Advisory Committee (TAC) – On September 8, 2004, TAC made a series of motions summarized as follows:

- Maintain current regulations as they are without adding further regulations (vote of 5-0-2);
- Recommend an incentive-based approach so that if new regulations are added, they should be incentive-based (vote of 6-0-1);
- Require traffic analysis for a change in retail user for buildings over 100,000 square feet in size (vote of 5-0-2);
- Support 100,000 square feet threshold for discretionary review via an SDP Process 4 (vote of 5-0-2); and
- Deny any form of re-leasing requirements in the City (vote of 5-0-2).

Land Development Code Monitoring Team (CMT) Recommendation – On September 8, 2004, CMT voted 7-0 to express opposition to any re-leasing requirements and support all items covered in the Planning Department recommendation with the following two exceptions:

- Eliminate the building size limitation of 150,000 square feet; and
- Require a Process 1 at 50,000 square feet of building size.

San Diego Business Improvement District (BID) Council – On October 28, 2004, the BID Council made a motion to support a large retail development ordinance which limits a structure size at 90,000 square feet where no more than ten percent of the gross sales revenues should come from sale of non-taxable items with a maximum of 30,000 stockkeeping units (SKU). If any of the above criteria is exceeded, an economic impact report will be required. This motion was approved with a vote of 15-1.

Other Recommendations – Other groups and organizations have considered or are considering recommendations including the American Institute of Architects (AIA), San Diego Council of Design Professionals, San Diego County Building Industry Association (BIA) Metropolitan Legislative Committee, San Diego Regional Chamber of Commerce, and the Small Business Advisory Board (SBAB) (see Attachment 2).

Environmental Impact – The staff-recommended ordinance is exempt from CEQA per Section 15061(b)(3) of the State CEQA guidelines. CEQA determinations in other jurisdictions were discussed at the May 13, 2004 Planning Commission Workshop (see Attachment 3 for additional information).

Fiscal Impact – See Attachment 4 of this report for detailed analysis of the fiscal and economic impacts of large retail establishments prepared by the City of San Diego Community and Economic Development Department.

Code Enforcement Impact – The SKU ordinance proposal would result in a cumulative impact on Code Enforcement staff to determine compliance with the maximum (SKU) requirement contained in the proposal. A portion of this impact could be cost recoverable.

BACKGROUND

On July 23, 2003, the City Council's Land Use and Housing Committee directed Planning Department staff to develop an ordinance that would regulate large retail development and to analyze an ordinance proposal distributed at the meeting (the SKU ordinance proposal – see Attachment 5).

Planning Commission Report PC-04-014, prepared for the April 8, 2004 Planning Commission hearing (see Attachment 6), summarized the potential impacts of large retail establishments, relevant policies and their relationship to large retail development, regulations in other jurisdictions and it also described both the SKU ordinance proposal and staff's recommended ordinance. Since the April 8, 2004 hearing, Planning Commission held three public workshops to discuss economic development trends, existing code regulations, land use, traffic, environmental, fiscal and economic issues related to large retail development. Public testimony was provided by a number of interest groups, including representatives from Wal-Mart, Costco, Home Depot, Joint Labor Management Committee, Center for Policy Initiatives, the San Diego Business Improvement District (BID) Council, the San Diego County Building Industry Association (BIA), the San Diego Regional Chamber of Commerce, the National Association of Industrial and Office Professionals (NAIOP), and the San Diego Council of Design Professionals among others.

Since July of 2004, and throughout the month of August, Planning Department staff reconsidered all technical studies, reviewed previous Planning Commission meeting tapes and previous staff reports. Staff met individually with the various interest groups previously mentioned above and others, including Lowe's, John Ziebarth, and the Small Business Advisory Board (SBAB) to better understand their concerns and to obtain input. Staff established an e-mail interest list to

provide updates on upcoming meetings and copies of reports. On July 27, 2004, staff presented CPC with several possible alternative regulations for discussion. Staff attended the August and September meetings of the Land Development Code Monitoring Team (CMT) and Technical Advisory Committee (TAC) to obtain formal recommendations from these two groups. Based on the outcome of these various meetings, staff drafted an ordinance to be presented to CPC in September of 2004. CPC also established a subcommittee to review and discuss the issue in more detail and provide a recommendation to the larger CPC at the September meeting. A summary of the two subcommittee meetings held on September 13 and 14, 2004 is included as Attachment 7.

