

REPORT TO CITY COUNCIL

DATE: AUGUST 10, 2011

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: MIKE KAMINO, DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

SUBJECT: PRE-SCREEN REVIEW FOR A PROPOSED ORDINANCE TO ALLOW TEMPORARY RETAIL BANNER DISPLAYS (CASE NO. 11-PSR-003)

The purpose of this item is to seek direction from the City Council regarding temporary banner displays for retail businesses. Attached is Resolution No. 10-1595 (Exhibit A), adopted by the City Council on July 14, 2010, which temporarily allowed the display of retail banners for business enhancement purposes, for a one-year period to July 14, 2011. As the time period for this temporary program has expired, staff is seeking direction from the City Council, through this Pre-Screen Review, whether to extend the temporary retail banner display program.

As background, the City Council began the temporary retail business banner display program in October of 2008, for retail businesses, restaurants, and hotels, in light of the negative impact of the national economy to local businesses and to assist in stimulating local business. Since that time, several time extensions have been granted by the City Council by resolution. Most recently, on June 23, 2010, at the request of the Land Use/Economic Development Committee (LU/EDC), the City Council discussed whether to extend the allowance of temporary display of retail banners in the City. The Business Task Force supported the temporary displays and their recommendations were, in turn, supported by the LU/EDC and forwarded to the City Council with the following provisions:

Temporary Retail Advertising Banners

1. Allow for retail advertising banner displays up to four (4) times during the 12-month period, at the discretion of the business owner. This was preferred to having the banners displayed during certain pre-established dates as it would allow for new product or service advertising when desired by the business owner.
2. Allow the banners to be displayed for 10 days per event, with no time limit on consecutive days/events. Thus, a banner could be displayed for 40 consecutive days if a business owner decides to use his/her four annual displays consecutively.
3. Allow for banners to be 30 square feet in size to allow for increased visibility. The maximum size of the banners previously allowed by the City Council was 20 square feet.

4. The Business Task Force members expressed concern about implementation and that the required permit fee cover staff costs of review and enforcement. The current fee for an administrative sign permit is \$66.00, which is also the Planning Department's approximate hourly service rate (including overhead costs). However, since temporary banner permits require much less administrative review time than a sign permit for a permanent sign, staff recommended, and one LU/EDC member agreed, that the charge for a temporary banner permit be \$40.00 per business, which is equivalent to the Planning Department's administrative plan check fee for a building permit. This fee includes the cost for field inspections and will allow for staff to track the days and numbers of display events.
5. The LU/EDC recommended that the above provisions be in place for a 12-month period and that staff continue to monitor the displays during this interim period.

At the June 23, 2010, City Council meeting, Council Members questioned the effectiveness of such banner displays for individual businesses and continued the matter to allow staff to meet with the Business Task Force to examine how the economic benefits of banners can be quantified. The Business Task Force discussed the issue on June 24, 2010, and stated their uncertainty as to whether the impact of banner displays on retail sales can be quantified at all. However, the Business Task Force stated that business owners, especially those who have businesses facing the freeway, likely find a qualitative benefit of banner displays and the visibility it brings to their businesses. The Business Task Force also noted that finding a quantitative nexus between sales volume and banner displays is difficult given the variables that should also be factored in determining sales revenue.

The City Council subsequently approved the recommendations of the LU/EDC listed above on July 14, 2010, by adoption of attached Resolution No. 10-1595 (Exhibit A). The temporary retail banner entitlement expired July 14, 2011.

On July 8, 2011, staff sought direction from the LU/EDC on whether or not to extend the temporary retail banner program. During Fiscal Year 2010-2011, a total of 23 businesses obtained permits for a temporary retail banner display (see Exhibit B). During this same period, 12 businesses displayed retail banners without obtaining a permit, thus staff contacted these businesses to obtain the permit. The LU/EDC indicated that the temporary banner entitlement has been in effect for over two years, and it has not resulted in any significant negative visual impacts. As such, the LU/EDC supported requesting the City Council to conduct a Pre-Screen Review for a possible Zoning Ordinance Amendment to permit temporary retail banner displays, with generally the same criteria as was most recently allowed. By amending the Zoning Ordinance and codifying this allowance, the LU/EDC found that City Council would not have to reconsider the matter in the future. The Business Task Force also recommended that the temporary banner program be extended at least until permanent changes can be made to the code. Members of the LU/EDC are available for further comments at the City Council Meeting.

