

### **Government Code Section 65858(d) Written Report**

Government Code Section 65858(d) requires that 10 days prior to the expiration of any interim ordinance, the City Council must issue a written report regarding the measures the City has taken to alleviate the condition that led to the adoption of the interim ordinance. In compliance with Government Code Section 65858(d), the City Council hereby issues this report.

The City has taken the following measures to alleviate the condition that led to the adoption of the interim ordinance. In order to address the potential conflict between the unregulated establishment of any business or professional office, bank and savings & loan, catering service, or communication facility, proposed to be located on the ground floor streetfront; or (2) Any retail sales use having more than 1,600 square feet of buildable floor area, the City Council enacted Interim Ordinance No. 16-0009-U on July 5, 2016, to require a use permit for such uses. Interim Ordinance No. 16-0009-U was subsequently extended by 10 months and 15 days by Ordinance No. 16-0013-U after a duly noticed public hearing.

Since adoption of the Interim Ordinance, the City has continuously engaged in outreach efforts to all stakeholders including residents, property owners, business owners and merchants to received their input on the impacts arising from first floor professional office uses and larger retail stores on the viability of the Downtown area.

In 2015, the City, in collaboration with the Urban Land Institute (ULI), held an Advisory Services Panel comprised of land use experts to engage community stakeholders and evaluate the Downtown area. The recommendations from the visioning charrette were presented to the City Council, and in February, the City Council awarded a contract for preparation of a Downtown Specific Plan. Throughout 2015, there were numerous meetings and workshops with the consultant, City Staff, downtown merchants, and the Downtown Specific Plan Advisory Committee, which included community members, residents, community groups, and Downtown merchants and property owners. Following extensive community input, a draft Downtown Specific Plan was prepared and subjected to extensive public feedback. The City's Planning Commission and City Council held numerous public study sessions and duly noticed public hearings. The City Council adopted the Final Draft Plan on December 6, 2016. The City transmitted the Final Plan to the Coastal Commission in March 2017 for certification, and the Coastal Commission requested clarification from Staff on a few items. Staff will be responding to the Coastal Commission's request in June 2017. Once the City's submission is deemed complete, it is anticipated that the Coastal Commission may take at least six to 12 months to review and certify the Plan, pending any changes directed by the Coastal Commission. Accordingly, it is necessary to extend the interim ordinance so that no business or professional office, bank and savings & loan, catering service, or communication facility, proposed to be located on the ground floor streetfront; or (2) retail sales use having more than 1,600 square feet of buildable floor area is established without a determination that such use is compatible with surrounding uses and the downtown area in general in connection with use permit review.