On September 28, 2004 (see Attachment 8), CPC voted 21-2-0 (one recusal) to support staff's recommendation with modifications as follows:

- Eliminate the 150,000 square feet building size limitation;
- Establish discretionary review (SDP Process 4) at 75,000 square feet instead of 100,000 square feet recommended by staff in the CC zones and planned districts; and
- Require a discretionary review (NDP Process 2) instead of Process 1 recommended by staff at 50,000 square feet of building size.

Three separate motions failed regarding re-leasing. More specifically, the first motion was to have staff return at a later date with a staff report on re-leasing issues; it failed with a vote of 1-17-2. The second motion was to have City Council recognize CPC's concerns about vacant buildings creating blight, public nuisance and contributing to lack of services; it failed with a vote of 10-12-1. The final motion stated that a re-leasing requirement, not involving demolition, should be added to the ordinance to require the vacating leaseholder to actively pursue re-leasing of the property and to prohibit leases from tying up vacant properties; it failed with a vote of 5-16-1.

During the months of October and November of 2004, staff met with the San Diego BID Council, SBAB, the Metropolitan Legislative Committee of the San Diego County Building Industry Association, the San Diego Council of Design Professionals and the San Diego Regional Chamber of Commerce to obtain their recommendations. Their recommendations or positions are described in more detail in Attachment 2.

DISCUSSION

This section of the report will cover several areas. First, it will address the questions raised by the Planning Commission in the previous meetings and workshops held during the months of April and May of 2004. Secondly, it will provide a discussion of alternative regulations discussed at previous Planning Commission meetings and then review ordinances addressing large retail development in other jurisdictions. And finally, it will provide an analysis of the SKU ordinance proposal and the staff recommended ordinance.

Responses to Planning Commission Questions

During the Planning Commission hearing on April 8, 2004, and subsequent workshops held in May of 2004, several requests were made by the Planning Commissioners and they are individually addressed below.

- 1) A matrix identifying staff's recommendation, that was presented to Planning Commission on April 8, 2004, as well as other proposals or recommendations by large retail development advocates and John Ziebarth.

Please see Attachment 9. It should be noted that staff has met with proponents of the different proposals and recommendations in order to achieve consensus. A large majority of the differences that previously existed among the recommendations as presented in the matrix have been resolved with the exception that City staff is still recommending a building size limitation of 150,000 square feet in certain areas of the city as well as not supporting the SKU ordinance and its provisions at this time. The SKU ordinance could protect some existing neighborhood scale grocery stores from competition; however, its scope does not fully address the community character aspects associated with large retail development.

- 2) Request for traffic impact analysis, a copy of the study from Kimley-Horn and Associates, Inc. prepared for Wal-Mart, and contacting City of Chula Vista to obtain any pertinent information they might have on the subject of traffic impact and large retail development.

Traffic impact analysis will be conducted during the discretionary review process for the development of actual large retail establishments. While localized traffic impacts are anticipated with future development of large retail establishments, California Environmental Quality Act (CEQA) does not require traffic impacts to be quantified at this time because this action involves a policy decision and, in and of itself, will not result in any development project. It should also be noted that further restrictions on size and location of large retail buildings per the proposed ordinance would not cause greater future traffic impacts than are already anticipated per the adopted community plans.

Although initially representatives of Wal-Mart indicated that a study conducted by Kimley-Horn and Associates, Inc. regarding trip generation was available, staff was later told by both Wal-Mart and Kimley-Horn that the study should not be used. In May of 2004, staff was informed that Wal-Mart intended to commission a current study, but was not clear on how long it would take to produce this study.

City staff contacted the City of Chula Vista transportation planning staff and discussed their assumptions regarding trip generation and traffic impact analysis for recently proposed large retail development projects. Staff did not learn any new relevant information regarding trip generation or traffic impacts of large retail establishments to add to the discussion provided in the May 13, 2004 Planning Commission workshop materials.

