



Amortization Process

Non-Conforming Uses in the Downtown Specific Plan



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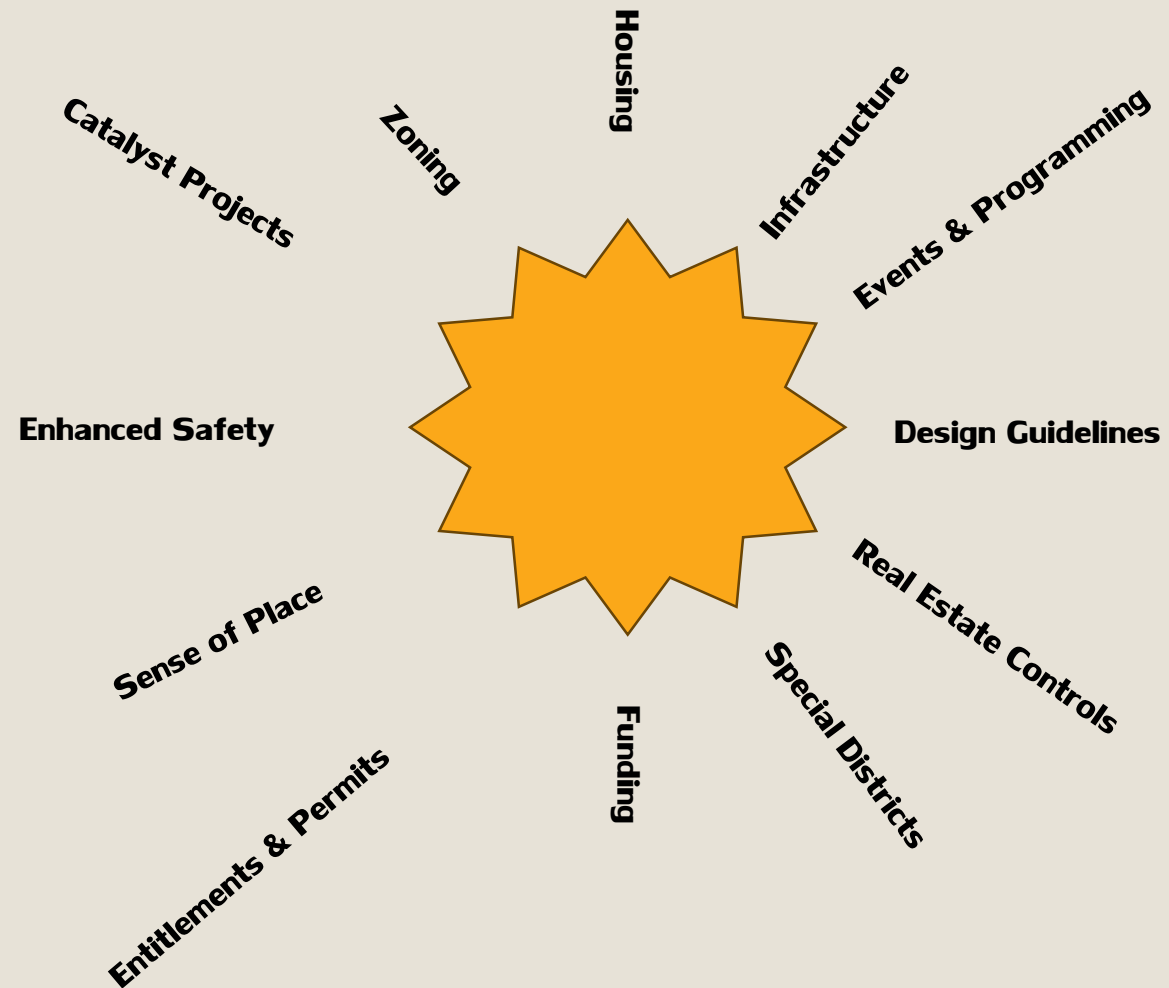


Ask

That the City Council provide direction on an amortization process for non-conforming uses in the Downtown Revitalization area

Downtown Revitalization Strategies

- 2022 Plan identifies roughly a dozen broad strategies to revitalize Downtown Corona
- Additional tools are available to assist with goals
- This item is one more “tool in the toolkit” for revitalization



