

**RESOLUTION NO. 23-04**

**A RESOLUTION**  
**OF THE COMMISSIONERS OF ST. MICHAELS**  
**DECLARING A MORATORIUM FOR A PERIOD OF Six (6) MONTHS**  
**ON THE ISSUANCE OF ANY ZONING PERMIT, DEVELOPMENT**  
**APPROVAL, OR OCCUPANCY PERMIT FOR FORMULA BUSINESSES**  
**TO ALLOW THE COMMISSIONERS TO GIVE THOROUGH AND**  
**CAREFUL CONSIDERATION TO LEGISLATION THAT WOULD**  
**IMPLEMENT CERTAIN RESTRICTIONS ON WHERE AND UNDER**  
**WHAT CIRCUMSTANCES SUCH BUSINESSES MAY LOCATE IN THE**  
**TOWN.**

**WHEREAS**, pursuant to Md. Code Ann., Local Gov't. Article, § 5-202, and Section C-19 of the Town Charter, the Commissioners of St. Michaels (the "Town") has, as it deems necessary for the good government of the Town, the power to enact ordinances that are not contrary to the Constitution, laws of the State of Maryland or to the provisions of the Charter, for the protection and preservation of the Town's property, rights, and privileges; for the preservation of peace and order; for securing persons and property from violence, danger, or destruction; and for the protection and promotion of the health, safety, comfort, convenience, welfare, and happiness of the residents of and visitors in the Town.; and

**WHEREAS**, pursuant to the Local Government Article of the Annotated Code of Maryland, §5-213, and Section C-19(53) of the Town Charter, the Town has the additional authority to provide reasonable zoning regulations, subject to the referendum of the voters at regular or special elections; and

**WHEREAS**, pursuant to the foretasted authority and the additional authority contained in Md. Code Annotated, Land Use Article, Division 1, "Single Jurisdiction Planning and Zoning," Title 4, "Zoning", the Town has enacted Chapter 340, "Zoning", of the Town Code; and

**WHEREAS**, the Town Commissioners are in the process of preparing an ordinance that will, if adopted, amend Chapter 340 to restrict in certain circumstances the location of businesses designated as formula business; in order to protect the character of the Town, which has a direct and critical impact on the Town's economic well-being; and

**WHEREAS**, the Town Commissioners believe that a temporary suspension of the issuance of permits, licenses and approvals for formula businesses is necessary and appropriate, provided that the suspension continues for a period no longer than necessary to complete the assessment in the exercise of all due haste; and

**WHEREAS**, completion of this process is anticipated to occur within the six (6) month period following the adoption of this Resolution; and

**NOW, THEREFORE, BE IT RESOLVED**, by the Commissioners of St. Michaels that:

1. Definition.
  - A. For purposes of this Resolution, a “formula business” is a retail or wholesales sales establishment, including a hotel, motel, convenience store, drive-in establishment, retail store, wholesale store, restaurant, bar, pub, dance hall, nightclub, cocktail lounge, or tavern, that: is in common ownership with 12 or more other establishments of the same nature that are operating as a single brand and/or more than three of which are operating in Maryland; or is a franchised establishment of a business entity with 12 or more other locations operating as a single brand, whether franchised or directly owned by a parent entity, more than three of which are operating in Maryland; or regardless of ownership, is required by contractual or other business arrangement to maintain in common with 12 or more other establishments, more than three of which are operating in Maryland, any two or more of the following substantially identical features:
    - a. Standardized menu or standardized array of merchandise with 50% or more of in-stock merchandise from a single distributor bearing uniform markings;
    - b. Trademark or service mark, defined as a word, phrase, symbol or designs that identifies and distinguishes the source of the goods from one party from those of others, on products or as part of store design;
    - c. standardized interior décor including, but not limited to style of furniture, wall-coverings, displays or permanent fixtures;
    - d. standardized color scheme used throughout the interior or exterior of the establishment;
    - e. Standardized uniform for any group of staff members, including but not limited to, aprons, pants, shorts, shirts, smocks or dresses, hat and pins (other than name tags); or
    - f. Standardized building façade, floor area design or layout.
  - B. The term Formula Business shall not be interpreted to include (1) banks; (2) real estate brokerages or agencies; (3) grocery stores; businesses engaged primarily in the sale of goods with a maritime-related theme that are made from recycled materials.
2. Moratorium established. A temporary moratorium on the issuance of any zoning permit, development approval, or license relating to formula businesses shall be and is hereby established for a period of six (6) months from and after the adoption of this Resolution.
3. Purpose. The purpose of this Moratorium is to protect the public health, safety and welfare of the residents of the Town and to protect and preserve the character of the Town while the Town determines the appropriate location, if any, for formula businesses and whether additional regulations relating to those businesses are necessary, and appropriate.
4. Study, recommendations, and legislation. This temporary moratorium is established to allow sufficient time within which to act on a pending proposal to

restrict the location of formula businesses in the Town, considering public input and the advice and counsel of Town employees and consultants.

**AND BE IT FURTHER RESOLVED** that nothing in this Resolution shall be interpreted as waiving, or being in contradiction of, any authority or power existing in or granted to the Commissioners of St. Michaels to institute such a moratorium at any time, or extend any such moratorium, to protect the health, safety, and welfare of the Town and its residents, and that to the extent of such power, this moratorium shall be effective immediately.

**THIS RESOLUTION HAVING BEEN INTRODUCED AND PASSED** by a yea or nay vote of the Commissioners of St. Michaels on this 25th day of January, 2023, it becomes effective on the 26<sup>th</sup> day of January, 2023.

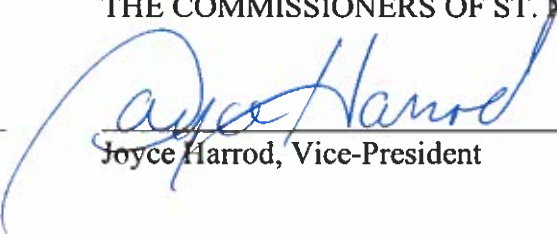
|                     |     |
|---------------------|-----|
| David H. Breimhurst | yea |
| T. Coleman duPont   | yea |
| Joyce D. Harrod     | yea |
| Katrina Whittington | yea |
| Alfred Mercier      | yea |

I HEREBY CERTIFY that the above Resolution was passed by a yea and nay vote of the Commissioners of St. Michaels on this 25<sup>th</sup> day of January, 2023.

ATTEST:

THE COMMISSIONERS OF ST. MICHAELS

  
Suzanna Warnick, Town Clerk

  
Joyce Harrod, Vice-President