- 3) A map of existing and potential locations for large retail in the City of San Diego that also shows locations of existing and proposed business improvement districts (BIDs).

See Attachment 10. In addition, staff has prepared a map which shows existing and proposed BIDs as well as commercially designated areas that allow community, neighborhood and regional shopping centers in the city (see Attachment 11). When reviewing the map (Attachment 10), a great majority of the existing and potential locations for large retail are located outside the existing and proposed BID areas.

- 4) Provide a status update on the Centre City community plan and CCPDO updates and how they relate to the staff's recommended large retail development ordinance and its regulations.

Centre City Development Corporation (CCDC) is currently updating the Centre City community plan and the CCPDO with adoption proposed to occur sometime during spring of 2005. Additional requirements for minimum floor area ratios and land use mixes will likely further encourage large retail establishments to be part of a high-density, mixed-use project, consistent with the overall goals of maximizing densities and mixed-use developments in the downtown area.

The CCPDO currently allows all retail stores by right throughout downtown subject to an existing design review process that includes review by the community planning group known as the Centre City Advisory Committee. The CCPDO contains very strict urban design requirements for all developments, such as requirements for glazing at street level (all buildings must have vision windows into the store along at least 70 percent of each frontage to prevent long and blank solid walls); pedestrian entrances and interaction with the public sidewalks along each street frontage; and the requirement that all parking be structured (underground or in a parking structure above grade that is architecturally screened and incorporated into project). Therefore, the proposed design regulations in the staff's recommended ordinance will be superseded by the CCPDO regulations as large retail establishments are already required to be designed in a manner that mitigates most potential urban design and visual impacts. In addition, due to the relatively small block sizes that exist in the downtown area (the majority of blocks are 60,000 square feet in area), escalating land prices, and the strong residential demand, any proposed large retail establishment in the Centre City area would likely be in a mixed-use building with residential units located in upper floors.

Based on the facts that the Centre City Advisory Committee is currently involved in the review of retail stores to be located on 10,000 square feet or greater lot sizes and that more strict urban design requirements already exist in the CCPDO, the Process 2 NDP at 50,000 square feet of building size would not be fulfilling a new purpose and it would not be required as part of the CCPDO. However, because stores over 100,000 square feet may have additional and more complex design considerations due to unique loading and/or other service related requirements, large retail establishments at 100,000 square feet of building size in the downtown area would be subject to a higher level of review via the Process 4 SDP.

Alternative Regulations Discussed at Previous Planning Commission Meetings

During the April 8, 2004 Planning Commission hearing and subsequent workshops, several alternative regulations were discussed. These alternatives are listed on the following page:

- 1) Alternative Size Thresholds for Discretionary Review: apply size thresholds for discretionary review that vary by zone.

Possible Discretionary Review Size Thresholds by Zone	
Commercial Zones (Commercial--Community and Commercial-- Regional) and Planned District Ordinances	Industrial Zones (IL-2-1 and IL-3-1)
50,000 square feet or	50,000 square feet or
75,000 square feet or	75,000 square feet or
100,000 square feet	100,000 square feet

Staff's Recommendation: Establish a Process 2 Neighborhood Development Permit (NDP) at 50,000 square feet of building size in the CC zones, CR zones, IL-2-1 zone, IL-3-1 zone, and planned districts, except in the CCPDO. And establish a Process 4 Site Development Permit (SDP) at 100,000 square feet of building size in the CC zones and planned districts.

- 2) Alternative Building Size Limitations: building size limits that vary by zone.

