

## AGENDA REPORT

Meeting Date: February 19, 2019

SAN CLEMENTE CITY COUNCIL MEETING

City Manager

Approvals:

Agenda Item

Dept. Head

Attorney

Finance

Department:

Community Development/Planning Division

Prepared By:

Veronica Morones, Assistant Planner

Subject:

UPDATE AND REQUEST FOR COUNCIL DIRECTION ON THRIFT STORE ZONING AMENDMENT 17-043, REGULATION OF CHECK CASHERS, PAWNBROKERS, SECONDHAND DEALERS, AND

SMOKE AND TOBACCO SHOPS

Fiscal Impact: None

Summary:

Staff has prepared a draft amendment to the zoning ordinance addressing regulatory issues related to check cashers, pawnbrokers, secondhand dealers, and smoke and tobacco shops presented to the Planning Commission for a recommendation. Staff prepared this report to update the City Council and seeks direction regarding next steps for the proposed zoning amendment.

Background:

On October 4, 2016, the Council initiated a zoning amendment to address issues related to the regulation of check cashers, pawnbrokers, secondhand dealers (thrift stores), and smoke and tobacco shops. The zoning amendment would identify zones the uses should be allowed in and whether they should be allowed by right, or require a discretionary permit, such as a Conditional Use Permit (CUP). The initiation directed staff to also consider additional regulatory standards to ensure the uses are consistent with the intent of the allowed zones.

Staff worked with the City Attorney's Office to develop the draft zoning amendment that includes various regulations, such as, the thrift store definition, separation requirements, and use-specific regulation standards consistent with the proposed zones where these uses would be allowed. Staff and the City Attorney reviewed other city's ordinance regulations related to these uses for background and reference in drafting new regulations. City staff then provided minor edits, code compliance data pertaining to complaints and violations for these uses, and prepared the zoning amendment for public hearing.

On October 17, 2018, the proposed Thrift Store Zoning Amendment was presented to the Planning Commission for a recommendation. After receiving a staff presentation. hearing public comment on the item and Commission discussion, the item was tabled by the Planning Commission due primarily to the proposed regulations pertaining to thrift stores.

Discussion:

At the October 17th public hearing, the Planning Commission discussed a number of issues pertaining to the proposed zoning amendment, including, but not limited to, the

definition of thrift stores, and insufficient code compliance data related to existing thrift store uses to warrant additional regulation. Planning Commissioners raised no issues with proposed regulations for check cashers, pawnbrokers, and smoke and tobacco shops and could support those regulations as proposed. During public comment, eleven members of the public spoke to the item in opposition of the zoning amendment, with ten specifically in opposition to the thrift store regulations. Members of the public expressed opposition to the proposed requirements for new thrift store uses due to the cost and time required for a CUP. Minutes from the Planning Commission meeting are provided under Attachment 1. The Planning Commission staff report and draft ordinance are provided under Attachment 2.

Under the proposed Zoning Amendment, the following special use regulations would be applied to check cashers, pawn brokers, second hand dealers (thrift stores), and smoke and tobacco shops:

- Conditional Use Permit required for all use types
- Separation distance of 100-feet (300-feet for smoke shops) from sensitive uses (e.g. schools, hospitals, residential zones, etc.)
- Concentration limit requiring a 300-foot separation distance from similar use types
- Operational restrictions (e.g. hours of operation, security plans, window and lighting requirements)
- Restriction of zones where these uses would be allowed.

Based on both the Planning Commission and public input regarding the proposed zoning amendment, staff is seeking direction from the Council on the zoning amendment.

## Alternatives: STAFF RECOMMENDS THAT THE CITY COUNCIL CONSIDER THE FOLLOWING ALTERNATIVES:

- 1. Direct staff to maintain the proposed zoning amendment as-is, and move the amendment forward; or
- 2. Direct staff to remove or revise references to thrift store regulations in the zoning amendment, and move forward with a modified amendment regulating the remaining uses (check cashers, pawnbrokers, and smoke shops); or
- 3. Direct staff to stop work on the Zoning Amendment.

#### Attachments:

- 1. Planning Commission Minutes
- 2. Planning Commission staff report (with attachments)

IT WAS MOVED BY VICE CHAIR RUEHLIN, SECONDED BY CHAIR PRO TEM BLACKWELL, AND UNANIMOUSLY CARRIED to receive and file the minutes from the Regular Planning Commission Meeting of September 19, 2018 as submitted.

## B. <u>Minutes from the Adjourned Regular Planning Commission Meeting</u> of October 3, 2018

IT WAS MOVED BY COMMISSIONER TALLEY, SECONDED BY COMMISSIONER WU, AND UNANIMOUSLY CARRIED to receive and file the minutes from the regular meeting of October 3, 201, as submitted.

#### 6. ORAL AND WRITTEN COMMUNICATION

None

## 7. CONSENT CALENDAR

None

#### 8. PUBLIC HEARING

A. <u>235 Avenida Lobeiro, Unit 101 – Appeal (STLU 18-507) of Denial of Short-Term Lodging Unit Permit No. 18-357</u> – Continued from October 3, 2018 (Roxas)

Public hearing to consider an appeal of the Community Development Director's denial of a Short-Term Lodging Unit (STLU) Permit requesting to operate a STLU at 235 Avenida Lobeiro, Unit 101 within the Montalvo STLU area.

Sheri Vander Dussen, Interim City Planner, requested the Commission continue this public hearing to the November 8, 2018, Regular Planning Commission meeting.

IT WAS MOVED BY VICE CHAIR RUEHLIN, SECONDED BY COMMISSIONER TALLEY, AND UNANIMOUSLY CARRIED TO CONTINUE 235 AVENIDA LOBEIRO, UNIT 101 – APPEAL (STLU 18-507) OF DENIAL OF SHORT-TERM LODGING UNIT PERMIT NO. 18-357.

## [ITEM CONTINUED. PLANNING COMMISSION DECISION PENDING.]

## B. Zoning Amendment 17-043 - Thrift Store Ordinance (Morones)

Public hearing to consider a proposal to amend San Clemente Municipal Code Title 17, the Zoning Ordinance, regarding the regulation of check

cashers, pawnbrokers, secondhand dealers, and smoke shops. The Planning Commission will be considering changes to the Zoning Ordinance in Chapters 17.28, 17.36, 17.40, and 17.88 related to special uses, the permitted zones for the special uses, and related definitions.

Veronica Morones, Assistant Planner, narrated a PowerPoint Presentation entitled, "Zoning Amendment, Thrift Store Ordinance, Zoning Amendment 17-043," dated October 17, 2018. A copy of the Presentation is on file in Planning Division.

In response to questions, Assistant Planner Morones indicated the filing for a CUP requires a deposit of \$2,500-\$5,000 and noted the CUP takes approximately 5-6 months to process.

Chair Crandell opened the public hearing.

Jim Glynn, resident, questioned why thrift stores were lumped together with other uses such as pawn shops, smoke stores, etc.; advised the Commission that federal regulators have come in to ensure his thrift shop is not selling used car seats, cribs, etc., that have been banned; noted many people buy things in his store and resell in other San Clemente stores; stated he immediately took care of one Code violation when brought to his attention from Code Enforcement; noted most thrift stores raise funds for charities/other causes to benefit society.

<u>Kathy Manuel</u>, Mission Viejo resident, representing the Bargain Box Thrift Store, noted their store is run by volunteers, associated with the Assistance League, and uses revenues to benefit residents; advised their store and others on the block are well maintained and bring business to the City.

Theodore Lee, Aliso Viejo Resident and Smoke Shop owner, has operated for 15 years, employs others, and pays sales tax to the City. He noted there is no illegal activity at his store and questioned how the new regulations will affect his business.

Kim Anderson, resident and upscale women's clothing consignment owner, stated that many other stores in town, such as jewelers, surf shops, etc., also have resale items in their stores. She questioned how resale establishments were that different from stores that deal in new clothing. She advised there are many homeless and shady dealings around this area and she has concerns for her safety. She questioned whether in the future she would be able to sell her business if this ordinance is approved.

Adam Cloeters, resident and consignment store owner, noted many out of city/state customers come to enjoy all the thrift/resale/consignment stores within the 500 block of El Camino Real and bring business to local hotels

and restaurants as well; questioned whether he and his partner will be able to sell their store if desired; commented that police services do not come when called because they claim they are understaffed and unable to arrest people; noted due to the homeless/loitering in the alley he has to hose down/clean up human waste on a daily basis.

<u>Pat Serrano</u>, resident and volunteer at the Coral Thrift Shop, which has operated in this location for 54 years, advised all profits realized by the shop are used for scholarships and support the local community; and questioned why thrift stores have been lumped together with dissimilar uses.

Terry Daum, resident, questioned why the ordinance is being called the "Thrift Store Ordinance;" stated many other stores in town sell a mix of new and resale items; questioned why the stores need distance between them when together they attract a large following; expressed concern about how the new ordinance will affect selling or passing down stores to others.

