

**CITY OF ALAMEDA  
PLANNING AND BUILDING DEPARTMENT**

**STAFF REPORT**

**ITEM NO.:** **9-F**

**APPLICATION:** **PLN07-0301 Zoning Text Amendment. Applicant: City of Alameda.** The City of Alameda is considering an amendment to the Alameda Municipal Code to prohibit retail stores larger than 90,000 square feet in size that include more than ten percent (10%) floor area devoted to the sale of non-taxable items. The proposed prohibition would apply in all zoning districts in the city.

**ENVIRONMENTAL DETERMINATION:** Exempt from environmental review pursuant to State CEQA Guidelines, Sections 15305, Minor Alterations in Land Use Limitations; 15061(b)(3), Review for exemption; 15308, Actions by Regulatory Agencies for Protection of the Environment; 15378, Project and Public Resources Code Section 21065, Project Definition.

**STAFF PLANNER:** Douglas Garrison, Supervising Planner  
510.747.6850

**RECOMMENDATION:** Review the proposed zoning text amendment and make a recommendation to the City Council.

**ACRONYMS:** AMC – Alameda Municipal Code

---

**I. BACKGROUND:**

Between October 22, 2007 and February 11, 2008 the Planning Board held a series of public hearings to consider proposed changes to the Alameda Municipal Code (AMC) concerning large-format retail stores. The amendments provided a definition of large-format retail (one or more stores totaling 30,000 square feet or more) and permitted large format-retail stores in Alameda, subject to use permit or planned development approval.

Under the proposed amendments, a use permit or planned development approval for a large format retail store or stores would require that the Planning Board or the City Council make specific findings to ensure compatibility between land uses and to prevent detrimental effects to existing business districts in Alameda. The Planning Board recommended adoption of the proposed zoning text amendments.

On March 18, 2008, after considering public comments and other information in the record, the City Council adopted the proposed zoning text amendments as proposed by the Planning Board. However, on March 18<sup>th</sup>, the Council also directed staff to prepare an additional text amendment that would prohibit the establishment of any single retail tenant that: 1) exceeds 90,000 square feet in size, and 2) includes more than ten percent (10%) of the sales floor area devoted to the sale of non-taxable items. (Non-taxable goods are generally goods such as food and drugs, for which the customer does not pay a sales tax.)

The City Council asked staff to prepare the amendment and provide the proposed amendment to the Planning Board for a recommendation to the City Council as required by the Alameda Municipal Code. Since the prohibition of individual retail stores larger than 90,000 square feet that include more than ten percent sales floor area devoted to non-taxable merchandise was not specifically considered by the Planning Board during the earlier hearings, this proposal is now being brought back to the Planning Board for consideration and recommendation.

## **II. ANALYSIS:**

The proposed text amendment to the AMC would include an amendment to the Alameda Municipal Code Definition Section to include the following definition of Super Store:

Super Store: A single retail commercial tenant or store that exceeds 90,000 square feet and 10% or more of the floor area of the tenant space is devoted to non-taxable items.

In addition, all the Commercial and Manufacturing Districts would be amended to prohibit "Super Stores".

Under the proposed amendments:

- Super Stores would be prohibited in Alameda.
- Food and prescription drug sales are non-taxable. Consequently, a grocery store larger than 90,000 square feet would be prohibited under the proposed amendment. Currently, the largest grocery store in Alameda is approximately 60,000 square feet.

- Most retail merchandise is subject to sales tax. Consequently, a large format retailer such as Home Depot that exceeds 90,000 square feet, but does not include floor area for non-taxable goods, could apply for a Large Format Use Permit.
- The floor plan for all single store applications that exceed 90,000 square feet would be required to show the percentage of floor area that would be used for non-taxable goods. If inspections reveal that the floor area has been increased beyond 10%, then the use permit for the retailer could be revoked.
- A single large building, such as the 250,000 square foot historic Del Monte Building could include multiple commercial tenants, each of which might have more than 10% or even 100% of their floor area devoted to non-taxable sales, but no single tenant that is over 90,000 square feet could have 10% of their floor area devoted to non-taxable sales.
- The Alameda Landing Retail Center and the Harbor Bay Isle developments would be exempt from the prohibition, because both of those developments have the protection of a Development Agreement that limits the City's ability to impose new zoning regulations on those developments.
- There are currently no stores in Alameda that meet these criteria; therefore, the proposed amendment would not make any existing store non-conforming under the zoning code.

The following table excerpted from an American Planning Association provides additional information on different types of retailers and their store sizes.

**TABLE 1. TYPES OF RETAIL BIG-BOX STORES AND AVERAGE SIZE**

Type	Website Address	Number of Stores in the United States (at Year End 2004)	Average Size (in square feet)	Size Range	Number of New Stores Planned for 2005
<b>GENERAL MERCHANDISE</b>	www.kmart.com	1,422	95,000	40,000 to 194,000	n/a
	www.kmart.com	58	n/a	Up to 194,000	n/a
	www.meijer.com	170	207,000	n/a	9
	www.target.com	141	n/a	n/a	17
	www.target.com	1,189	126,153	n/a	65
	www.walmartrealty.com	1,353	100,000	30,000–220,000	n/a
	www.walmartrealty.com	1,713	187,000	100,000–261,000	n/a
<b>GROCERY</b>	www.kroger.com	2,532	55,687	n/a	Approximately 40
	www.walmartrealty.com	85	43,000	38,000–55,000	n/a
	www.wholefoods.com	168	49,000	40,000–60,000	10
<b>OUTLET</b>	www.biglots.com	1,502	28,600	10,000–50,000	50 to 70
	www.burlingtoncoatfactory.com	349	78,000	20,000–178,000	12
<b>SPECIALIZED PRODUCT</b>	www.baresandnoble.com	820	27,000	10,000–60,000	30–35
	www.bedbathandbeyond.com	660	n/a	20,000–80,000	Historically opened 85 per year in 03 and 04
	www.bordersgifts.com	504	25,100	n/a	15–20
	www.circuitcity.com	617	n/a	n/a	31
	www.homedepot.com	1,890	106,000 plus 22,000 garden area	n/a	n/a
	www.kohls.com	637	77,238	n/a	95
	www.lnt.com	440	n/a	25,000–50,000	45–50
	www.lowes.com	1,087	116,000 plus 31,000 garden area	94,000–116,000 plus 26,000–31,000 garden area	n/a
	www.officedepot.com	969	26,000	n/a	100
	www.petsmart.com	726	n/a	19,000–27,000	100
www.staples.com	1,426	n/a	n/a	95	
www.toysrus.com/about	1,123	46,000	n/a	59	
<b>WAREHOUSE CLUB</b>	www.costco.com	417	136,828	70,000–160,000	30
	www.samsclub.com	551	128,000	70,000–160,000	n/a

### **III. ENVIRONMENTAL REVIEW:**

The proposed zoning text amendment does not have the potential to cause changes to the physical environment that could result in significant adverse environmental effects within Alameda or other jurisdictions. Consequently, the proposed zoning text amendment is Categorically Exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15305, Minor Alterations in Land Use Limitations; 15308, Actions by Regulatory Agencies for Protection of the Environment; 15378, Project; 15061(b)(3) Review for Exemption; and Public Resources Code (PRC) Section 21065, Project definition.

### **IV. PUBLIC NOTICE:**

On June 3, 2008 the City advertised the proposed zoning text amendment in local newspapers. No comments have been received to date.

### **V. RECOMMENDATION:**

Review the proposed zoning text amendment and make a recommendation to the City Council.