Possible Building Size Limit Options		
Commercial Zones (Commercial--Community and Commercial--Regional) and Planned District Ordinances	Industrial Zones (IL-2-1 and IL-3-1)	Notes
75,000 square feet	75,000 square feet	Allows large grocery stores
90,000 square feet	90,000 square feet	This is identified in the SKU ordinance
100,000 square feet	100,000 square feet	Allows large grocery stores, some home improvement stores and smaller format large retail establishments
150,000 square feet	150,000 square feet	Allows almost all large retail establishments, but may limit supercenter development
None	None	Allows any size large retail establishment and supercenters

Staff's Recommendation: Limit the size of large retail establishments to 150,000 square feet except in the CR zones and the CCPDO where regional serving uses, such as large retail establishments over 150,000 square feet, are already allowed to reinforce the regional nature of these areas. In addition, building square-footage bonuses (10,000 or 20,000 square feet above the 150,000 square feet limit) may be allowed for large retail developments that incorporate a

public plaza, structured parking or subterranean parking, liner buildings, mixed-use development, or sustainable building measures.

- 3) Additional Design and Parking Regulations: the following table includes additional possible regulations that were discussed at the previous Planning Commission meetings.

Possible Additional Design and Parking Regulations
1. Zone Application: Apply the staff-recommended design regulations to the IL-2-1 and IL-3-1 zones (please note that the staff’s previously recommended ordinance and associated recommended design requirements only applied in the CC zones and PDOs due to the prevalence of single-story auto-oriented commercial and industrial development in the light industrial zones)
2. Inclusion of public space or plaza
3. Parking structure or underground parking incentives
4. Mixed-use development
5. Liner buildings Require liner buildings with separate individual main entrances directly leading to the outside (occupied by businesses not owned by the large retail establishment)

Staff’s Recommendation: Apply the additional design and landscape regulations in the IL-2-1 zone, IL-3-1 zone as well as CC zones, CR zones, and planned districts. Encourage public plazas, structured parking or underground parking, mixed-use development and liner buildings through building square footage bonuses. Please see Attachment 12, which identifies these additional regulations and compares them against existing code regulations.

- 4) Requirements for Re-leasing Large Retail Buildings: at the May 20, 2004 Planning Commission Workshop, several re-leasing options were discussed as an attempt to address concerns related to potential adverse impacts of vacant large retail buildings.

Possible Re-leasing Requirements
1. Restrictions placed on the contract between owner and large retailer that prevent the retailer from making stipulations on future selection of a new large retailer if and when the retailer vacates the premises
2. Declaration of public nuisance after 12 months vacancy
3. Secure bond for demolition in case of 12 months vacancy

Staff’s Recommendation: Do not recommend re-leasing requirements as part of the ordinance due to the fact that enforcement will be challenging and high land costs and high rents in San Diego discourage prolonged vacancies of large retail buildings.

Re-leasing requirements have not been adopted to date in the State of California, therefore, legal ramifications of any re-leasing provisions have not yet been established. Only three much smaller jurisdictions in other states utilize some type of re-leasing requirement (Buckingham Township, Pennsylvania (population: 16,000) where developers are required to set aside funds for demolition of superstores that become vacant; Peachtree City, Georgia

(population: 36,000) where private contracts are required to have specific provisions where tenants, upon vacating the property, may not prevent the landlord from leasing to another tenant; and Evanston, Wyoming (population: 11,500) where a large retail occupant must find another tenant should they decide to move to another location). It should be noted that there was no support for such requirements from any of the groups staff met with during the past months.

Other Ordinances Addressing Large Retail Development

Staff has been able to identify several adopted ordinances, which address development of large retail establishments in their respective jurisdictions (see Attachment 13). Staff understands that there are no ordinances adopted up to this date that apply the method of SKU as part of the ordinance language.

SKU Ordinance Proposal

As discussed in previous staff reports to Planning Commission, the SKU ordinance would not allow a food, beverage, or groceries facility to be established or enlarged if such facility would contain more than 90,000 square feet, and more than 30,000 SKU and more than ten percent of its gross sales revenues would come from sale of non-taxable (grocery) items. This proposal could protect some existing neighborhood scale grocery stores from competition; however, its scope does not fully address the community character aspects associated with large retail development. On the other hand, the staff recommended ordinance goes further to mitigate the design impacts of large scale retailing. Although design standards could be added to the SKU ordinance proposal, it would still allow other types of large retail stores of an unlimited size that do not sell groceries or that sell groceries under the proposed threshold of ten percent. In addition, the effectiveness of design standards and regulations may diminish as store sizes increase without limitation throughout the city. As such the ordinance poses a concern towards implementing the Strategic Framework City of Villages policy and preventing inefficient use of underutilized infill sites near transit for auto-oriented development. This could in turn work against policy strategies that promote an integrated transit system and guide future development to focus on walkability and less dependence on the automobile.

