

CITY OF YUBA CITY
STAFF REPORT

Date: December 15, 2009
To: Honorable Mayor & Members of the City Council
From: Community Development Department
Presentation By: Aaron M. Busch, Community Development Director

Summary

Subject: Discussion regarding potential allowances for 1) temporary banner signs during the current economic downturn; and 2) the potential for regulating "going out of business" sales and events.

Recommendation: Provide staff with direction regarding the potential allowances for temporary signs and for regulations for going out of business sales and events.

Fiscal Impact: None

Background:

Earlier this year the Community Development Department began the implementation of the first phase of the *Corridor Enhancement Strategy* which consisted of enhanced sign enforcement along the City's major roadway corridors. Code enforcement staff began its cleanup efforts along Highway 20 (in two phases), followed by Highway 99, and is now onto other major streets such as Bridge Street and Franklin Street. To date the success rate with the cleanup has been very high and the results very noticeable. Along Highway 20, staff achieved 100 percent compliance with 85 businesses along this highly visible corridor. On Highway 99, staff achieved nearly 100 percent compliance with over 30 businesses and only one exception (Evan's Furniture).

Recently, the owner of the Evan's Furniture business (Chris Swinney) met with representatives from the City to discuss two concerns he had regarding the City's request for compliance with his non-conforming banner signage. The first issue raised was the desire to allow his (and others) business to continue using temporary banner signage during the economic downturn as these signs help attract new business. The second issue raised was his concern about the perpetual "going out of business" sales events that some businesses continue to advertise and the unfair advantage possibly afforded to those businesses.

In response to the concerns raised by Mr. Swinney, staff agreed to bring this matter before the Council for your review and consideration. Provided below is a discussion on each of the points identified above.

Analysis:

Until recently, proactive sign enforcement had not been a priority. However, as part of the *Corridor Enhancement Strategy* new efforts for cleaning up the visual appearance of the City's major corridors was made a high priority. In fact, at the recent City Commission priority setting meeting,

the group of City Commissioners collectively identified continued corridor cleanup as the number one additional priority (beyond the core group of concerns which included: levees, public safety, and economic development). For purposes of the cleanup effort, Code Enforcement staff began the active enforcement of the City's Sign Standards relating to temporary banner signage.

On-going Efforts

In accordance with the provisions of the City's Sign Standards, businesses are allowed temporary on-site special event signs that can be permitted up to a maximum of 90 days in each calendar year, not to exceed 30 days in any quarter. Presently there is no limit on the size or number of signs allowed, or the frequency of events that can occur during the allowable 30-day and 90-day time limits. For example, a business could have signage installed for three, 30 day events, or fifteen, 6-day events. In order to install such signage, a business owner must submit a Zoning Clearance application to the Community Development Department along with a \$41 application fee and a \$150 refundable deposit to ensure that the sign is removed at the end of the event. The intent of this type of signage is to allow businesses the opportunity to advertise special sales events such as "Grand Openings", "4th of July Sale" and similar events. It is not intended to advertise the products offered at the business such as those typically found on light poles at convenience store businesses.

Banner Exceptions

Mr. Swinney has noted the positive effects on Highway 20 to clean-up the above "product advertising" signs along corridors. However, he believes that long-term temporary signage used for promoting the business and its services is necessary to help businesses stay open during the current economic downturn. Mr. Swinney further noted that some other jurisdictions were making accommodations with the enforcement of temporary signage given the current state of the economy by allowing temporary signage to remain installed for a longer period of time.

As a follow-up to Mr. Swinney's request, staff researched other jurisdictions in California to determine if they were doing anything with their signage standards to address the economic downturn. Staff was only able to find two jurisdictions that have made concessions with regards to temporary signage. The City of Poway has exempted auto dealers from the time limit restrictions associated with temporary signage which allows existing auto dealers the opportunity for unlimited temporary banners. The City of Rocklin recently adopted an interim policy that allows any business to install one temporary banner sign at a maximum of 32 square feet, and one A-frame sign at the business location until June 1, 2010. A summary report prepared by the League of California Cities on this subject is included as Attachment 1.

