To: Honorable Mayor and City Council Members
From: Scott J. Kluver, Administrator
Re: Formula Business Ordinance
Date: May 3, 2018

At the last Plan Commission meeting, the formula business ordinance, which was discussed in the past, was brought up for discussion again. At the request of Council member Oswald, this discussion is now on the Council agenda for possible action.

Enclosed for your review is the draft ordinance from the past, a current memo from Attorney Siegler regarding the topic, minutes of the Plan Commission from the last meeting, and minutes from the February 2014 Plan Commission meeting as well as minutes of the March 2014 meeting, and the materials included in the packet for that meeting. It is possible to pull up a recording of these meetings as well if you want to listen to that discussion. Please contact me if you wish to do so.

The proposed ordinance basically restricts the identifying symbols and marketing features of any “chain” business. A conditional use permit would also be required for any new business, or change in business, that has these features. This means that such an ordinance would have impacted not only the proposed Family Dollar store, but also the recent transitions of the IGA, and Cenex gas station. In the past, there was concern as to how such an ordinance would affect the vitality of certain existing businesses in the City.

As for my opinion on this matter, I oppose this proposed ordinance for several reasons:

1. This ordinance was proposed during the beginning of the zoning code project. That code did not incorporate this provision because it was considered to be a bad idea at the time by those involved. Thus, we have been implementing the new code in good faith to any person or business looking to do business in Washburn. The Family Dollar organization has been exploring properties in Washburn for over four years. They recently purchased property and we have been working in good faith with their consultants to make sure their plans will meet our code. They have submitted plans for a site plan review which I anticipate will be presented at the May 17th Plan Commission meeting. That is the only zoning review that is needed prior to building permits being issued. I do not like the idea of changing direction at this point, as there was four years to do that.

The City of Washburn is an equal opportunity provider, employer, and lender.