Select Non-Conforming Uses in DTSP



Vehicle Rentals



Car Repair



Car Sales



Car Washes



Motels

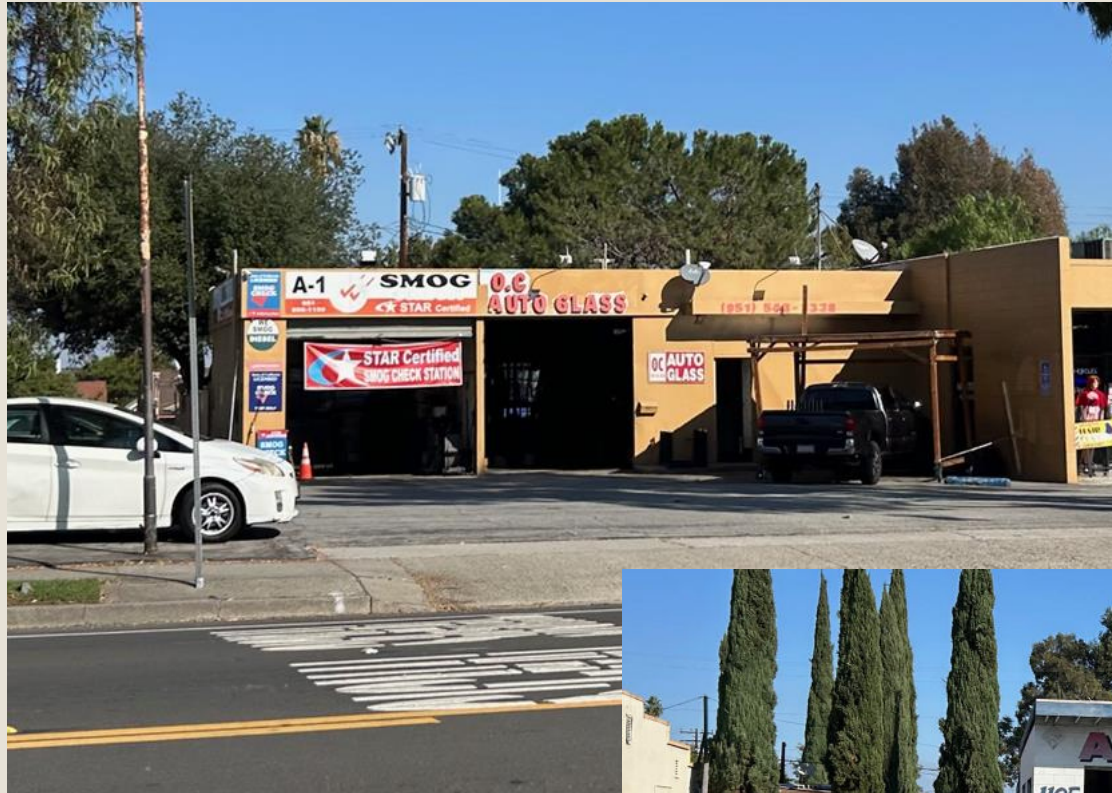


Massage

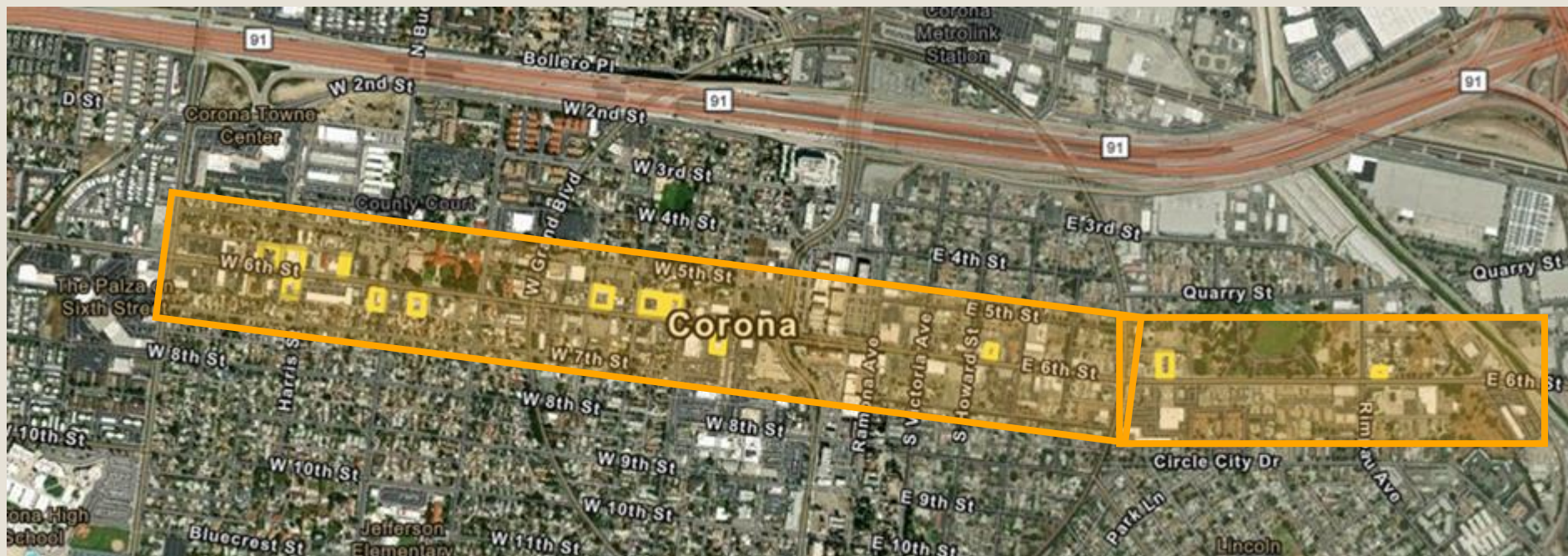
Why these uses?