Kaete Daum, resident, suggested the new ordinance is discriminatory and may result in liability for the City; noted the stores do not attract vagrancy and questioned what business will be blamed for attracting vagrants to T-Street Beach; suggested police enforcement of existing laws to curtail vagrants; noted the thrift stores are an asset to the community.

J.P. Spitz, resident, stated that the City Council opposed him opening up a thrift store in the vacant Baker's Square restaurant and requested staff develop regulations for such businesses; described the good work his ministry and La Tienda Thrift Store does for the community and those struggling with addiction; opposed the Thrift Store Ordinance as it will eliminate the financial support that allows the ministry to help those with addiction.

Thomas Kennon, resident, objected to putting smoke shops, pawn shops and thrift stores into the same category. The thrift stores do not increase crime, but if the police are not enforcing laws, crime increases. Customers come from all around to shop at the stores on El Camino Real, which is called the "Rodeo Drive of Secondhand Stores." He does not believe a total of 100 complaints in 20 years justifies this ordinance. Repurposing/selling used goods is good for the environment and community.

Mary Gray Purdue, resident and operator of Family Assistance Ministries, noted the FAM Thrift Store has been generating income to help with their programs; and the thrift/resale stores in this block are very well maintained and together attract people from all over.

Chair Crandell closed the public hearing.

During the ensuing discussion the Commissioners, either individually or in agreement, provided the following commentary:

- Confirmed that existing business owners whose businesses become non-conforming due to the new ordinance would still be able to sell their businesses as a going concern, but certain restrictions, such as no lapse in business for up to one year, no expansions, etc., would be in place.
- Established that defining the difference between a store that sells new goods versus used goods, as well as stores that sell a mixture of both, would have to be a policy determination, and directed staff to determine a more detailed definition of "secondhand dealer."
- Commented on the difficulties associated with treating sellers who sell new goods differently from those selling used goods; suggested thrift store uses should not be lumped in with pawn shops and check cashing stores.
- Suggested the Commission remove "secondhand stores" from the uses listed in the proposed Ordinance.
- Requested additional information regarding the 100 complaints that have come in during the last 20 years, including whether the complaints were justified, the businesses' responses to the complaints, and the focus of the complaint.
- Requested staff clarify with City Council what problem the proposed land use regulations are intended to solve/address.
- Requested additional analysis including correlation between illicit activities and these stores; suggested police enforcement and increased public safety might be the first step to address the problem; noted lack of information on the complaints does not provide specific information to conclude that restricting the businesses in this manner is a good solution; questioned how the Ordinance would affect the many businesses that sell both new and used items; commented that thrift stores extend the usable lives of many items, help to make things more affordable, and prevent things from going to landfills. Their profits support community organizations, provide scholarships, and help those struggling with addiction.
- Discussed whether this item be continued or tabled to allow additional information to be gathered, additional outreach to the public and stakeholders, and clarification from City Council.
- Established that staff's preference is to table the item to ensure adequate time for gathering information, clarifying intent, and meeting with stakeholders before bringing a revised Ordinance back for consideration. Notice of the future public hearing would be provided per legal requirements.

IT WAS MOVED BY COMMISSIONER TALLEY, SECONDED BY VICE CHAIR RUEHLIN AND UNANIMOUSLY CARRIED TO TABLE ZONING AMENDMENT 17-043 – THRIFT STORE ORDINANCE.

## Amended as follows:

Staff asked to return this proposal if and when staff believes it is necessary with guidance for the Commission; recommendation that all references to secondhand or thrift stores be eliminated from the Ordinance in their entirety.

## [AGENDA ITEM TABLED.]

## 9. NEW BUSINESS

## A. Standard Conditions (Vander Dussen)

Proposal to endorse revised procedures to maintain standard conditions of approval that may be imposed on land use applications.

Sheri Vander Dussen, Interim City Planner, narrated a PowerPoint Presentation entitled, "Revisions to Standard Conditions, Planning Commission," dated October 17, 2018. A copy of the Presentation is on file in Planning Division.

## Comments included:

- Established that all applicants/businesses are expected to comply with all City, State and Federal Laws.
- Suggestion to revise Condition no. 1.4 to provide notice to the applicant that certain provisions of the San Clemente Municipal Code, such as noise levels, can change in the future, and the applicant will be required to abide by these changes. Staff agreed to modify Condition No. 1.4 by inserting "current and future" after "applicable."
- Requested that the Commission be informed when changes to the standard conditions of approval are approved.

IT WAS MOVED BY VICE CHAIR RUEHLIN, SECONDED BY COMMISSIONER TALLEY, AND UNANIMOUSLY CARRIED TO ADOPT RESOLUTION NO. 18-030, A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SAN CLEMENTE, CALIFORNIA, RECOMMENDING THE CITY COUNCIL RESCIND RESOLUTION NO. 10-29 AND ALLOW THE COMMUNITY DEVELOPMENT DEPARTMENT TO MAINTAIN STANDARD CONDITIONS OF APPROVAL RELATING TO THE DEVELOPMENT REVIEW PROCESS.

## ATTACHMENT 2



# STAFF REPORT SAN CLEMENTE PLANNING COMMISSION

Date: October 17, 2018

PLANNER:

Veronica Morones, Assistant Planner Wolf

Christopher Wright, Associate Planner II

SUBJECT:

Thrift Store Zoning Amendment (ZA) 17-043 – Regulation of Check Cashers, Pawnbrokers, Secondhand Dealers, and Smoke or Tobacco Shops, a request to forward a recommendation to the City Council on the adoption of a City-initiated zoning amendment for regulation of locations and processing requirements of Check Cashers, Pawnbrokers, Secondhand Dealers, and Smoke or Tobacco Shops.

#### REQUIRED FINDINGS

The following findings shall be made to recommend adoption of the proposed Zoning Amendment. The draft Resolution (Attachment 1) and analysis section of this report provide an assessment of compliance with these findings.

## Zoning Amendments, Section 17.16.040(F)(1), Required Findings:

- The proposed amendment is consistent with the General Plan.
- b. The proposed amendment will not adversely affect the public health, safety and welfare.

#### Noticing

Public notices were published per City and State requirements and no public comments have been received on this item to-date.

#### BACKGROUND

On October 4, 2016, the City Council initiated a Zoning Amendment to address issues related to check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops. The proposed amendment addresses special regulations for such uses by requiring a conditional use permit and imposing specific standards.

California cities that allow establishment of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops have recognized an increase in crime, such as the sale of illegal drugs in the areas immediately surrounding these uses, and have recognized that the market values and aesthetic and visual qualities of the properties

around or adjacent to these uses might be impaired. As a result, several Orange County cities have chosen to regulate these uses.

Currently, there are several of these businesses active in the City, with the exception of pawnbrokers; however, there have been pawnbroker businesses in the City previously. Between 1998 and 2016, the City received roughly 100 complaints and concerns regarding these uses, including excessive illegal signage, donations left outside businesses, and merchandise on display outside. These negative impacts affect some business districts in the City, and may adversely affect the City's ability to attract and retain businesses and shoppers to the City, and may adversely affect the City's economic vitality. Therefore, the City Council directed staff to ensure the uses are consistent with the purpose and intent of the zones where they are permitted by designating specific zones where the uses should be allowed. Staff also examined whether to allow the uses by right or require a discretionary permit.

## DISCUSSION

The Zoning Code currently requires a Conditional Use Permit to allow pawnbrokers in most commercial and mixed use zones. The Zoning Code does not have specific land use categories for check cashers, secondhand dealers, and smoke shops, so these uses may be permitted as general retail uses, and are currently allowed by right. Since the uses currently allowed by right generate similar types of complaints as pawnbrokers, staff recommends the uses be subject to the conditional use permit review process.

The proposed draft ordinance (Attachment 2) regulates check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops. The ordinance includes three sets of code changes, discussed below.

- 1. Definitions The ordinance defines uses to be regulated.
- 2. <u>Special Use Regulations</u> The ordinance establishes minimum zoning standards for the land uses.
- 3. <u>Zones</u> The ordinance restricts the uses to select commercial and mixed-use zones with a Conditional Use Permit.

#### **Definitions**

Section 17.88.030 (Definitions) is amended to define the uses "check cashers," "pawnbrokers" (formerly pawn shops), "secondhand dealers," and "smoke or tobacco shops" as follows:

- "Check casher" means a business engaged in cashing checks, money orders, or other commercial paper for compensation and other activity as defined in California Civil Code section 1789.31.
- "Pawnbroker" means a business engaged in receiving goods in pledge as security for a loan and other activity as defined in California Financial Code Section 21000.
- "Secondhand dealer" means a business engaged in the buying, selling, or accepting on consignment of secondhand tangible personal property and other activity as defined in California Business and Professions Code Sections 21626 and 21626.5.
- "Smoke or tobacco shop" means any premises dedicated to the display, sale, distribution, delivery, or offering of tobacco, tobacco products, or tobacco paraphernalia, except grocery stores, supermarkets, convenience stores, retail kiosks, or similar uses that only sell conventional cigars, cigarettes, or tobacco as an accessory tobacco sale use, as defined in this Section.

