Commission Agenda Report

Planning Commission Meeting
04-20-26
Item 3.B.5.

To: Chair Riddick and Members of the Planning Commission

Prepared by: Adriana Peralta, Assistant Planner

Reviewed by: Didier Murillo, Principal Planner

Approved by: Yolanda Bundy, MS, PE, CBO, CFCO, Community Development Director and Tyler Eaton, Assistant Community Development Director

Date prepared: April 9, 2026 Meeting date: April 20, 2026

Subject: Formula Retail Clearance No. 26-005 – Cross Creek Ranch Shopping Center

Location: 23465 Civic Center Way, Unit 370
APN: 4458-022-032
Owner: Cross Creek Ranch Malibu, LLC
Tenant: The Shop by Wheat

RECOMMENDED ACTION: Receive and file the Community Development Director's report on Formula Retail Clearance (FRC) No. 26-005 (Attachment 1).

DISCUSSION: This agenda item is for informational and reporting purposes only. In March 2018, the City Council adopted Ordinance No. 431(a) regulating formula retail in commercial shopping centers. The Ordinance went into effect on April 12, 2018, establishing Malibu Municipal Code (MMC) Chapter 17.61 (Formula Retail Clearance).

The ordinance sets forth a ministerial[1] process by which a tenant with a non-exempt formula retail business receives approval from the Community Development Director to locate within a shopping center. MMC Section 17.61.030(C) states that all FRCs approved by the Community Development Director shall be noticed and reported to the Planning Commission within 30 days of issuance, and that the approval shall become final two days after the clearance is reported to the Commission, unless rescinded by the Director.

[1] A ministerial process is one in which there is no discretion on the part of the decision-maker in the application of the standards.

On August 14, 2023, Cross Creek Ranch Malibu, LLC (CCRM) and the City of Malibu (City) entered into a Settlement Agreement. Under the Settlement Agreement, Cross Creek Ranch is to be subject to the City's Formula Retail Ordinance — except that Cross Creek Ranch was able to open additional formula retail establishments beyond those allowed under the Formula Retail Ordinance if, among other requirements: (1) they submit the application before August 14, 2024, (2) the proposed tenant does not have 10 or more locations in the counties of Los Angeles, Orange and Ventura, (3) the proposed location does not exceed 4,000 sq ft (except up to 3 locations may be sized at 5,000 sq ft or less), and (4) the proposed location will not cause more than 60% of the ground floor to constitute non-exempt formula retail businesses, (5) the proposed location will not cause more than 20% of the gross floor area of the shopping center to constitute non-exempt formula retail that has not obtained a formula retail clearance under the City's Formula Retail Ordinance. As shown in Table 1, the businesses which were approved prior to August 14, 2024, were authorized under the settlement agreement.

MMC Section 17.61.020 – Applicability

A FRC is required for new Formula Retail establishments or existing Formula Retail establishments that relocate to a new tenant space or expand by 200 square feet or more of gross floor area[2] (GFA), except for the following which are exempt:

1. Grocery
2. Drug stores/pharmacies
3. Gas stations
4. Banks and financial services
5. Real estate offices
6. Movie theaters
7. Postal services offices
8. Medical offices

The subject FRC is for The Shop by Wheat, a retail apparel store, which is a non-exempt use. Furthermore, The Shop by Wheat currently has eleven (11) locations worldwide, listed below:

- Santa Monica, California;
- Anguilla (Caribbean Islands);
- Dover, New Hampshire;
- York Beach, Maine;
- Three (3) locations in Massachusetts; and
- Four (4) locations in Hawaii.

[2] Gross floor area (GFA) means the sum of the gross horizontal areas of the several floors of a building measured from the interior face of exterior walls, or from the centerline of a wall separating two buildings, but not including interior parking spaces, loading space for motor vehicles, vehicular maneuvering areas, or any space where the floor-to-ceiling height is less than six feet.

The proposed location in Malibu, CA will be the twelfth (12th) location worldwide.

MMC Section 17.61.030(B) – FRC Criteria for Issuance

The Community Development Director shall issue an FRC if the Formula Retail use complies with the following requirements:

1. *The location does not exceed 4,000 square feet of gross floor area.* The proposed tenant space is 1,520 square feet of gross floor area, which complies with this requirement.