- Uses that may be a deterrent to new investment
- Building form/appearance that may be inconsistent with intent for Downtown
- Uses that generate higher calls for service or may have higher likelihood for criminal activities

Example: Auto Repair



Example: Auto Uses on Sixth Street



- 14 Auto Service, Repair, and Tire Store uses on Sixth Street
- These use present compatibility issues with new development.
- No longer permitted within the Downtown Specific Plan boundaries - “*Nonconforming Uses*”

Examples: Auto Sales



Example: Car Washes



Example: Motels



Nonconforming Uses



Market:

Land Value and
Market Conditions
determine longevity



Acquisitions

Buy out the use,
either voluntary or
through
condemnation



Amortization

Phase out uses over
time

What is Amortization?

- A zoning tool used to phase out legally established but now nonconforming land uses.
- Allows property owners a “grace period” to recoup investment before discontinuing the use.
- Considered a constitutionally valid alternative to immediate elimination with compensation.

Legal Framework

Options to end nonconforming uses:

- Pay *just compensation* for immediate termination.
- Provide a ***reasonable amortization period*** (no compensation required).
- Backed by California case law (e.g., *Gage*, *United Business, Metromedia*).
- Must meet due process and reasonableness standards.

Reasonableness Determination

- Incongruity with surrounding land uses.
- Economic impacts: cost, investment, salvage value.
- Lease terms, adaptability, and useful life of structures.
- Public harm from continued operation.
- Case-by-case determination required.

Amortization Ordinance

Components

- Intent and Purpose Statement.
- Triggers for Immediate Termination.
- Process for targeted application (non-discriminatory basis).
- Administrative hearing and appeal procedures.
- Notice to future owners via recordation.

Example:

- Purpose – to improve aesthetics and create vibrant pedestrian friendly environment free of incompatible uses
- Process – set a predetermined phase out schedule – e.g. 10 years
- Admin hearing / appeal – shall have 60 days to appeal to City Council
- Notice – a notice will be recorded on properties that non-conforming uses are not allowed and that the established phase out timeframe will be enforced.

* Current rules for non-conforming uses such as 180 days of non-use or substantial destruction remain in effect

Ordinance Enforcement

- Notice at end of amortization period with enforcement timeline.
- Option to apply for limited extensions based on amortization factors.
- Enforcement tools: City Attorney authority, nuisance abatement process.
- Goal: Fair implementation while protecting community interests.

Pros/Cons

Pros:

- Tested method for changing land use in key areas of cities
 - No direct costs for City
 - Phases out uses over appropriate length of time
- Allows for businesses and landowners to plan for transitions
- Allows for case by case reviews

Cons:

- Possible legal challenges from individual businesses
- Transition of displaced business
 - Long term process

Amortization Options:

Possible Uses

Auto Repair
Auto Sales
Car Washes
Motels
Vehicle Rentals
Gas Stations
Fast Food Restaurants
Massage Parlors

Process

Timeframe

Triggers for Immediate Termination.

Process for targeted application (non-discriminatory basis).

Appeal procedures.

Next Steps

- Direction from Council on:
 - which non-conforming uses to amortize
 - amortization schedule
 - Modification to building or use to avoid process
- Draft ordinance, review reasonableness standard, etc.
- Bring to council for final consideration.
- Work with identified businesses and property owners



Ask

Should staff develop an Amortization process for non-conforming uses in the Downtown area?