In addition to these definition changes, the ordinance adds definitions related to the regulation of smoke or tobacco shops, including "Accessory tobacco sale use," "Ecigarette," "Tobacco paraphernalia," "Tobacco product," and "Tobacco." The "Ecigarette" definition qualifies vaping as a tobacco product and vaping is therefore subject to the same standards as a traditional tobacco product under these regulations.

## Special Use Regulations

The Zoning Amendment includes heightened standards for check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops. The Zoning Amendment updates chapter 17.28 (Special Uses) to introduce standards such as required separation from sensitive uses (schools, playgrounds, hospitals, etc.) and concentration limits on similar uses in order to minimize potential adverse impacts to sensitive uses. A 100-foot separation requirement from sensitive uses is required for all of these uses, except for smoke shops. The 100-foot separation is the typical depth of commercial lots and primary streets. A 300-foot separation from sensitive uses is proposed for smoke shops, due to a heightened concern about attracting children. Table 1 (Attachment 3) highlights the special use regulations in further detail, and Attachment 4 provides a mapping analysis of the separation distances.

The code amendment also includes requirements for windows and lighting to improve security at these businesses.

#### Zones

Under the existing Zoning Code, pawnbrokers are allowed in most commercial and mixed-use zones with a Conditional Use Permit (CUP). The proposed ordinance updates

standards for commercial and mixed-use zones in two ways. First, similar to pawnbrokers, a CUP would be required to allow check cashers, secondhand dealers, and smoke shops. Second, use tables for the commercial and mixed-use zones are updated to impose separation requirements between sensitive uses and check cashers, pawnbrokers, secondhand dealers, and smoke shops.

- Commercial Zones: NC 1.3, NC 2\*, NC 3\*, CC 1, CC2, CC3, and CC 4.
- Mixed-Use Zones: MU 1, MU 2, MU 3.0, and MU 3.1

Uses that require a Conditional Use Permit are subject to public review through hearings before the Planning Commission. To approve a Conditional Use Permit, the Planning Commission must find that the proposed use "will not be detrimental to the public health, safety or welfare, or materially injurious to properties and improvements in the vicinity" (SCMC § 17.16.060(F)(1)(c)) and "will not negatively impact surrounding land uses" (SCMC § 17.16.060(F)(1)(d)). The Commission also has the ability to impose conditions of approval that will minimize conflicts between the conditionally permitted use and other uses in the area.

## **GENERAL PLAN CONSISTENCY**

The proposed amendment is consistent with the General Plan in that it promotes the public health, safety and welfare by imposing separation requirements between these uses and other uses that may not be compatible, and requiring a public hearing before such uses can commence operation. The General Plan policies promote the establishment and operation of land uses that maintain or enhance quality of life; are compatible with surrounding uses; and protect and maintain public health, safety, and welfare. The table below summarizes how the proposed amendment is consistent with the General Plan.

Table 1 - General Plan Consistency

Policies and Objectives	Consistency Finding
Primary Goal 1 of the Land Use Plan: "retain and enhance established residential neighborhoods, commercial and industrial districts, recreational resources, community-activity areas and amenities, and open spaces that improve the community's quality of life, enhance the appeal of our many attractions, maintain our small-town character, and	Consistent. The proposed amendment adds regulations to ensure check cashers, pawnbrokers, secondhand dealers, and smoke shops do not adversely impact the surrounding uses. Accordingly, the amendment supports the City's ability and effort to plan, build, retain, and attract projects that maintain and enhance the City's lands and built environment.

<sup>\*</sup>Smoke shops are prohibited in these zones due to separation requirements.

ensure long-term environmental and fiscal health."	
Implementation Measures: 1. Update the Zoning Ordinance, Zoning Map, Local Coastal Program and specific plans to ensure consistency with the Centennial General Plan.	Consistent. The proposed amendment updates the Zoning Ordinance to ensure these land uses are compatible with neighboring properties.
UD-3.02. Regulation of Uses and Nuisances. We regulate the location, concentration, design and operations of commercial and industrial uses and parking structure that can adversely affect surrounding sensitive land uses. Impacts may include, but are not limited to, noise, vibration, odors, exterior light, visibility of activity, vehicular traffic and safety hazards.	Consistent. The proposed amendment provides additional regulation of uses that have potential to negatively impact surrounding land uses, specifically through the Conditional Use Permit process which ensures public review of the proposed uses to help ensure compatibility with the existing neighborhood.
G-1.02. Consistency. We achieve and maintain consistency between policies in short and long-term planning documents, the municipal code and implementation projects and programs.	Consistent. The proposed amendment ensures consistency between the Zoning Ordinance and General Plan by defining a review process for uses that may negatively impact an area.

## CALIFORNIA COASTAL COMMISSION REVIEW

The proposed amendments are not subject to Coastal Commission approval. The proposed amendments are consistent with the Coastal Land Use Plan recently certified by the Coastal Commission. The zoning amendments affect properties within the Coastal Zone but do not prohibit land uses that are coastal recreation serving in nature. The proposed amendments would regulate land uses to avoid negative impacts and protect and preserve public health, safety, and welfare.

## **ENVIRONMENTAL REVIEW/COMPLIANCE (CEQA)**

The Planning Division completed an initial environmental assessment of the project per the California Environmental Quality Act (CEQA). Staff recommends the Planning Commission recommend to the City Council that the project is exempt from further review of the California Environmental Quality Act (CEQA) because it is an administrative activity which will not result in a direct or reasonably foreseeable indirect physical change to the environment and is not a "project" as defined by section 15378 pursuant to State CEQA Guidelines 15060(c)(2 and 3).

## RECOMMENDATION

Staff recommends the Planning Commission:

- 1. Recommend the City Council find the project is exempt from the requirements of the CEQA pursuant to CEQA Guidelines Sections 15060(c)(2 and 3); and
- 2. Adopt Resolution PC 18-024, recommending the City Council adopt an ordinance entitled as: Thrift Store Ordinance

#### Attachments:

- 1: Resolution No. PC 18-024
- 2. Draft Ordinance entitled ("Thrift Store Ordinance")
- 3. Strikethrough Underline Informational Copy
- 4. Location Map of permissible areas
- 5. Location Map of prohibited portions of allowed areas
- 6. Table 1 Use Standards

#### **RESOLUTION NO. PC 18-024**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SAN CLEMENTE RECOMMENDING THE CITY COUNCIL APPROVE AN ORDINANCE TO ENACT ZONING AMENDMENT 17-043, AMENDING MUNICIPAL CODE TITLE 17 (ZONING), CHAPTERS 17.28 (SPECIAL USES), 17.36 (COMMERCIAL ZONES AND STANDARDS), 17.40 (MIXED-USE ZONES AND STANDARDS), AND 17.88 (DEFINITIONS), TO REGULATE CHECK CASHERS, PAWNBROKERS, SECONDHAND DEALERS, AND SMOKE OR TOBACCO SHOPS BY DEFINING USES, RESTRICTING USES TO SELECT ZONES, REQUIRING A CONDITIONAL USE PERMIT TO ESTABLISH USES, AND IMPOSING SPECIAL USE STANDARDS

WHEREAS, check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops are uses allowed in the City; and

WHEREAS, the potentially negative impacts of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops are not isolated to the City as other California cities have acted to regulate; and

WHEREAS, California cities which allow establishment of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops have recognized an increase in crime, such as the sale of illegal drugs in the areas immediately surrounding these uses, and have recognized that the market values and aesthetic and visual qualities of the properties around or adjacent to these uses might be impaired; and

WHEREAS, the City has received complaints and concerns about the operation of these businesses in San Clemente, including excessive illegal signage, donations left outside the business, and merchandise on display outside. These types of violations impact some business districts in the City, and may adversely affect the City's ability to attract and retain businesses and shoppers to the City, and may adversely affect the City's economic vitality; and

WHEREAS, the Municipal Code requires a Conditional Use Permit for the use and restricts pawnbrokers (referred to here as "pawn shops") to select commercial zones (SCMC § 17.36.020, table 17.36.020) and mixed-use zones (SCMC § 17.40.030, table 17.40.030); and

WHEREAS, notwithstanding the above provisions, the Municipal Code does not define or provide land use standards specific to pawnbrokers (or "pawn shops"); and

WHEREAS, the Municipal Code does not address check cashers, secondhand dealers, and smoke or tobacco shops, which frequently have some of the same deleterious effects as pawnbrokers; and

WHEREAS, on October 4, 2016, the City Council Initiated this zoning amendment to address issues related to thrift stores, smoke and vape shops, check-cashing stores and pawn shops, consistent with the General Plan. The intent of the amendments is to require scrutiny through the public review process and impose specific standards for check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops to minimize the potential negative impacts of these uses; and

WHEREAS, the City, by virtue of the police powers delegated to it by the California Constitution, is authorized to enact laws to promote the health, safety, and general welfare of its residents; and

WHEREAS, a primary goal of the San Clemente General Plan is to "retain and enhance established...commercial and industrial districts...that improve the community's quality of life, enhance the appeal of our many attractions, maintain our small-town character, and ensure long-term environmental and fiscal health" (p. LU-3); and

WHEREAS, State CEQA Guidelines sections 15378(b)(2) and 15378(b)(5) provide that ongoing administrative activities and organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment do not constitute a "project" as defined by the State CEQA Guidelines (Cal. Code Regs., title 14, § 15000 et seq.) and therefore are exempt from CEQA and no further environmental review is required; and

WHEREAS, on October 17, 2018, the Planning Commission held a duly noticed public hearing on the proposed Zoning Amendment, considered testimony and other evidence, and recommended the City Council approve and adopt this Ordinance.