2. *Issuing the FRC will not result in (a) non-exempt formula retail establishments occupying more than 30 percent of the total gross floor area of a shopping center excluding the floor area occupied by exempt formula retail defined in MMC Section 17.61.020(A)(1-8) only; or (b) where the shopping center is more than one floor, non-exempt Formula Retail establishments occupying more than 40 percent of the total gross floor area of the ground floor of the shopping center, excluding the floor area occupied by exempt formula retail defined in MMC Section 17.61.020(A)(1-8).*

   The ordinance provides the following formula:

(Gross floor area - floor area of exempt formula retail)	X 0.30 =	Allowable non-exempt formula retail
	X 0.70 =	Required non-formula retail

   The Cross Creek Ranch shopping center has 10 buildings comprised of both one- and two-stories, totaling 111,489 square feet of total gross floor area (GFA). Therefore, the calculations have been evaluated under the formulas of both (a) and (b) as follows:

Table 1
Cross Creek Ranch Shopping Center – Compliance Table
Proposed 1,520 sq. ft. Non-exempt Tenant (Unit 370)

(a) Overall Shopping Center		
Total GFA of existing shopping center	1st floor: 90,303 sq. ft. 2nd floor: 21,186 sq. ft. Total: 111,489 sq. ft.	
Total exempt formula retail	*0 sq. ft.	
30% Calculation	Total: 111,489 sq. ft. Exempt: - 0 sq. ft. 111,489 sq. ft. Allowable: 111,489 sq. ft. x .30 = **33,446.70 sq. ft.**	

Non-exempt formula retail GFA			
Tenant (Suite No.)		Square Footage	
Brandy Melville (350)		1,525	*Proposed on 4/20/2026*
The Shop By Wheat (370)	**---- SUBJECT APPLICATION ---**	**1,520**	***Proposed on 4/20/2026***
Malbon (470)		1,573	*Proposed on 4/20/2026*
RH (610-630)		2,613	*Proposed on 4/20/2026*
Velvet (810-820)		1,816	*"Grown into FRC"*
Birkenstock (850)		2,528	*Proposed on 4/20/2026*
KITH (110)		3,996	**Approved on 2/20/2024*
KITH Treats (120)		719	**Approved on 2/13/2024*
Le Labo (360)		1,354	**Approved on 2/14/2024*
Ray-Ban (395)		1,190	**Approved on 2/14/2024*
Zadig & Voltaire (450)		1,805	**Approved on 9/10/2024*
Frame 460)		1,808	**Approved on 9/10/2024*
Pura Vida Miami (705)		2,469	**Approved on 4/15/2024*
Jenni Kayne (710)		1,857	**Approved on 9/10/2024*
TOTAL		**17,811**	*Complies (less than 33,466 sq. ft)*
***Approved prior to August 14, 2024 per the settlement agreement.*			

PUBLIC NOTICE: This item was posted on the April 20, 2026, Regular Planning Commission Meeting agenda.

ATTACHMENTS:

1. FRC No. 26-005 Application
2. Tenant List
3. Site Plan

FRC No. 26-005

City of Malibu

23825 Stuart Ranch Road · Malibu, California · 90265-4861
Phone (310) 456-2489 · Fax (310) 456-7650 · www.malibucity.org

FORMULA RETAIL CLEARANCE APPLICATION

The City of Malibu will not accept incomplete applications

General Information

PROPERTY ADDRESS: 23465 Civic Center Way, Malibu CA 90265 **Unit #** Suite 370

BUSINESS NAME: The Shop by Wheat

APPLICANT / CONTACT: First: Tierney **Last:** Mauge

APPLICANT ADDRESS: [redacted] **CITY:** Santa Monica **STATE:** CA **ZIP:** 90401

APPLICANT PHONE #: [redacted] **APPLICANT EMAIL:** TMauge@pacequity.com

PROPERTY OWNER: Cross Creek Ranch Malibu, LLC

Fees

❑ **Formula Retail Clearance** $_____

Formula Retail

1. **DOES THE PROPOSED RETAIL SERVICE CURRENTLY HAVE 10 OR MORE OPERATIONAL RETAIL ESTABLISHMENTS WORLDWIDE AND MAINTAIN TWO OR MORE OF THE FOLLOWING FEATURES LISTED BELOW?** ☑ YES ☐ NO

   If yes, circle the applicable feature below.

