

**SAUSALITO PLANNING COMMISSION
RESOLUTION NO. 2025-01**

**A RESOLUTION OF THE PLANNING COMMISSION RECOMMENDING CITY COUNCIL ADOPTION
OF AMENDMENTS TO CHAPTER 10.44.240 ("FORMULA RETAIL"), TABLE 10.24-1 ("LAND USES
IN COMMERCIAL DISTRICTS"), AND CHAPTER 10.24.040 ("SPECIAL REQUIREMENTS") OF TITLE
10 OF THE SAUSALITO MUNICIPAL CODE**

PROJECT ID: 2024-00148

WHEREAS, Sausalito Municipal Code (SMC) Title 10 Chapter 10.44.240 addresses formula retail establishments; and

WHEREAS, the City desires to amend SMC Title 10 Chapter 10.44.240, Table 10.24-1, and Chapter 10.24.040 to clarify and update the requirements for a formula retail establishment to operate within the City; and

WHEREAS, SMC Section 10.80.070 allows for amendments to the Zoning Ordinance when it is determined that public necessity, convenience, or welfare would be served; and

WHEREAS, the Planning Commission is responsible for providing a recommendation to the City Council on amendments of the Zoning Ordinance per Sausalito Municipal Code Section 10.80.070 C. and California Government Code Section 65855; and

WHEREAS, the adoption of the proposed ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to the CEQA Guideline Section 15061(b)(3); and

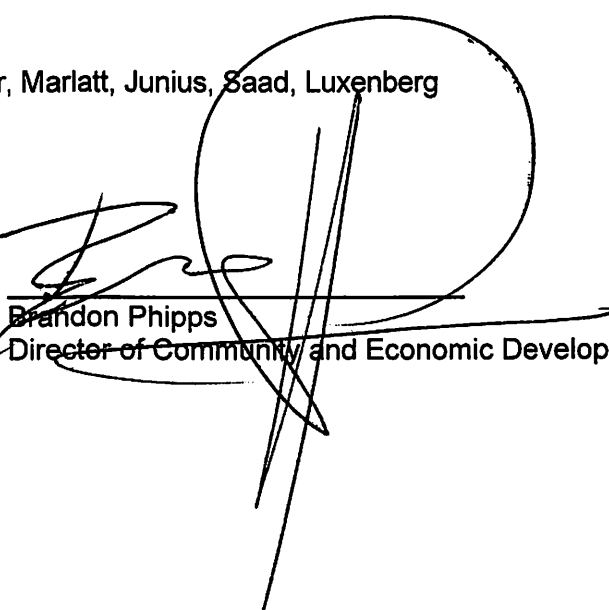
WHEREAS, the Planning Commission finds that the adoption of the proposed zoning amendment is in the public interest and is consistent with the City of Sausalito's General Plan; and

NOW, THEREFORE, THE PLANNING COMMISSION HEREBY RESOLVES:

1. The Planning Commission recommends the City Council adopt the proposed amendments to the Sausalito Municipal Code as set forth in the attached draft ordinance, included as Exhibit A.

RESOLUTION PASSED AND ADOPTED, at the regular meeting of the Planning Commission on the 15th day of January 2025, by the following vote:

AYES:	Commissioner Member: Feller, Marlatt, Junius, Saad, Luxenberg
NOES:	Commissioner Member:
ABSENT:	Commissioner Member:
ABSTAIN:	Commissioner Member:



Brandon Phipps
Director of Community and Economic Development

ATTACHMENTS

1. Exhibit A – Draft Ordinance

**SAUSALITO PLANNING COMMISSION
RESOLUTION NO. 2025-01
January 15, 2025
PROJECT ID: 2024-00148**

EXHIBIT A: DRAFT ORDINANCE

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAUSALITO,
CALIFORNIA, AMENDING CHAPTER 10.44.240 ("FORMULA RETAIL"), TABLE 10.24-1 ("LAND
USES IN COMMERCIAL DISTRICTS"), AND CHAPTER 10.24.040 ("SPECIAL REQUIREMENTS") OF
TITLE 10 OF THE SAUSALITO MUNICIPAL CODE**

WHEREAS, Section 10.44.240 of the Sausalito Municipal Code addresses formula retail establishments; and

WHEREAS, the City of Sausalito desires to amend Chapter 10.44.240, Table 10.24-1, and Chapter 10.24.040 to clarify the requirements for a formula retail establishment to operate within the City;

NOW, THEREFORE, the City Council of the City of Sausalito, California, does ordain as follows:

SECTION 1. Incorporation of Recitals. The recitals above are true and correct and are hereby adopted as findings as if fully set forth herein.