NOW, THEREFORE, the Planning Commission of the City of San Clemente does resolve as follows:

Section 1. Incorporation of Recitals.

The recitals above are each incorporated by reference and adopted as findings by the City Council.

Section 2. CEQA Findings.

Based upon all the evidence presented in the administrative record, including but not limited to the staff report for the proposed Zoning Amendment, the Planning Commission hereby finds and determines that this Zoning Amendment is not a "project" for purposes of CEQA and is exempt from further CEQA review pursuant to State CEQA Guidelines sections 15378(b)(2) and 15378(b)(5).

Section 3. Zoning Amendment (ZA) Findings.

With regard to Zoning Amendment 17-043, the Planning Commission finds the following:

- A. The Zoning Amendment is consistent with the General Plan's goals and policies, including the following:
  - A primary goal of the General Plan Land Use Element is to "retain and enhance established...commercial and industrial districts...that improve the community's quality of life, enhance the appeal of our many attractions, maintain our small-town character, and ensure long-term environmental and fiscal health" (p. LU-3). The introduction of specific standards and a public review process will address potential negative impacts of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops, allowing the City to better retain and enhance the community's quality of life, appeal of attractions, small-town character, and long-term environmental and fiscal health.
  - Land Use Element Policy LU-2.03 "requires[s] that commercial projects abutting residential neighborhoods be designed and operated to protect residents from the effects of noise, light, odors, vibration traffic, parking and other operational impacts." This Zoning Amendment requires a Conditional Use Permit for check cashers, secondhand dealers, and smoke or tobacco shops (existing Municipal Code section 17.36.020 requires a Conditional Use Permit for pawnbrokers (referred to as "pawn shops")). To approve a Conditional Use Permit, the Planning Condition must make findings, which include that "[t]he proposed use will not be detrimental to the public health, safety or welfare, or materially injurious to properties and improvements in the vicinity" (SCMC § 17.16.060(F)(1)(c)) and "[t]he proposed use will not negatively impact surrounding land uses" (SCMC § 17.16.060(F)(1)(d)). These findings enable the Planning Commission to consider the neighborhood compatibility concerns contemplated by Policy LU-2.03. Further, appropriate conditions of approval may be imposed in conjunction with the approval of such uses to further mitigate potential impacts.
- B. The Zoning Amendment will actually promote the public health, safety, and welfare, because it allows the City to better address the potential negative impacts of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops as part of the permit process.

## Section 4. Planning Commission Recommendation.

Based on the entire record before the Planning Commission, all written and oral evidence presented to the Planning Commission, and the findings made and evidence discussed in the staff report and this Resolution, the Planning Commission hereby recommends that the City Council approve and adopt an Ordinance entitled: AN

ORDINANCE OF THE CITY OF SAN CLEMENTE APPROVING ZONING AMENDMENT 17-043, AMENDING MUNICIPAL CODE TITLE 17 (ZONING) CHAPTERS 17.28 (SPECIAL USES), 17.36 (COMMERCIAL ZONES AND STANDARDS), 17.40 (MIXED-USE ZONES AND STANDARDS), AND 17.88 (DEFINITIONS), TO REGULATE CHECK CASHERS, PAWNBROKERS, SECONDHAND DEALERS, AND SMOKE OR TOBACCO SHOPS BY DEFINING USES, RESTRICTING USES TO SELECT ZONES, REQUIRING A CONDITIONAL USE PERMIT TO ESTABLISH USES, AND REQUIRING SPECIAL USE STANDARDS", set forth as Attachment 2 to the accompanying staff report, and incorporated here by reference.

PASSED AND ADOPTED at a regular meeting of the City of San Clemente Planning Commission on October 17, 2018.

Chair

#### **CERTIFICATION:**

I HEREBY CERTIFY this Resolution was adopted at a regular meeting of the City of San Clemente Planning Commission on October 17, 2018, carried by the following roll call vote:

AYES:

COMMISSIONERS:

NOES:

COMMISSIONERS:

ABSTAIN:

COMMISSIONERS:

ABSENT:

**COMMISSIONERS:** 

Secretary of the Planning Commission

## ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE APPROVING ZONING AMENDMENT 17-043, AMENDING MUNICIPAL CODE TITLE 17 (ZONING), CHAPTERS 17.28 (SPECIAL USES), 17.36 (COMMERCIAL ZONES AND STANDARDS), 17.40 (MIXED-USE ZONES AND STANDARDS), AND 17.88 (DEFINITIONS), TO REGULATE CHECK CASHERS, PAWNBROKERS, SECONDHAND DEALERS, AND SMOKE OR TOBACCO SHOPS BY DEFINING USES, RESTRICTING USES TO SELECT ZONES, REQUIRING A CONDITIONAL USE PERMIT TO ESTABLISH USES, AND IMPOSING SPECIAL USE STANDARDS

WHEREAS, check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops are uses allowed in the City; and

WHEREAS, the potentially negative impacts of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops are not only isolated to the City as other California cities have acted to regulate; and

WHEREAS, California cities which allow establishment of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops have recognized an increase in crime, such as the sale of illegal drugs in the areas immediately surrounding these uses, and have recognized that the market values and aesthetic and visual qualities of the properties around or adjacent to these uses might be impaired; and

WHEREAS, the City has received complaints and concerns about the operation of these businesses in San Clemente including excessive illegal signage, donations left outside the business, and merchandise on display outside. These types of violations impact some business districts in the City, and may adversely affect the City's ability to attract and retain businesses and shoppers to the City, and may adversely affect the City's economic vitality; and

WHEREAS, the Municipal Code requires a Conditional Use Permit for and restricts pawnbrokers (referred to here as "pawn shops") to select commercial zones (SCMC § 17.36.020, table 17.36.020) and mixed-use zones (SCMC § 17.40.030, table 17.40.030); and

WHEREAS, notwithstanding the above provisions, the Municipal Code does not define or provide land use standards specific to pawnbrokers (or "pawn shops"); and

WHEREAS, the Municipal Code does not address check cashers, secondhand dealers, and smoke or tobacco shops, which frequently have some of the same deleterious effects as pawnbrokers; and

WHEREAS, on October 4, 2016, the City Council Initiated this zoning amendment to address issues related to thrift stores, smoke and vape shops, check-cashing stores and pawn shops, consistent with the General Plan. The intent of the amendments is to require scrutiny through the public review process and impose specific standards for check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops to minimize the potential negative impacts of these uses; and

WHEREAS, the City, by virtue of the police powers delegated to it by the California Constitution, is authorized to enact laws to promote the health, safety, and general welfare of its residents; and

WHEREAS, a primary goal of the San Clemente General Plan is to "retain and enhance established...commercial and industrial districts...that improve the community's quality of life, enhance the appeal of our many attractions, maintain our small-town character, and ensure long-term environmental and fiscal health" (p. LU-3); and

WHEREAS, State CEQA Guidelines sections 15378(b)(2) and 15378(b)(5) provide that ongoing administrative activities and organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment do not constitute a "project" as defined by the State CEQA Guidelines (Cal. Code Regs., title 14, § 15000 et seq.) and therefore are exempt from CEQA and no further environmental review is required; and

WHEREAS, on October 17, 2018, the Planning Commission held a duly noticed public hearing on the proposed Zoning amendments, considered testimony and other evidence, and recommended the City Council approve and adopt this Ordinance; and

WHEREAS, on \_\_\_\_\_\_, \_\_\_\_\_, the City Council held a duly noticed public hearing on this Ordinance, considered the agenda report, including the policy considerations discussed therein, and the written and oral testimony received. The City Council has also reviewed and considered the Planning Commission's recommendation, and the agenda report and other evidence that was considered by the Commission, in connection with the proposed amendments that affect the City's Zoning code.

NOW, THEREFORE, the City Council of the City of San Clemente, California, hereby ordains as follows:

Section 1. Incorporation of Recitals.

The recitals above are each incorporated by reference and adopted as findings by the City Council.

Section 2. CEQA Findings.

Based upon all the evidence presented in the administrative record, including but not limited to the staff report for the proposed Zoning Amendment, the City Council hereby finds and determines that this Zoning Amendment is not a "project" for purposes of CEQA and is exempt from further CEQA review pursuant to State CEQA Guidelines sections 15378(b)(2) and 15378(b)(5).