   (a.) Standardized array of merchandise or menu
   b. Standardized color scheme
   c. Standardized décor
   d. Standardized ~~signage~~ facade
   e. Standardized layout
   (f.) Standardized signage, service mark or trademark
   g. Uniform apparel

2. **WILL THE PROPOSED LOCATION EXCEED 4,000 SQUARE FEET OF GROSS FLOOR AREA?**

   ❑ YES ■ NO

3. **PROPOSED BUSINESS:** ■ NEW BUSINESS ❑ OTHER: _____

4. **BUSINESS DESCRIPTION (PROVIDE ADDITIONAL PAGES IF NECESSARY):**
   Multi-brand retail

ATTACHMENT 1

5. **TOTAL GROSS FLOOR AREA OF SHOPPING CENTER:** 111,489 sf

6. **PROPOSED FLOOR AREA:** 1,520 sf

***ISSUING THE FRC WILL *NOT RESULT IN (A)* NON-EXEMPT FORMULA RETAIL ESTABLISHMENTS OCCUPYING MORE THAN 30 PERCENT OF THE TOTAL GROSS FLOOR ARE OF A SHOPPING CENTER EXCLUDING THE FLOOR AREA OCCUPIED BY EXEMPT FORMULA RETAIL DEFINED IN 17.66.020(A)(1)-(8) ONLY, OR (B), WHERE THE SHOPPING CENTER IS MORE THAN ONE FLOOR, NON-EXEMPT FORMULA RETAIL ESTABLISHMENTS OCCUPY MORE THAN 40 PERCENT OF TOTAL GROSS FLOOR AREA OF THE GROUND FLOOR OF THE SHOPPING CENTER.**

REPORT TO PLANNING COMMISSION

All formula retail clearances approved by the Planning Director shall be noticed and reported to the Planning Commission within 30 days of issuance. Such report shall include all calculations and descriptions of businesses used in making the determination. The approval shall become final two days after the clearance is reported to the Planning Commission, unless rescinded by the Planning Director.

ADDITIONAL PERMITS

Approval of this Formula Retail Clearance is to clear the tenant space to be occupied by a formula retail establishment. It does not eliminate the need for other permits, licenses, or certificates required. Additional permits may be required (e.g., Health Permit, Certificate of Occupancy, Sign Permit, Tenant Improvement Permit, Temporary Use Permit, Conditional Use Permit, etc.). See the Department of Environmental Sustainability to verify which construction permits may be required.

INDEMNIFICATION CLAUSE

The property owners, and their successors in interest, shall indemnify and defend the City of Malibu and its officers, employees and agents from and against all liability and costs relating to the City's actions concerning this project, including (without limitation) any award of litigation expenses in favor of any person or entity who seeks to challenge the validity of any of the City's actions or decisions in connection with this project. The City shall have the sole right to choose its counsel and property owners shall reimburse the City's expenses incurred in its defense of any lawsuit challenging the City's actions concerning this project.

PROPERTY OWNER SIGNATURE	Cross Creek Ranch Malibu LLC By: Tierney Mauge, Secretary PROPERTY OWNER NAME (PRINT)	2/27/26 DATE

APPLICANT STATEMENT

I hereby certify under penalty of perjury that I have read and understand all of the sections above and that the information provided on this form is true and correct to the best of my knowledge. I also state that I have read and familiarized myself with the portions of the Malibu Municipal Code which apply to my business in this location. I agree to comply with these regulations and any other local, state, and federal regulation that my relation to this proposed business.

Property Owner, or Applicant Signature: _____ Date: 2/27/26

Staff Use Only

FORMULA RETAIL CALCULATION

PROPOSED FORMULA RETAIL FLOOR AREA: 1,520

EXEMPT FORMULA RETAIL FLOOR AREA: 0

SHOPPING CENTER **TOTAL** GROSS FLOOR AREA: **1st FLOOR:** 90,303 **2nd FLOOR:** 21,186 **TOTAL:** 111,489

TOTAL GFA: 111,489 - 0 **EXEMPT FORMULA RETAIL =** 111,489

111,489 **x 30% =** 33,446 **ALLOWABLE FORMULA RETAIL**

NON-EXEMPT FORMULA RETAIL GFA (including applicant): 11,575 **COMPLIES** ■ YES ❒ NO

SHOPPING CENTER - GROSS FLOOR AREA OF **FIRST FLOOR**:

TOTAL GFA FIRST FLOOR: _____ - _____ **EXEMPT FORMULA RETAIL =** _____

_____ **x 40% =** _____ **ALLOWABLE FORMULA RETAIL**

NON-EXEMPT FORMULA RETAIL GFA (including applicant): _____ **COMPLIES** ❒ YES ❒ NO

Approved FRC: Adriana Peralta **Date:** 3/23/2026
Planning Staff

NOT Approved for FRC: _____ **Date:** _____
Planning Staff

Reason not approved or additional information required:

_____

_____

_____

Cross Creek Ranch

23465 Civic Center Way, Malibu, CA 90265

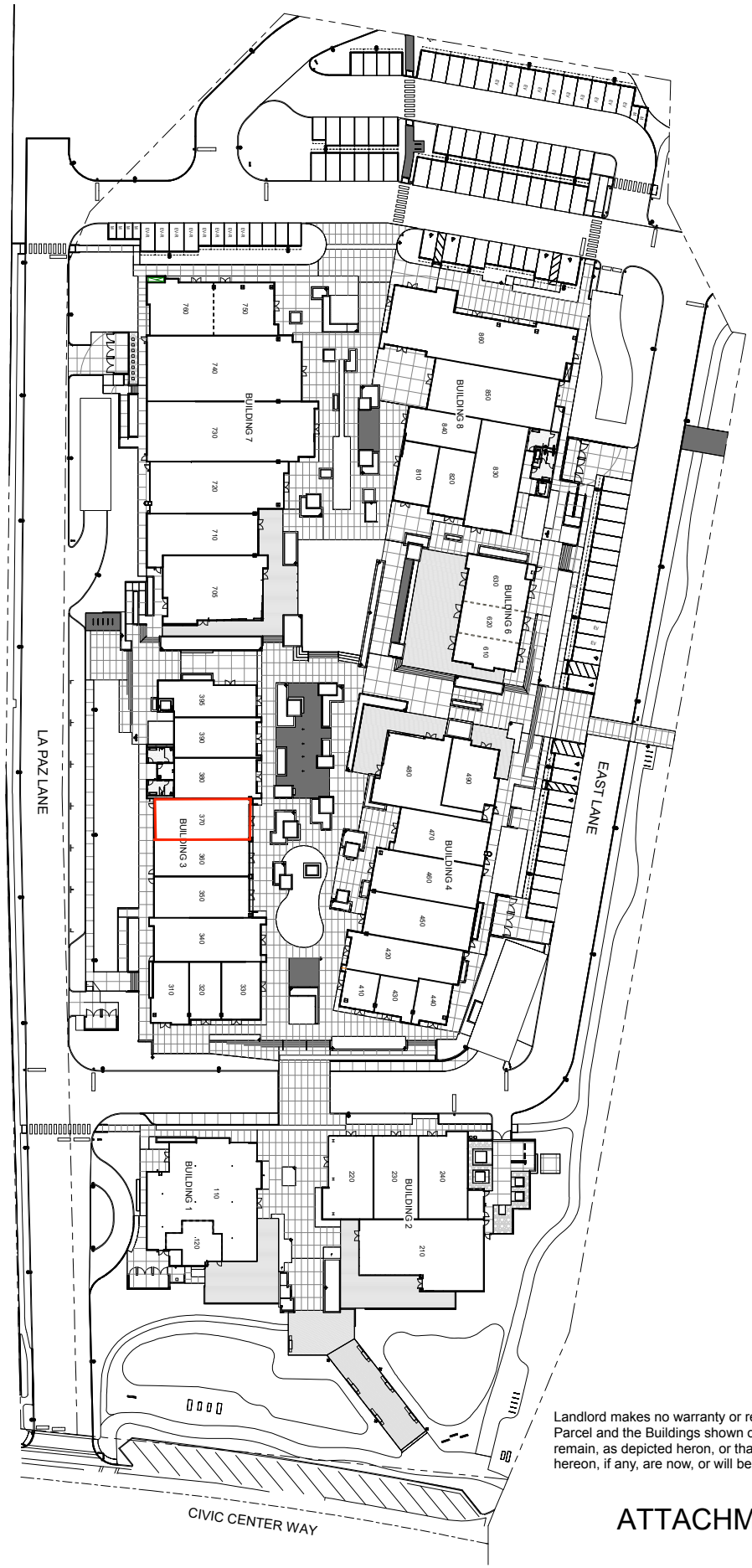
111,489 SF Total

April 8, 2026

Tenant Space	Business Name	# of stores World	Leasable SF	Exempt Retail	Settlement Agreement Formula Retail - 20%	Settlement Agreement Formula RSF	Settlement Agreement Formula as GLA %	Formula Retail Ordinance - 30%	Formula Retail Ordinance RSF	Formula Retail Ordinance as GLA %
110	KITH	10+	3,996		Yes	3,996	3.58%	No	-	0.00%
120	KITH Treats	10+	719		Yes	719	0.64%	No	-	0.00%
210	Clark's Oyster Bar	6	3,016		No	-	0.00%	No	-	0.00%
220			1,476			-	0.00%		-	0.00%
230	WGACA	3	1,441		No	-	0.00%	No	-	0.00%
240			1,606			-	0.00%		-	0.00%
310	Sunroom	1	870		No	-	0.00%	No	-	0.00%
320			714			-	0.00%		-	0.00%
330	Frankies Bikinis	7	863		No	-	0.00%	No	-	0.00%
340			1,850			-	0.00%		-	0.00%
350	Brandy Melville	10+	1,525		No	-	0.00%	Yes	1,525	1.37%
360	Le Labo	10+	1,354		Yes	1,354	1.21%		-	0.00%
370	The Shop by Wheat	10+	1,520		No	-	0.00%	Yes	1,520	1.36%
380	Guest in Residence	2	1,293		No	-	0.00%	No	-	0.00%
390			1,294			-	0.00%		-	0.00%
395	Ray-Ban	10+	1,190		Yes	1,190	1.07%		-	0.00%
410	Chit Chat Coffee + Matcha	2	510		No	-	0.00%	No	-	0.00%
420	The Great	9	1,587			-	0.00%	No	-	0.00%
430	California Incline	1	581		No	-	0.00%	No	-	0.00%