SECTION 2. Section 10.44.240. Sausalito Municipal Code section 10.44.240, "Formula retail," is hereby amended to read in full as set forth herein:

10.44.240 Formula retail.

A. Purpose.

The purpose of the standards in this section is to regulate the location and operation of formula retail establishments to maintain the City's unique village character, the diversity and economic vitality of the community's commercial districts, and the quality of life of Sausalito residents. The City has determined that preserving unique architecture, signage, graphic and other design elements so that the City maintains a distinctive visual appearance and small-scale eclectic ambiance will promote the long-term viability of the community's business districts. The City desires to encourage elements that promote variety and charm while still leaving business opportunities open for all. It is therefore the intention of the City that an over-concentration of formula retail establishments not be allowed.

B. Definitions.

- a) "Color Scheme" means a selection of colors used throughout, such as on the furnishings, permanent fixtures, and wall coverings, or as used on the facade.
- b) "Décor" means the style of interior furnishings, which may include but is not limited to, style of furniture, wall coverings or permanent fixtures.
- c) "Facade" means the face or front of a building, including awnings, looking onto a street or an open space.

- d) "Formula Retail" means a type of retail business, including food service, that has six (6) or more locations in operation, located anywhere in the world, and which uses two (2) or more of the following as part of its business operations:
1. Standardized array of merchandise or menu;
 2. Standardized color scheme;
 3. Standardized décor;
 4. Standardized façade;
 5. Standardized layout;
 6. Standardized signage, service mark, or a trademark;
 7. Uniform apparel.
- e) "Service Mark" means a 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.
- f) "Signage" has the same meaning as a sign pursuant to Section 10.42.030 of the Sausalito Municipal code.
- g) "Standardized" means appearing in conformity or visual similarity, or otherwise used in the same manner as other locations of a formula retail establishment.
- h) "Standardized Array of Merchandise" means 50% or more of in-stock merchandise from a single distributor bear uniform markings.
- i) "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.
- j) "Uniform Apparel" means standardized items of clothing including but not limited to standardized aprons, pants, shirts, smocks or dresses, hats, and pins (other than name tags) as well as standardized colors of clothing.

C. Application Process.

1. **Formula Retail Clearance.** A Formula Retail Zoning Clearance shall be required for all non-exempt formula retail establishments and for existing Formula Retail establishments that relocate to a new tenant space or expand by 500 square feet or more of gross floor area. A Formula Retail Zoning Clearance must be obtained prior to initiation of any such permitted or conditionally permitted use or issuance of a certificate of occupancy for such formula retail establishment.
2. The following types of uses are exempt from the requirement for a zoning clearance applicable to formula retail establishments:
 - a. Grocery stores as defined in Chapter 10.88.

- b. Drug store/pharmacy uses where the profession of pharmacy is practiced and where prescriptions are compounded and offered for sale. This section shall not be construed to limit any qualifying pharmacy from offering other retail goods in addition to prescription pharmaceuticals.
 - c. Service stations as defined in Chapter 10.88.
 - d. Banks and financial services with a use, generally an office use, which provides professional services to the general public or to other businesses including, but not limited to, accounting, legal, consulting, insurance, real estate brokerage, advertising agencies, public relations agencies, computer and data processing services, employment agencies, management consultants and other similar consultants, telephone message services, and travel services.
 - e. Real estate offices with a use, generally an office use, that includes professional services generally related to real estate.
 - f. Movie theaters with retail use, but excluding adult theater regulated as adult entertainment, which displays motion pictures, slides, or closed-circuit television pictures
 - g. Courier and delivery services that provide mail, shipping, packaging, messenger, courier, and related services.
 - h. Medical offices with a use, generally an office use, which provides medical and allied health services to the individual by physicians, surgeons, dentists, podiatrists, psychologists, psychiatrists, acupuncturists, chiropractors, massage, or any other health-care professionals when licensed by a state agency overseeing the provision of medically oriented services. It includes a clinic, primarily providing outpatient care in medical, psychiatric or other health services, and not part of a hospital or medical center.
3. A Formula Retail Zoning Clearance is required and will be issued for any established non-exempt Formula Retail establishments existing as of (insert date of ordinance passed).
4. The Community and Economic Development Director or his/her designee shall issue a Formula Retail Zoning Clearance if the formula retail use complies with the following requirements:
- a. It is proposed to be in one of the following Zoning Districts: CN (Neighborhood Commercial), CC (Central Commercial), CS (Shopping Center), and CW (Commercial Waterfront).
 - b. It does not create an overconcentration of formula retail within any given zoning district based on the following table:

Zoning District	Number of Formula Retail Establishments Allowed
Central Commercial (CC)	6
Neighborhood Commercial (CN)	5
Commercial Waterfront (CW)	2

Shopping Center (CS)	1
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5. A Formula Retail Zoning Clearance will not be issued if the proposed Formula Retail use would exceed the number of allowed Formula Retail establishments as detailed in the above table.
6. If a request for a Formula Retail Zoning Clearance is denied, then the applicant may appeal the decision pursuant to Chapter 10.84.