## Section 3. Zoning Amendment (ZA) Findings.

With regards to Zoning Amendment 17-043, the City Council finds the following:

- A. The Zoning Amendment is consistent with the General Plan, because it fulfills the General Plan's goals and policies, including the following:
  - 1. A "primary goal" of the General Plan Land Use Element is to "retain and enhance established...commercial and industrial districts...that improve the community's quality of life, enhance the appeal of our many attractions, maintain our small-town character, and ensure long-term environmental and fiscal health" (p. LU-3). The introduction of specific standards and a public review process will address potential negative impacts of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops, allowing the City to better retain and enhance the community's quality of life, appeal of attractions, small-town character, and long-term environmental and fiscal health.
  - Land Use Element Policy LU-2.03 "requires[s] that commercial projects abutting residential neighborhoods be designed and operated to protect residents from the effects of noise, light, odors, vibration traffic, parking and other operational impacts." This Zoning Amendment requires a Conditional Use Permit for check cashers, secondhand dealers, and smoke or tobacco shops (existing Municipal Code section 17.36.020 requires a Conditional Use Permit for pawnbrokers (referred to as "pawn shops")). To approve a Conditional Use Permit, the Planning Condition must make findings, which include that "It he proposed use will not be detrimental to the public health." safety or welfare, or materially injurious to properties and improvements in the vicinity" (SCMC § 17.16.060(F)(1)(c)) and "[t]he proposed use will not negatively impact surrounding land uses" (SCMC § 17.16.060(F)(1)(d)). These findings enable the Planning Commission to consider the neighborhood compatibility concerns contemplated by Policy LU-2.03. Further, appropriate conditions of approval may be imposed in conjunction with the approval of such uses to further mitigate potential impacts.
- B. The Zoning Amendment will actually promote the public health, safety, and welfare, because it allows the City to better address the potential negative impacts of check cashers, pawnbrokers, secondhand dealers, and smoke or tobacco shops as part of the permit process.

## Section 4. Municipal Code Title 17 (Zoning) Amendments.

Municipal Code Title 17 (Zoning), Chapter 17.28 (Special Uses) is amended to add Sections 17.28.095 (Check Cashers), 17.28.225 (Pawnbrokers), 17.28.275 (Secondhand Dealers), and 17.28.293 (Smoke or Tobacco Shops) as follows:

#### 17.28.095 - Check Cashers.

- A. Purpose and Intent. The purpose of this Section is to provide regulations which mitigate the potential negative effects of check cashers on, and enhance compatibility with, other nearby uses.
- B. Applicability. This Section applies to check cashers.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.

#### D. Minimum Standards.

- State Licensing. All check cashers shall operate with appropriate State licensing and according to all State and local laws and regulations.
- 2. Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- 3. Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a check casher is allowed to open and 7:00 p.m. the latest a check casher is allowed to close.
- 4. Adjacent Uses. No check casher shall be located within 100 feet of a residentially zoned property, school, hospital, playground, or public park.
- Concentration of Uses. No check casher shall be located within 300 feet of another check casher.
- Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of check casher operations from the exterior of the tenant space.
- 7. Security Plan. In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to staff review and approval by the Planning Commission.

#### 17.28.225 - Pawnbroker.

- A. Purpose and Intent. The purpose of this Section is to provide regulations, which mitigate the potential negative effects of pawnbrokers on and enhance compatibility with other uses.
- B. Applicability. This Section applies to pawnbrokers.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.

#### D. Minimum Standards.

- 1. State Licensing. All pawnbrokers shall operate with appropriate State licensing and according to all State and local laws and regulations.
- Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- 3. Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a pawnbroker is allowed to open and 7:00 p.m. the latest a pawnbroker is allowed to close.
- 4. Adjacent Uses. No pawnbroker shall be located within 100 feet of a residentially zoned property, school, hospital, playground, or public park.
- 5. Concentration of Uses. No pawnbroker shall be located within 300 feet of another pawnbroker.
- Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of pawnbroker operations from the exterior of the tenant space.
- 7. Security Plan. In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to staff review and approval by the Planning Commission.

#### 17.28.275 - Secondhand Dealers.

A. Purpose and Intent. The purpose of this Section is to provide regulations, which mitigate the potential negative effects of secondhand dealers on and enhance compatibility with other uses.

- B. Applicability. This Section applies to secondhand dealers.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.

#### D. Minimum Standards.

- 1. State Licensing. All secondhand dealers shall operate with appropriate State licensing and according to all State and local laws and regulations.
- Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- 3. Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a secondhand dealer is allowed to open and 7:00 p.m. the latest a secondhand dealer is allowed to close.
- 4. Adjacent Uses. No secondhand dealer shall be located within 100 feet of a residentially zoned property, school, hospital, playground, or public park.
- Concentration of Uses. No secondhand dealer shall be located within 300 feet of another secondhand shop.
- Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of secondhand dealer operations from the exterior of the tenant space.
- 7. Security Plan. In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to staff review and approval by the Planning Commission.
- 8. Loading and Unloading. The loading or unloading into or from any vehicle of goods to or from a secondhand dealer shall be restricted to designated areas determined through the Conditional Use Permit process.
- Storage and Repairs. The storage, repair, or refurbishment of any goods sold to or from a secondhand dealer shall be restricted to inside the establishment or designated areas determined through the Conditional Use Permit process.

## 17.28.294 - Smoke or Tobacco Shops.

- A. Purpose and Intent. The purpose of this Section is to provide regulations, which mitigate the potential negative effects of smoke or tobacco shops on and enhance compatibility with other uses.
- B. Applicability. This Section applies to all smoke or tobacco shops.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.

#### D. Minimum Standards.

- Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a smoke or tobacco shop is allowed to open and 7:00 p.m. the latest a smoke or tobacco shop is allowed to close.
- 3. Adjacent Uses. No smoke or tobacco shop shall be located within 300 feet of a residentially zoned property, school, hospital, playground, or public park, or any place where children are expected to be present.
- 4. Concentration of Uses. No smoke or tobacco shop shall be located within 300 feet of another smoke or tobacco shop.
- Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of tobacco shop operations from the exterior of the tenant space.
- 6. Security Plan. In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to staff review and approval by the Planning Commission.
- 7. No Smoking on Premises. No smoking shall be permitted on the premises at any time.
- 8. Minor Supervision. It is unlawful for a smoke or tobacco shop to knowingly allow or permit a minor, not accompanied by his or her parent or legal guardian, to enter or remain within any smoke or tobacco shop.
- No Sales by Minors. No sales may be solicited or conducted on the premises by minors.

- 10. Signage. Smoke or tobacco shops shall post clear signage stating that minors may not enter the premises unless accompanied by a parent or legal guardian. At least one such sign shall be placed in a conspicuous location near each public entrance to the smoke or tobacco shop. It shall be unlawful for a smoke shop and tobacco store to fail to display and maintain, or fail to cause to be displayed or maintained, such signage.
- No Distribution of Free or Low-Cost Product or Coupons. No distribution of free or low-cost tobacco, tobacco products or tobacco paraphernalia, as well as coupons for said items, shall be permitted.

<u>Section 5.</u> Municipal Code Title 17 (Zoning), Chapter 17.36 (Commercial Zones and Standards), Section 17.36.020 (Commercial Use Regulations), Table 17.36.020 (Commercial Zone Uses), part 1 (Commercial) is amended to: (1) add rows for check cashing businesses, second hand dealers, and smoke or tobacco shops,(2) revise the "pawn shops" row to reference "pawnbrokers", and (3) amend table footnote 1, as follows:

## 17.36,020 - Commercial Use Regulations.

Table 17.36.020 Commercial Zone Uses

Use		The second secon		***************************************	<del></del>	Zone	95				
1. Commercial	NC 1.1	NC 1.2	NC 1.3	NC 2	NC 3	CC 1	CC 2	CC 3	CC 4	RMF 1	NOTE
										<u></u>	•
Check Cashers			С	С	С	С	С	С	С		
Pawnbrokers			С	С	С	С	С	С	С		
***											
Secondhand Dealers			C .	С	C	С	С	С	С		
***											
Smoke or Tobacco Shops			С			С	C	С	С		
•••											

#### Footnote 1:

Refer to Chapter 17.28, Special Uses, of this title for special provisions for the referenced land use.

<u>Section 6.</u> Municipal Code Title 17 (Zoning), Chapter 17.40 (Mixed-Use Zones and Standards), Section 17.40.030 (Mixed-Use Regulations), Table 17.40.030 (Mixed-Use Zone Uses), Part 1 (Commercial) is amended to (1) add rows for check cashing businesses, second hand dealers, and smoke or tobacco shops,(2) revise the "pawn shops" row to reference "pawnbrokers, and (3) amend table footnote 1, as follows:

## 17.40.030 - Commercial Use Regulations.

## Table 17.40.030 Mixed-Use Zone Uses

Use				Zo	nes			
1. Commercial	MU 1	MU 2	MU 3.0	MU 3.1	MU 3.2		MU 5	NOTE
Check Cashers	С	C	С	С		a.	Es	1
Pawnbrokers	С	С	С	С		H		1
••••								
Secondhand Dealers	С	С	С	C				1
Smoke or Tobacco Shops	С	С	C .	С				1

#### Footnote 1:

Refer to Chapter 17.28, Special Uses, of this title for special provisions for the referenced land use.