Staff's Recommended Ordinance

Ordinance Major Components

The proposed ordinance would establish the following:

- **150,000 square-foot building size limit** for large retail establishments in the CC zones, IL-2-1 (Industrial--Light) zone, IL-3-1 zone, and planned districts. No limit in CR or CCPDO;
- **100,000 square-foot threshold** for discretionary review (Process 4 - Site Development Permit) in the CC zones and planned districts;

- **50,000 square-foot threshold** for discretionary review (Process 2 - Neighborhood Development Permit) in the CC zones, CR zones, IL-2-1, IL-3-1 zones and planned districts, except in the CCPDO;
- **Additional design and landscape regulations** (architectural elements, building setbacks, pedestrian paths, landscaping);
- **Incentives for improved design:** building square-footage bonuses (10,000 or 20,000 square feet above the 150,000 square feet limit) for large retail developments that incorporate a public plaza, structured parking or subterranean parking, liner buildings, mixed-use development, or sustainable building measures.

Analysis of Staff Recommended Ordinance

- **Supporting the City of Villages Strategy**

The Council adopted Strategic Framework Element directs new growth into mixed-use village opportunity areas accessible to transit. Additionally, the Strategic Framework Element promotes walkable communities and transit-oriented developments in the city of San Diego. The subject ordinance would help reduce the possibility of inefficient use of land near transit for auto-oriented development that does not support adopted General Plan policies. This ordinance is also intended to address community character and promote economic viability and diversity of uses within potential future village areas. Furthermore, the promotion and protection of mixed-use villages reinforces the Strategic Framework policy to better integrate land use and transportation planning to help improve mobility in the city.

- **Recognizing the Benefits of Large Retail Development**

Throughout the development of this ordinance, much discussion has taken place regarding the positive and negative aspects associated with large retail development. As stated in the “Fiscal and Economic Impacts of Large Retail Establishments,” prepared by the City of San Diego Community & Economic Development department (Attachment 4), large format retailers impose economic changes on a community and they must be measured against the underlying assumption of a free market economy – that is, that competition is fundamentally good for the consumer. Competition presumably drives prices down and stimulates efficiencies and other improvements in product design, performance, and availability. While City staff has previously identified potential adverse effects and concerns associated with the development of large retail and how they relate to the Strategic Framework policy, staff also acknowledges that large retail development can offer a wide selection of products and their availability to consumers in larger quantities at discounted prices as well as convenience to the consumers of a “one stop-shop.” Also, older neighborhoods and underserved areas in need of revitalization and economic reinvestment may benefit from the establishment of a large retail that could help meet the retail needs of residents in

these areas. Large retail may also serve as a “magnet” attracting consumers to shop in other smaller nearby stores located in the vicinity of the large retail establishment. But it is important to recognize that the outcome and impacts of large retail development, whether positive or negative, are largely dependent on the existing socio-economic conditions of an area.

- **Proposed Regulations**

The proposed ordinance is not intended to target any specific user, but instead it is intended to regulate all new large retail establishments that have a gross floor area of 50,000 square feet or more. Largely, the purpose of the ordinance is to address planning aspects associated with size, location and design of new large retail establishments through a series of regulations. Existing large retail establishments will not be affected by this proposed ordinance and expansion of existing structures will be addressed as expansion of previously conforming structures under the LDC.

After careful consideration of the types of permits and processes available to potentially regulate large retail establishments, staff reached a consensus that development permits, such as Neighborhood Development Permit (NDP Process 2) and Site Development Permit (SDP Process 4) are in fact the appropriate mechanisms to process these types of developments since the goal is to address and regulate the development of these establishments rather than the use itself. Therefore, all additional design regulations for large retail development are found under “Supplemental NDP and SDP Regulations” portion of the LDC. Also, all of the 19 planned districts currently include a reference to the Supplemental Development Regulations (Article 3) found under General Regulations (Chapter 14) of the LDC. Staff has also established the SDP process 4 at the 100,000 square feet threshold due to the fact that three separate sources define community shopping centers that contain a large retail store at 100,000 square feet. These sources are: SANDAG’s Traffic Generation Rates Guide for San Diego Region, the City of San Diego’s Trip Generation Manual, and the International Council of Shopping Centers (ICSC).

