

## LEGISLATIVE DIGEST

[Planning Code - Define Formula Retail to Include Subsidiaries]

**Ordinance amending the Planning Code to revise the definition of formula retail to include subsidiaries or affiliates of formula retail meeting certain criteria; affirming the Planning Department's determination under the California Environmental Quality Act; making Planning Code, Section 302, findings; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

### Existing Law

Planning Code Section 303.1 currently defines Formula Retail use as a type of retail sales or service activity or establishment that has 11 or more other retail sales establishments in operation, or with local land use or permit entitlements already approved, located anywhere in the world. In addition to the 11 establishments either in operation or with local land use or permit entitlements approved for operation, the business maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, uniform apparel, standardized signage, a trademark or a servicemark.

### Amendments to Current Law

The ordinance proposes to expand the definition of Formula Retail uses to include subsidiaries or affiliates of Formula Retail uses, which meet all three of the following criteria: (A) fifty percent (50%) or more of the stock, shares, or any similar ownership interest of such establishment is owned by an existing formula retail use, or a subsidiary, affiliate, or parent of an existing formula retail use; (B) there are 3 or more other retail sales establishments already in operation anywhere in the world; and (C) the retail establishment maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, uniform apparel, standardized signage, a trademark or a servicemark.

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