<u>Section 7.</u> Municipal Code Title 17 (Zoning), Chapter 17.88 (Definitions), Section 17.88.030 (Definitions) is amended to add the definitions of "check chasing business," "e-cigarette," "pawn shop," "secondhand dealer," "smoke or tobacco shop," "tobacco paraphernalia," "tobacco product," "tobacco shop," and "tobacco" as follows:

## 17.88.030 - Definitions.

"Accessory tobacco sale use" means an accessory use at a grocery store, supermarket, convenience store, retail kiosk, or similar primary use, where no more than two percent of a business' gross floor area is used for the display or retail sales of conventional cigars, cigarettes, or tobacco.

"Check casher" means a business engaged in cashing checks, money orders, or other commercial paper for compensation and other activities as defined in California Civil Code Section 1789.31.

"E-cigarette" means any electronically actuated device or inhaler meant to simulate cigarette smoking that uses a heating element to vaporize a liquid solution, popularly referred to as "juice," and that causes the user to exhale any smoke, vapor, or substance other than that produced by unenhanced human exhalation. The juice used in e-cigarettes typically contains nicotine, and for this reason e-cigarettes and their juice can be classified as both tobacco products and tobacco paraphernalia.

"Pawnbroker" means a business engaged in receiving goods in pledge as security for a loan and other activity as defined in California Financial Code Section 21000.

"Secondhand dealer" means a business engaged in the buying, selling, or accepting on consignment, of secondhand tangible personal property and other activities as defined in California Business and Professions Code Sections 21626 and 21626.5.

"Smoke or tobacco shop" means any premises dedicated to the display, sale, distribution, delivery, or offering of tobacco, tobacco products, or tobacco paraphernalia, except grocery stores, supermarkets, convenience stores, retail kiosks, or similar uses that only sell conventional cigars, cigarettes, or tobacco as an accessory tobacco sale use, as defined in this Section.

"Tobacco paraphernalia" means any paraphernalia, equipment, device, or instrument that is primarily designed or manufactured for the smoking, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means into the body of tobacco, tobacco products, or other controlled substances as defined in California Health and Safety Code Section 11054 et seq. Items or devices classified as tobacco paraphernalia include, but are not limited to, the following: pipes, punctured metal bowls, bongs, water bongs, electric pipes, e-cigarettes, e-cigarette juice, buzz bombs, vaporizers, hookahs, and devices for holding burning material. Lighters and matches are excluded from the definition of tobacco paraphernalia.

"Tobacco product" means any product in leaf, flake, plug, liquid, or any other form, containing nicotine derived from the tobacco plant, or otherwise derived, which is intended

to enable human consumption of the tobacco or nicotine in the product, whether smoked, chewed, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means. The term "tobacco product" excludes any product that has been specifically approved by the United States Food and Drug Administration (FDA) for sale as a tobacco/smoking cessation product or for other medical purposes, where such product is marketed and sold solely for such an approved purpose.

## "Tobacco shop." See "smoke or tobacco shop."

"Tobacco" means any preparation of the nicotine-rich leaves of the tobacco plant, which are cured by a process of drying and fermentation for use in smoking, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means into the body.

## Section 8. Severability.

If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

## Section 9. Effective Date.

This Ordinance takes effect 30 days after adoption of this Ordinance by the City Council.

## Section 10. Reference to Existing Provisions.

All existing provisions of the Municipal Code that are repeated herein are repeated only to aid decision-makers and the public in understanding the effect of the proposed changes. Restatement of existing provisions does not constitute a new enactment.

## Section 11. Custodian of Records.

The documents and materials associated with this ordinance that constitute the record of proceedings on which the City Council's findings and determinations are based are located at San Clemente City Hall, 910 Calle Negocio, San Clemente, CA 92672.

## Section 12. Certification and Publication.

The City Clerk shall certify to the adoption of this ordinance and shall cause it, or a summary of it, to be published within 15 days of adoption, and shall post a certified copy of this Ordinance, including the vote for and against the same, in the Office of the City Clerk in accordance with California Government Code section 36933.

APPROVED AND ADOPTED this	, day of, 2018
ATTEST:	
City Clerk of the City of San Clemente, California	Mayor of the City of San Clemente, California
STATE OF CALIFORNIA )	Clemente, Camorna
COUNTY OF ORANGE ) ss. CITY OF SAN CLEMENTE )	
	City of San Clemente, California, hereby been regularly introduced at the meeting of
, was again	introduced, the reading in full thereof
Council held on theday of	d adopted at a regular meeting of the City
adopted by the following vote:	
AYES:	,
NOES:	
ABSENT:	
•	4
IN WITNESS WHEREOF, I have hereunto so City of San Clemente, California, this _	
	CITY CLERK of the City of
· .	San Clemente, California
APPROVED AS TO FORM:	
CITY ATTORNEY	a a

Additions to the Code shown in underline and deletions shown in strikethrough

<u>Section 4.</u> Municipal Code Title 17 (Zoning), Chapter 17.28 (Special Uses) is amended to add Sections 17.28.095 (Check Cashers), 17.28.225 (Pawnbrokers), 17.28.275 (Secondhand Dealers), and 17.28.293 (Smoke or Tobacco Shops) as follows:

## 17.28.095 - Check Cashers.

- A. Purpose and Intent. The purpose of this Section is to provide regulations which mitigate the potential negative effects of check cashers on, and enhance compatibility with, other nearby uses.
- B. Applicability. This Section applies to check cashers.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- D. Minimum Standards.
  - 1. <u>State Licensing. All check cashers shall operate with appropriate State</u> licensing and according to all State and local laws and regulations.
  - 2. <u>Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.</u>
  - 3. Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a check casher is allowed to open and 7:00 p.m. the latest a check casher is allowed to close.
  - 4. Adjacent Uses. No check casher shall be located within 100 feet of a residentially zoned property, school, hospital, playground, or public park.
  - 5. <u>Concentration of Uses. No check casher shall be located within 300 feet of</u> another check casher.
  - 6. Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of check casher operations from the exterior of the tenant space.
  - 7. Security Plan. In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to review and approval by the planning Commission.

#### 17.28.225 - Pawnbroker.

- A. <u>Purpose and Intent. The purpose of this Section is to provide regulations, which mitigate the potential negative effects of pawnbrokers on and enhance compatibility with other uses.</u>
- B. Applicability. This Section applies to pawnbrokers.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- D. Minimum Standards.
  - 1. State Licensing. All pawnbrokers shall operate with appropriate State licensing and according to all State and local laws and regulations.
  - 2. <u>Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.</u>
  - 3. Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a pawnbroker is allowed to open and 7:00 p.m. the latest a pawnbroker is allowed to close.
  - 4. Adjacent Uses. No pawnbroker shall be located within 100 feet of a residentially zoned property, school, hospital, playground, or public park.
  - 5. <u>Concentration of Uses. No pawnbroker shall be located within 300 feet of another pawnbroker.</u>
  - 6. Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of pawnbroker operations from the exterior of the tenant space.
  - 7. Security Plan. In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to staff review and approval by the Planning Commission.

## 17.28.275 - Secondhand Dealers.

A. Purpose and Intent. The purpose of this Section is to provide regulations, which mitigate the potential negative effects of secondhand dealers on and enhance compatibility with other uses.

- B. Applicability. This Section applies to secondhand dealers.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- D. Minimum Standards.
  - 1. State Licensing. All secondhand dealers shall operate with appropriate State licensing and according to all State and local laws and regulations.
  - 2. <u>Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.</u>
  - 3. Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a secondhand dealer is allowed to open and 7:00 p.m. the latest a secondhand dealer is allowed to close.
  - 4. Adjacent Uses. No secondhand dealer shall be located within 100 feet of a residentially zoned property, school, hospital, playground, or public park.
  - 5. Concentration of Uses. No secondhand dealer shall be located within 300 feet of another secondhand shop.
  - 6. Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of secondhand dealer operations from the exterior of the tenant space.
  - 7. <u>Security Plan.</u> In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to staff review and approval by the Planning Commission.
  - 8. Loading and Unloading. The loading or unloading into or from any vehicle of goods to or from a secondhand dealer shall be restricted to designated areas determined through the Conditional Use Permit process.
  - 9. Storage and Repairs. The storage, repair, or refurbishment of any goods sold to or from a secondhand dealer shall be restricted to inside the establishment or designated areas determined through the Conditional Use Permit process.

17.28.294 - Smoke or Tobacco Shops.