D. Transferability.

1. A Formula Retail Zoning Clearance is transferrable to a new business in the same land use category, located at the exact same location or tenant space, so long as the square footage of the gross floor area is not increased by 500 square feet or more.

SECTION 3. TABLE 10.24-1. Sausalito Municipal Code table 10.24-1, "Land Uses in Commercial Districts" is hereby amended as follows (additions are shown in underline, deletions shown in ~~striketrough~~):

Land Use	Commercial Zoning Districts						See SMC
	CC	CR	CN	SC	CW	W	
Retail Trade							
Formula retail (applies to all forms of retail trade)	CUP P		CUP P	CUP P	P		SMC 10.44.240 (Formula retail)

SECTION 4. Section 10.24.040. Sausalito Municipal Code section 10.24.040, "Special requirements" is hereby amended to read in full as set forth herein:

10.24.040 Special requirements

A. Incidental Manufacturing. Incidental manufacturing, fabricating, processing, packaging, treating and related storage will be allowed in the CC, CR and CN districts, subject to the following:

1. Incidental use or storage shall be in the same line of merchandise or service as the retail or service business conducted on the premises;
2. Gross floor area occupied by incidental use shall not exceed 50 percent; and
3. No more than five employees shall be engaged in the activities.

B. New Development in CR District. Unless authorized as a conditional use pursuant to Chapter 10.60 SMC (Conditional Use Permits), any use proposed above the ground floor within the CR zoning district shall be residential.

C. Outdoor Display of Merchandise and Commercial Uses. All uses and related commercial activities shall be conducted in enclosed buildings except for the following uses or activities when related to permitted or conditionally permitted use within a commercial zoning district:

1. Delivery of fuel, lubricants, and incidental servicing of automobiles (service station);
2. Parking and loading facilities;
3. Outdoor eating and drinking areas (MUP required);
4. Recreation facilities;
5. Public utility substations;
6. Display of plants, flowers, and garden care and decoration items (nurseries, florist shops);
7. Display of household and garden hardwares (hardware stores);
8. Marine industrial uses;
9. Storage and lumber yards (CUP required);
10. Storage incidental to industrial uses.

D. Large Frontage Retail. Unless authorized as a conditional use pursuant to Chapter 10.60 SMC (Conditional Use Permits), retail trade businesses that front only one street and contain over 50 feet of lineal street frontage are prohibited. A conditional use permit shall also be required for any retail trade business located in a corner building with two street frontages on a corner lot that has more than 50 feet of lineal frontage on the primary street. The measurement of frontage shall be calculated separately for each tenant in a multitenant building. This requirement does not apply in the shopping center district. [Ord. 1167 § 2, 2003.]

E. Drive-in and drive-thru facilities for fast food restaurants prohibited. Businesses that prepare food intended for consumption in vehicles that may or may not be parked on the site; or provide for the ordering of food while the customers are seated in vehicles are prohibited in all commercial zoning districts.

SECTION 5. CEQA. The Sausalito City Council finds that this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15061(b)(3), which provides that CEQA does not apply if it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

SECTION 6. Severability. If any section, sub-section, sentence, clause, phrase or portion of this Ordinance or the application thereof to any person or circumstances is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction or preempted by state legislation, such decision or legislation shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, sub-section, sentence, clause, phrase or portion thereof, irrespective of not declared invalid or unconstitutional without regard to any such decision or preemptive legislation.

SECTION 7. Effective Date and Posting. This Ordinance shall be effective thirty (30) days following its adoption by the City Council.

SECTION 8. Posting and Publication. The City Clerk shall post and/or publish this ordinance as may be required by Government Code section 36933.

SECTION 9. The City Clerk is hereby directed to certify the adoption of this ordinance, to file a Notice of Determination, and cause the same to be published as required by law.

INTRODUCED AND FIRST READ at the meeting of the City Council of the City of Sausalito, California, on the (insert date ordinance is passed), and thereafter **ADOPTED** at a regular meeting of the City Council held on the _____ day of _____, 2025, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

JOAN COX
MAYOR

ATTEST:

WALFRED SOLORZANO
CITY CLERK