To assist the Council with their consideration of allowing additional temporary signage during the economic downturn, staff has prepared a summary matrix of less and more restrictive development standards for temporary signs. This matrix is included as Attachment 2.

"Going Out Of Business" Sales

In addition to researching the temporary banner signage issue, staff also researched the concern expressed about the perpetual "going out of business sale" events and associated signage and displays. Most jurisdictions contacted do not have any formal standards related to "going out of business sales" events other than their Sign Ordinance. Much like Yuba City does, most jurisdictions rely on the provisions of their temporary banner standards for controlling how often "going out of business sales" events can be displayed. Some other jurisdictions such as Butte County, and the cities of Redding, Los Altos, Oakland and several other Bay Area cities require a

formal permit or license for any sales event that is intended to reasonably cause the public to believe that the business conducting the sale will cease and discontinue to operate at the subject location.

While each jurisdiction is different in the way that they handle these types of events, there are common permitting elements used by each jurisdiction. These include: submittal of a permit application in advance of the sales event; a complete itemized inventory of those items that will be sold during the sales event; duration of the event; automatic extensions based on performance provisions; and, limitation on number of events. It appears that the common underlying premise for these jurisdictions is to require a complete inventory of items to be sold so that the jurisdiction can keep track of the merchandise being sold during the sales event. Some jurisdictions mention signage provisions in the form of temporary banners being allowed for the duration of the sale (e.g. 60 days) while others do not. It should be noted that none of the jurisdictions identify a method to ensure that the business is actually closing as a result of the required permit/license process. As a result, it would seem that the only benefit of this form of permitting and licensing process is regulating what is sold at the subject business.

As was done for the issue regarding additional temporary signage, staff has also compiled a summary matrix for potential regulations on "going out of business sales" events which is included as Attachment 3.

Fiscal Impact:

None.

Alternatives:

Direct staff to make no changes to current practices, or seek other viable alternatives for temporary banner signage and "going out of business sales" events.

Recommendation:

Provide staff with direction regarding the potential for additional temporary banner signage and "going out of business sales" events.

Prepared By:



Aaron M. Busch
Community Development Director

Submitted By:



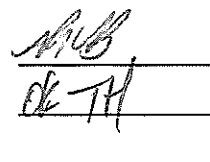
Steven R. Jepsen
City Manager

Reviewed By:

Finance

City Attorney

Other: (Name, Title)



Attachments

1. Summary of other practices
2. Summary Matrix for Temporary Signage
3. Summary Matrix for "Going Out of Business Sales"

**LEAGUE OF CALIFORNIA CITIES
HCED ListServ Survey – Week of June 15, 2009**

TEMPORARY BANNER POLICIES

City	Maximum annual display period	Maximum banner size (in square feet)	Removal required between display periods?	Economy-related relaxation of standards?	Comments
Montclair	48 days	50	Yes (30 days)	No	Display periods may also be separated into 12- or 24-day increments; an additional 45-day display period is available for new businesses on a one-time basis
Bellflower	120 days	Not specified	Not specified	No	Maximum three (3) display periods. No display period shall exceed 60 days.
Buellton	60 days	30	Yes (180 days)	No	
Chowchilla	60 days	Max. 2.5% of wall area to which banner is affixed	Not specified	No	
Claremont	30 days	32	N/A	No	Banners permitted for grand openings or ownership changes only. Director may grant one 30-day extension.
Delano	30 days	32	Not specified	No	
Diamond Bar	90 days	25	Yes	No	Maximum 30-day display period within any 90-day period.
Dublin	15 days	60	Yes (30 days)	Pending	CC considering allowing 21-day display periods with 21-day removal period
Fortuna	60 days	At staff's discretion	N/A	No	Banners permitted for grand openings only
Glendora	90 days	At staff's discretion	Not specified	No	
Hanford	14 days	Not specified	N/A	No	Banners permitted for grand openings only
Irvine	40 days	30	No	No	Maximum four (4) display periods of 10 days