Staff is now seeking direction from the City Council on whether to proceed with any of the following options regarding temporary retail banner displays:

1. As recommended by the LU/EDC, direct staff to prepare a Zoning Ordinance Amendment to permit temporary retail banner displays, with generally the same criteria as most recently allowed (see Exhibit A). If the City Council chooses Option 1, staff will

prepare the draft Ordinance for review by the Planning Commission at a public hearing and the Commission's recommendations will be forwarded to the City Council for consideration of adoption at another public hearing.

2. Direct staff to return with a Resolution to temporarily extend the program with the most recent criteria, for an additional 6 to 12 months. The LU/EDC recommended this option if the City Council did not choose Option 1. The Committee suggested the duration of the program extend at least through the holiday season and to re-evaluate the temporary retail banner program at the end of the extension period. If the Council chooses Option 2, staff will return as soon as possible with a resolution to extend the program, and respectfully requests direction from the City Council on the length of the extension to include in the resolution, for example, six (6) months, nine (9) months, or twelve (12) months.
3. Take no directive action at this time, thus not renewing the temporary retail banner display program. New businesses would still be allowed by code to obtain a permit for a 90-day occupancy banner to advertise "coming soon," "grand opening," "now open," and the like.
4. Any other recommendations of the City Council.

Should the City Council choose either Option 1 or 2 from above, staff will informally continue to permit the temporary retail banners in the meantime, under the previous criteria, until final action is taken on the new Ordinance or Resolution.

RECOMMENDATION

Staff respectfully requests the City Council provide comments and direction regarding temporary retail banner displays.

Attachments: Resolution No. 10-1595 (Exhibit A)
Temporary Retail Banner Permit Application Log (Exhibit B)

RESOLUTION NO. 10-1595

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, TEMPORARILY ALLOWING, FOR BUSINESS ENHANCEMENT PURPOSES, THE DISPLAY OF A MAXIMUM THIRTY-SQUARE-FOOT RETAIL BANNER ON PRIVATE PROPERTY THROUGH JULY 14, 2011

WHEREAS, the City of Agoura Hills acknowledges the current national economic impact to retail businesses located within the City; and

WHEREAS, retail sales for businesses and commercial leasing opportunities are needed for business sustainability and enhancement; and

WHEREAS, the purpose of the City sign ordinance is to support and promote viable business by allowing signage that provides adequate identification; and

WHEREAS, business sign regulations are intended to promote fairness in competition and retain identity in the business community.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Agoura Hills as follows:

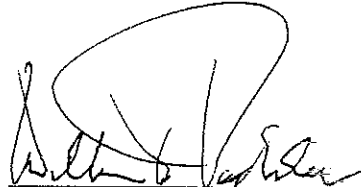
During the period from July 14, 2010, through July 14, 2011, in addition to the basic sign entitlement permitted in the City Sign Ordinance (Zoning Ordinance Section 9655), the following temporary displays shall be allowed with the issuance of a sign permit from the City of Agoura Hills:

- A. Retail, restaurant, and hotel businesses shall be entitled to the display of one temporary banner on private property, not to exceed thirty (30) square feet in size, up to four (4) times during the 12-month period, at the discretion of the business owner. The banner may be displayed for a maximum of up to ten (10) days per event, with no limit on consecutive days/events. The temporary banner shall be of a quality design approved by the Director of Planning and Community Development. The banner shall be placed on the building serving the business. Alternate locations for placement of the banner may be approved by the Director where visibility of the banner on the building is negatively impacted. The temporary retail banner shall not be used for real estate advertising or leasing purposes.
- B. The required sign permit fee for temporary banners shall be \$40.00, which is equivalent to the Planning Department plan check fee.

Resolution No. 10-1595

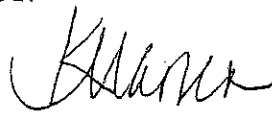
PASSED, APPROVED, and ADOPTED this 14th day of July, 2010, by the following vote to wit:

AYES: (5) Koehler, Schwarz, Edelston, Kuperberg, Weber
NOES: (0)
ABSTAIN: (0)
ABSENT: (0)



William D. Koehler, Mayor

ATTEST:



Kimberly M. Rodrigues, City Clerk