- A. <u>Purpose and Intent. The purpose of this Section is to provide regulations, which mitigate the potential negative effects of smoke or tobacco shops on and enhance compatibility with other uses.</u>
- B. Applicability. This Section applies to all smoke or tobacco shops.
- C. Review Requirements. Please refer to the use tables in Chapters 17.32, Residential Zones and Standards, through 17.48, Public Zones and Standards, of this Title.
- D. Minimum Standards.
  - 1. <u>Location. Please refer to the permitted and conditional use tables in Chapters 17.36, Commercial Zones and Standards, through 17.48, Public Zones and Standards, of this Title.</u>
  - 2. Hours of Operation. Hours of operation shall be determined though the Conditional Use Permit process, with 7:00 a.m. being the earliest a smoke or tobacco shop is allowed to open and 7:00 p.m. the latest a smoke or tobacco shop is allowed to close.
  - 3. Adjacent Uses. No smoke or tobacco shop shall be located within 300 feet of a residentially zoned property, school, hospital, playground, or public park, or any place where children are expected to be present.
  - 4. Concentration of Uses. No smoke or tobacco shop shall be located within 300 feet of another smoke or tobacco shop.
  - 5. Windows and Lighting. There shall be unobscured windows and adequate interior lighting levels during business hours to maintain clear visibility of tobacco shop operations from the exterior of the tenant space.
  - 6. Security Plan. In conjunction with the submittal of an application for a Conditional Use Permit, the applicant shall submit a security plan to prevent vandalism, breaking and entering, and other crimes at the establishment and to protect the safety of customers, employees, and other persons at the establishment. The security plan shall be subject to staff review and approval by the Planning Commission.
  - 7. No Smoking on Premises. No smoking shall be permitted on the premises at any time.
  - 8. Minor Supervision. It is unlawful for a smoke or tobacco shop to knowingly allow or permit a minor, not accompanied by his or her parent or legal guardian, to enter or remain within any smoke or tobacco shop.
  - 9. No Sales by Minors. No sales may be solicited or conducted on the premises by minors.

- 10. Signage. Smoke or tobacco shops shall post clear signage stating that minors may not enter the premises unless accompanied by a parent or legal guardian. At least one such sign shall be placed in a conspicuous location near each public entrance to the smoke or tobacco shop. It shall be unlawful for a smoke shop and tobacco store to fail to display and maintain, or fail to cause to be displayed or maintained, such signage.
- 11. No Distribution of Free or Low-Cost Product or Coupons. No distribution of free or low-cost tobacco, tobacco products or tobacco paraphernalia, as well as coupons for said items, shall be permitted.

Section 5. Municipal Code Title 17 (Zoning), Chapter 17.36 (Commercial Zones and Standards), Section 17.36.020 (Commercial Use Regulations), Table 17.36.020 (Commercial Zone Uses), part 1 (Commercial) is amended to: (1) add rows for check cashing businesses, second hand dealers, and smoke or tobacco shops,(2) revise the "pawn shops" row to reference "pawnbrokers", and (3) amend table footnote 1, as follows:

## 17.36.020 - Commercial Use Regulations.

Table 17.36.020 Commercial Zone Uses

Use		Zones													
1. Commercial	NC 1.1	NC 1.2	NC 1.3	NC 2	NC 3	CC 1	CC 2	CC 3	CC 4	RMF 1	NOTE				
***					·										
Check Cashers			<u>C</u>	C	C	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	:					
***															
Pawnbrokers			<u>.C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	C						
	,														
Secondhand Dealers	,		<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>	C						
•••				·											
Smoke or Tobacco Shops			<u>C</u>			<u>C</u>	<u>C</u>	<u>C</u> :	<u>C</u>						

Footnote 1:

Refer to Section Chapter 17.28.120, Convenience Stores/Retail Establishments Selling Convenience Items Special Uses, of this title, for special provisions for convenience stores the referenced land use.

<u>Section 6.</u> Municipal Code Title 17 (Zoning), Chapter 17.40 (Mixed-Use Zones and Standards), Section 17.40.030 (Mixed-Use Regulations), Table 17.40.030 (Mixed-Use Zone Uses), Part 1 (Commercial) is amended to (1) add rows for check cashing businesses, second hand dealers, and smoke or tobacco shops,(2) revise the "pawn shops" row to reference "pawnbrokers, and (3) amend table footnote 1, as follows:

## 17.40.030 - Commercial Use Regulations.

## Table 17.40.030 Mixed-Use Zone Uses

Use				Zo	nes		,	
1. Commercial	MU 1	MU 2	MU 3.0	MU 3.1	MU 3.2	MU 3.3	MU 5	NOTE
***								
Check Cashers	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>				1
		٠						
<u>Pawnbrokers</u>	<u>. C</u>	<u>C</u>	<u>C</u>	<u>C</u>			1.	1
Secondhand Dealers	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u>				1
	·					·		
Smoke or Tobacco Shops	<u>C</u>	<u>C</u>	<u>C</u>	<u>C</u> .				1
							٠	

#### Footnote 1:

Refer to Section<u>Chapter</u> 17.28.120, <u>Special Uses</u><u>Convenience Stores/Retail</u> <u>Establishments Selling Convenience Items</u>, of this title, <u>for special provisions for the referenced land use</u>.

<u>Section 7.</u> Municipal Code Title 17 (Zoning), Chapter 17.88 (Definitions), Section 17.88.030 (Definitions) is amended to add the definitions of "check chasing business," "e-cigarette," "pawn shop," "secondhand dealer," "smoke or tobacco shop," "tobacco paraphernalia," "tobacco product," "tobacco shop," and "tobacco" as follows:

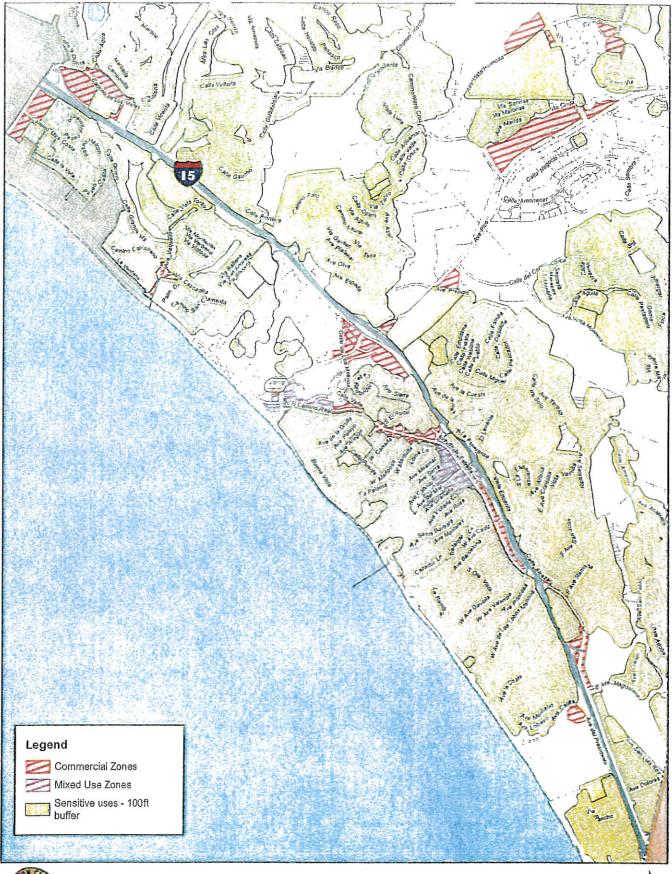
## 17.88.030 - Definitions.

- "Accessory tobacco sale use" means an accessory use at a grocery store, supermarket, convenience store, retail kiosk, or similar primary use, where no more than two percent of a business' gross floor area is used for the display or retail sales of conventional cigars, cigarettes, or tobacco.
- "Check casher" means a business engaged in cashing checks, money orders, or other commercial paper for compensation and other activities as defined in California Civil Code Section 1789.31.
- "E-cigarette" means any electronically actuated device or inhaler meant to simulate cigarette smoking that uses a heating element to vaporize a liquid solution, popularly referred to as "juice," and that causes the user to exhale any smoke, vapor, or substance other than that produced by unenhanced human exhalation. The juice used in e-cigarettes typically contains nicotine, and for this reason e-cigarettes and their juice can be classified as both tobacco products and tobacco paraphernalia.
- "Pawnbroker" means a business engaged in receiving goods in pledge as security for a loan and other activity as defined in California Financial Code Section 21000.
- "Secondhand dealer" means a business engaged in the buying, selling, or accepting on consignment, secondhand tangible personal property and other activities as defined in California Business and Professions Code Sections 21626 and 21626.5.
- "Smoke or tobacco shop" means any premises dedicated to the display, sale, distribution, delivery, or offering of tobacco, tobacco products, or tobacco paraphernalia, except grocery stores, supermarkets, convenience stores, retail kiosks, or similar uses that only sell conventional cigars, cigarettes, or tobacco as an accessory tobacco sale use, as defined in this Section.
- "Tobacco paraphernalia" means any paraphernalia, equipment, device, or instrument that is primarily designed or manufactured for the smoking, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means into the body of tobacco, tobacco products, or other controlled substances as defined in California Health and Safety Code Section 11054 et seq. Items or devices classified as tobacco paraphernalia include, but are not limited to, the following: pipes, punctured metal bowls, bongs, water bongs, electric pipes, e-cigarettes, e-cigarette juice, buzz bombs, vaporizers, hookahs, and devices for holding burning material. Lighters and matches are excluded from the definition of tobacco paraphernalia.
- "Tobacco product" means any product in leaf, flake, plug, liquid, or any other form, containing nicotine derived from the tobacco plant, or otherwise derived, which is intended