Matrix also includes code requirements from three local cities (Claremont, Diamond Bar and La Verne)

City	Maximum annual display period	Maximum banner size (in square feet)	Removal required between display periods?	Economy-related relaxation of standards?	Comments
Laguna Woods	60 days	25	Not specified	No	Display periods may be separated into 15- or 30-day increments; considering increasing to 120 days
Lakewood	60 days	Not specified	Yes (30 days)	No	
La Puente	90 days	50	Not specified	No	Maximum six (6) display periods
La Verne	28 days	18	Not specified	No	Maximum four (4) display periods of 7 days each
Mission Viejo	42 days	24	No	No	Maximum three (3) display periods
Paso Robles	180 days	1 s.f. per l.f. of building or tenant space frontage	Yes (30 days)	No	Maximum six (6) display periods annually not to exceed 30 days each
Pico Rivera	120 days	At staff's discretion	Yes (30 days)	No	Maximum four (4) 30-day display periods annually
Rocklin	90 days	32	N/A	Yes	Banners permitted for grand openings only for one continuous 90-day period. "Economic Stimulus Ordinance" allows continuous display for promotional uses through 6/1/2010.
Rosemead	60 days	30	Not specified	No	Maximum two 30-day display periods annually
San Dimas	60 days	At staff's discretion	No	No	Maximum six (6) display periods annually. No display period shall exceed 30 days.
San Marino	60 days	Max. 25' in length	Yes (30 days)	No	Temporary signs may be attached only to the <u>inside</u> of a display window
Simi Valley	120 days	50	No	No	Temporary sign permits are valid for a maximum of 30 days
Yuba City	90 days	Not specified	Not specified	No	Maximum 30 consecutive days each calendar quarter

Exceptions for Temporary Banner Signs

Issues	Less Restrictive	Middle Ground	More Restrictive
Duration	Open ended tied to economic recovery.	90 days with automatic renewal based on City Council discretion.	Limit to 1 thirty-day period every 4 months.
Number of Signs	Based on size of building.	Two only, one on building & one adjunct to ground mounted sign.	One only.
Location	On property only.	On building or adjunct to ground mounted sign.	Restricted to parapet.
Size of Signs	Maximum of 50 s.f.	Maximum of 33 percent of linear parapet, or 10 s.f. for ground mounted sign.	Maximum of 33 percent of linear parapet.
Text or Logos	No restrictions.	No logos, but any text.	No logos, text related to service/specials.
Fees	Administration recovery cost only.	Cost to include administration and inspection fee.	Cost to include admin/inspection plus deposit for removal of banner.
Use of Inflatable Signs/Devices	No restrictions.	Not allowed on roof or buildings, but allowed on ground of property.	Not allowed.

Requirements for "Going Out Of Business Sales"

Issues	Less Restrictive	Middle Ground	More Restrictive
Permit/License Required	None required.	Comply with current Special Event Permit process.	Require a new "Going Out Of Business" permit.
Application Information Needed	None.	Identification of the duration of event; product(s) to be sold and displayed; and signage information.	Factual evidence that demonstrates need for sale; full itemized list of inventory to be sold on site; audit records; and copy of proposed advertising materials.
Sales Restrictions	None.	Merchandise from other stores owned by same business operator is allowed.	Restricted to merchandise sold at subject store location and merchandise previously purchased 90 days in advance of sale.
Signage	Unlimited number and area of signs.	Two wall mounted signs – not to exceed 33 percent of linear parapet area.	One sign only – maximum of 33 percent of linear parapet area.
Time Limitations	120 days with automatic extension.	60 days with opportunity for extension.	30 days with opportunity for extension.
Extension of Permit	Automatic 30-60 day extension with no application.	60 day extension subject to application process.	30 day extension subject to application process.
Fees	Administration recovery cost only.	Cost to include administration and inspection fee.	Cost to include admin/inspection plus deposit for removal of signage.