440			593			-	0.00%		-	0.00%
450	Zadig & Voltaire	10+	1,805		Yes	1,805	1.62%	No	-	0.00%
460	Frame	10+	1,808		Yes	1,808	1.62%	No	-	0.00%
470	Malbon	10+	1,573		No	-	0.00%	Yes	1,573	1.41%
480			2,029			-	0.00%		-	0.00%
490			1,279			-	0.00%		-	0.00%
610 - 630	RH	10+	2,613		No	-	0.00%	Yes	2,613	2.34%
705	Pura Vida Miami	10+	2,469		Yes	2,469	2.21%	No	-	0.00%
710	Jenni Kayne	10+	1,857		Yes	1,857	1.67%	No	-	0.00%
720			2,657			-	0.00%		-	0.00%
730			3,866			-	0.00%		-	0.00%
740			3,897			-	0.00%		-	0.00%
750 - 760	Wally's	3	2,580		No	-	0.00%	No	-	0.00%
810 - 820	Velvet**	10	1,816		No	-	0.00%	Yes	1,816	1.63%
830	Be Kind Studios	3	1,994		No	-	0.00%	No	-	0.00%
840			982			-	0.00%		-	0.00%
850	Birkenstock	10+	2,528		No	-	0.00%	Yes	2,528	2.27%
860	Madhappy	7	2,382		No	-	0.00%	No	-	0.00%
870	Alexander Design Workshop	0	1,501		No	-	0.00%	No	-	0.00%
Building 9	Industrious*	n/a	15,590		No	-	0.00%	No	-	0.00%
Building 10			15,598			-	0.00%		-	0.00%
Building 11			10,524			-	0.00%		-	0.00%
Storage, Restrooms, etc			2,143			-	0.00%		-	0.00%
			111,489			15,198	13.63%		11,575	10.38%

Total SF	**111,489**
Exempt SF	-
Non-Exempt SF	111,489
Percent Settlement Agreement Formula Retail Allowed	20%
Allowed Settlement Agreement Formula Retail	22,298
Current Settlement Agreement Formula Retail	15,198
Percent Formula Retail Ordinance Allowed	30%
Allowed Formula Retail Ordinance	33,447
Current Formula Retail Ordinance	11,575

ATTACHMENT 2



Landlord makes no warranty or representation that the Retail Parcel and the Buildings shown on this site plan will be, or will remain, as depicted heron, or that the tenant spaces shown hereon, if any, are now, or will be, located within the Retail Parcel.

ATTACHMENT 3