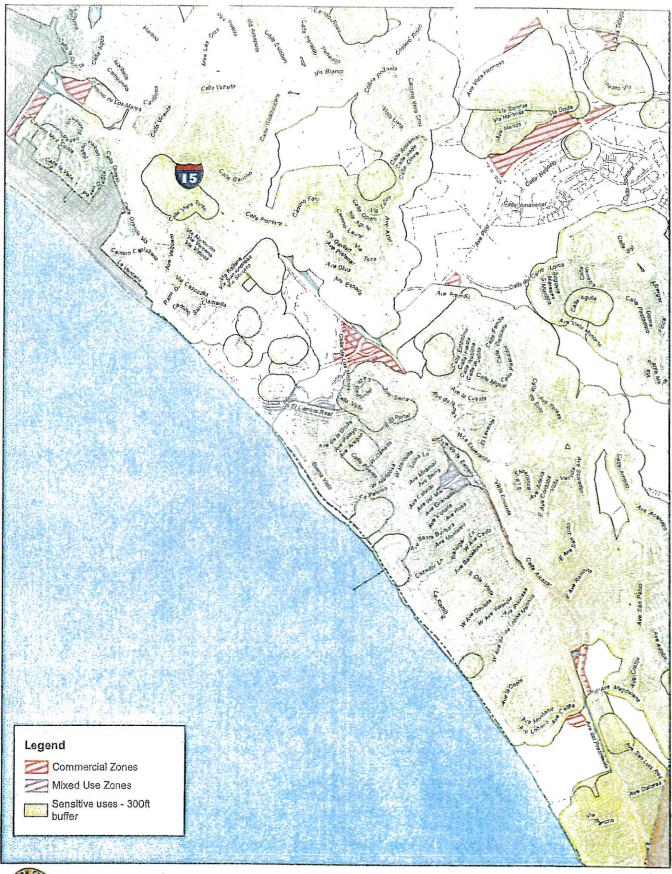
to enable human consumption of the tobacco or nicotine in the product, whether smoked, chewed, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means. The term "tobacco product" excludes any product that has been specifically approved by the United States Food and Drug Administration (FDA) for sale as a tobacco/smoking cessation product or for other medical purposes, where such product is marketed and sold solely for such an approved purpose.

"Tobacco shop." See "smoke or tobacco shop."

"Tobacco" means any preparation of the nicotine-rich leaves of the tobacco plant, which are cured by a process of drying and fermentation for use in smoking, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means into the body.

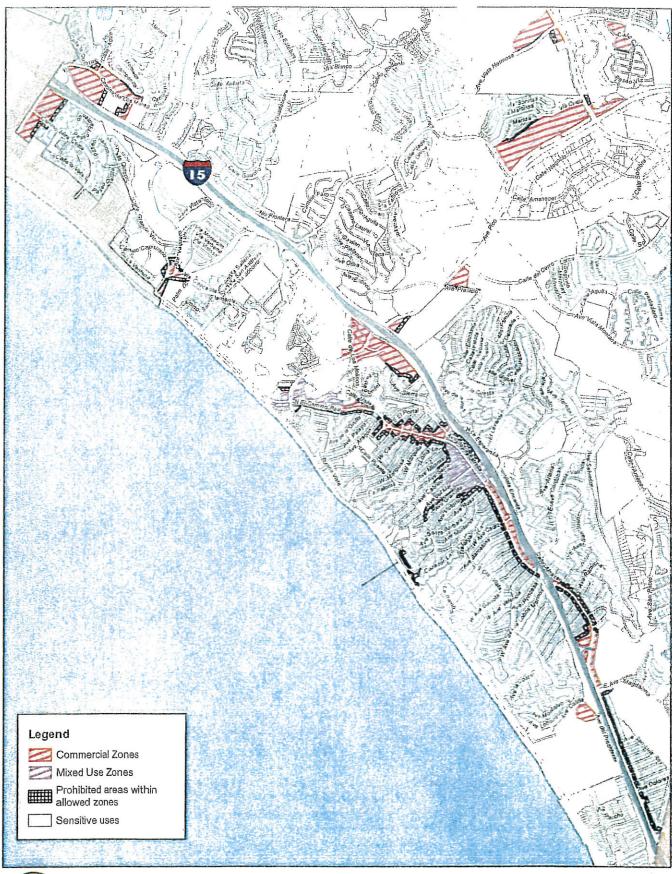


Zoning Amendment 17-043, Thrift Store Ordinance o 1,000 2,000 Feet 100 ft buffer from sensitive uses

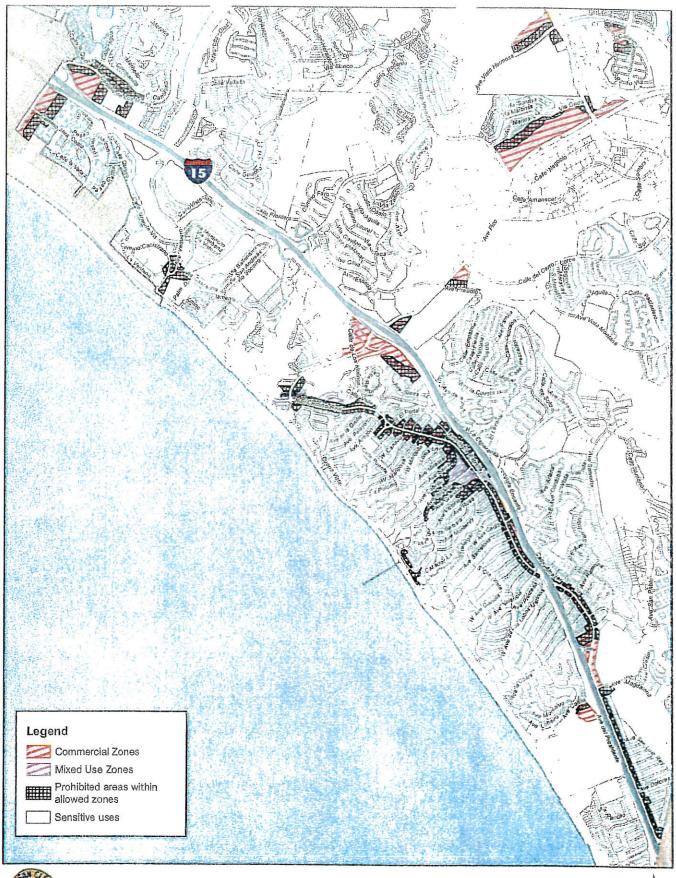




Zoning Amendment 17-043, Thrift Store Ordinance 0 1,000 2,000 Feet 300 ft buffer from sensitive uses



Zoning Amendment 17-043, Thrift Store Ordinance o 1,000 2,000 Feet Prohibited areas - 100 ft.





Zoning Amendment 17-043, Thrift Store Ordinance o 1,000 2,000 Feet Prohibited areas - 300 ft.

Table 1 - Use Standards

Use				Minimum	Minimum Standards			
	State Licensing	Location	Hours of Operation	Adjacent Uses (distance from residential, schools, hospital, playground, or public	Concentrati on of Uses (distance between same uses)	Windows and Lighting	Security Plan	Additional
Check Cashers	Required	See land use tables (chapters 17.32 to 17.48)	7:00am to 7:00pm	100 ft.	300 ft.	Windows and internal lighting must allow clear visibility into the building	Applicant must submit a security plan	
Pawnbrokers	Required	See land use tables (chapters 17.32 to 17.48)	7:00am to 7:00pm	100 ft.	300 ft.	Windows and internal lighting must allow clear visibility into the building	Applicant must submit a security plan	
Secondhand Dealers	Required	See land use tables (chapters 17.32 to 17.48)	7:00pm to 7:00pm	100 ft.	300 ft.	Windows and internal lighting must allow clear visibility into the building	Applicant must submit a security plan	•Loading or unloading in only approved areas
				,	. *	8		<ul> <li>Storage, repair, or refurbish goods only inside or approved areas</li> </ul>

•No smoking	on the	premises .	<ul> <li>Minors must</li> </ul>	þe	supervised	<ul> <li>No sales by</li> </ul>	minors	•Clear	signage	stating that	minors must	pe	supervised	°N°	distribution	of free or	low-cost	product or	suodnoo
Applicant	must submit	a security	plan				14												
Windows and	internal lighting	must allow clear	visibility into the	building	2.*2	٠				•						W			
300 ft.												-							
300 ft. (and	for any place	where	children are	expected to	be present)	*												9.	
7:00am to	7:00pm		8*0																
See land use	tables	(chapters.	17.32 to	17.48)		8. 11.							-	٠					
Not	Applicable					40													
Smoke or	Tobacco	Shops																	•