The idea of requiring an economic impact report as part of the proposed ordinance was most recently raised by the San Diego BID Council as evidenced by their recommendation. This type of report will be considered separately and not as a part of this proposed ordinance because it is a part of a larger Strategic Framework Action Item to prepare a format for a “community impact report” to be applied citywide for major development projects. This will require major development projects to be defined to include all types of projects (residential, commercial, and industrial), which could result in community and citywide economic and fiscal impacts. Jurisdictions that have adopted or are considering economic assessment as a means of mitigating the impacts of large retail development include the states of Maryland and Vermont, Lake Placid (New York), and Bozeman (Montana).

The staff recommended ordinance may still preclude the development of supercenters in certain areas of the city since these are currently typically established at sizes greater than 170,000 square feet. However, there is some recent evidence that suggests supercenters can exist in smaller buildings. Neither the staff recommended ordinance nor the SKU ordinance proposal would preclude the development of large retail centers or “power centers” containing two or more large retail establishments. In addition, these centers could be developed to be more village-like in character and function.

The majority of stakeholders that staff has met with during the past few months believe that there should not be a building size limitation as part of the ordinance. Options previously presented to CMT included requirements for multi-story buildings and structured parking in urbanized areas to allow stores without a building size limitation. Due to the varied character of individual communities, the requirement for large multi-story structures and structured parking may increase the visual effect of massing in certain communities. Code Monitoring Team did not support these design standards due to possible unintended design impacts and cost considerations. Staff’s recommendation still includes a building size limitation, except in the CR zones and CCPDO, in order to help protect and promote existing and future village areas; create more walkable communities; and reduce the likelihood of future auto-oriented developments near transit in the City of San Diego.

CONCLUSION

Based on analysis of various proposals and numerous meetings with various stakeholders during the past several months, the Planning Department recommends the ordinance included as Attachment 1. The staff recommended ordinance supports the retention and strengthening of local retail and neighborhood-serving commercial uses that are essential to village development by establishing a building size limitation for large retail establishments in CC zones, IL-2-1 and IL-3-1 zones, and planned districts and with the exception of CR zones and CCPDO. The proposed ordinance also allows for community input and participation in the decision-making process through the discretionary review processes. And finally, it incorporates additional design and landscape regulations with options within certain requirements to promote design flexibility and creativity. However, the Planning Commission may consider alternatives as identified in the following section of this report.

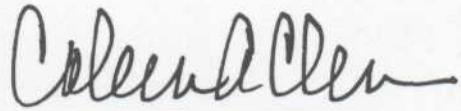
ALTERNATIVES

- Approve staff's recommendation with modifications; or
- Deny staff's recommendation and keep existing regulations as they are currently found in the Land Development Code; or
- Deny staff's recommendation and support the SKU Ordinance.

Respectfully submitted,



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Coleen Clementson
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CC/PC/je

- Attachments:
1. Draft Large Retail Development Ordinance
 2. Other Recommendations
 3. Summary of CEQA Determinations in Other Jurisdictions
 4. Fiscal and Economic Impacts of Large Retail Establishments
 5. SKU Ordinance Proposal
 6. Planning Commission Report PC-04-014 (without attachments)
 7. Community Planners Committee (CPC) Subcommittee - Meeting Summary
 8. Memorandum to CPC - dated September 21, 2004 (without attachments)
 9. Matrix Comparison of Different Proposals
 10. Map - Existing and Potential Large Retail Development Locations with Community Accessible to Transit
 11. Map - Commercial Designations and Business Improvement Districts
 12. A Comparison between Current and Proposed Regulations
 13. Other Ordinances Addressing Large Retail Development
 14. List of Public Meetings and Workshops