Council Meeting of December 21, 2016

Agenda Item No. 8c

REQUEST FOR COUNCIL ACTION

SUBJECT: "Self-storage in SC-2 zone" Text Amendment

SUMMARY: Text Amendment – Secured Self Storage in SC-2 Zones; Amend the West Jordan Municipal Code Title 13 to allow Indoor Secured Self-storage as a Conditional Use in the SC-2 Zone; City-wide applicability; JHB Realty Advisors/Jeffrey H. Bernson (applicant)

FISCAL IMPACT AND/OR ASSET IMPACT: Potential reduction in available sales-tax generating commercial properties.

STAFF RECOMMENDATION: Based on the analysis and findings contained in the Staff Report, Staff recommends that the City Council deny the proposed text amendments that would conditionally permit self-storage units in the SC-2 zone.

PLANNING COMMISSION RECOMMENDATION: On November 15, 2016, the Planning Commission in a 6 to 0 vote recommended that the City Council deny the proposed text amendment to the 2009 City Code that would conditionally permit self-storage in the SC-2 zone.

MOTION RECOMMENDED: "Based on the information and findings set forth in this staff report and upon the evidence and explanations received today, I move that the City Council deny the proposed text amendment to the 2009 City Code that would conditionally permit self-storage in the SC-2 zone.

Public Hearing Required

Roll Call vote required

Prepared by:

Scott Langford, City Planner

Reviewed by/Concur with:

David Oka, Development Director

Recommended by:

Mark Palesh, City Manager

Reviewed as to legal form:

David R. Brickey, City Attorney

I. BACKGROUND

The proposed text amendment has the potential to affect all Community Shopping Center (SC-2) zones in the City.

Self-storage units were historically permitted (from 1980 to 2000) as a conditional use in the General Commercial (C-G), Light and Heavy Manufacturing (M-1 & M-2) zones. Upon concerns that self-storage facilities would continue to occupy additional land that could otherwise be used for commercial development and heavy industry, the City Council passed ordinance 00-27; removing self-storage from the C-G and M-2 zones. Self-storage facilities are currently permitted only in the Light Manufacturing (M-1) zone.

As of the completion of this report, two neighboring cities (Murray & Sandy) have indicated that they too limit self-storage development to their industrial zoning districts. The Community Development Manager from Murray City indicated that they recently amended their code because they "lost" two commercial properties to self-storage developments.

Despite only allowing self-storage units in the M-1 zone, the city continues to see a high number of these types of applications. Over the past 10 months, the city has held 12 pre-application meetings for new self-service storage facilities. The city currently has 5 active self-storage developments seeking building permits.

II. ANALYSIS

The applicant is proposing a code amendment that would conditionally permit self-storage in the SC-2 zoning district.

The details (conditions) of the amendment are summarized below, as well as staff responses regarding each of the proposed changes:

Applicant Proposal:

Code Section 13-3-2 Proposed Additions/Amendments
Definition of "Indoor Secured Self-Storage:" A secure access building containing, within a fully enclosed building, separate, individual and private storage spaces of varying sizes available for lease or rent for varying periods of time.

Staff Response: Neutral, with recommended revision

No real concern with this new definition; however, the definition should include additional language that clarifies access to these "individual private storage spaces" shall only be from doors within the enclosed building. Here is the existing definition of *Self-Service Storage Warehouse* which would remain for typical self-service storage:

"a building or group of buildings containing separate, individual and private storage spaces of varying sizes available for lease or rent for varying periods of time."

Staff also recommends that the term, "secured" be removed from the proposed definition, as it implies other self-storage is not secure.

Applicant Proposal:

Code Section 13-5E-3 Proposed Additions/Amendments
Adding "Indoor Secured Self-Storage as a Conditional Use Permit in SC-2 zone.

Staff Response: Not Supported/No Change

Staff does not support this amendment. Even as a conditional use, allowing indoor secured self-storage in the city's most widely used commercial zone is not the highest and best use for this valuable real-estate. SC-2 zoned properties are typically located on the most prominent, highly trafficked corridors.

Applicant Proposal:

Code Section 13-5E-5C Proposed Additions/Amendments
C. Standards for Check Cashing Credit Service, Pawnshop, Bail Bond Uses, or Indoor Self-Storage uses: 1. No check cashing credit service, pawnshop, bail bond or indoor secured self-storage use shall be located within one thousand feet (1,000') from any other check cashing credit service, pawnshop, bail bond or indoor secured storage self-storage use. Distances shall be measured in a straight line, without regard to intervening structures or zoning districts, from the entry door of each business. 2. A maximum of twelve (12) check cashing credit service businesses, three (3) pawnshop businesses, six (6) bail bond service businesses and 250,000 square feet of indoor secured self-storage shall be allowed in the city.
Staff Comment: See "Staff Response" at the end of this table regarding reformatting.
[1]Definition of Functional and Physical Obsolescence Functional obsolescence occurs when a property loses value due to its architectural design, building style, size, outdated amenities, local economic conditions and changing technology. (Examples: structures of improper size, ceiling height, insufficient parking, diminished view corridors[2], features no longer useful, unsuitable architectural style or design, undesirable location (out migration of businesses).

Staff Comment: I understand the general premise of encouraging redevelopment of older properties, but painting with such a broad brush may cause unintended consequences. All of the conditions listed like ceiling height, insufficient parking, etc. are all EXTREMELY subjective. Based on this definition, pretty much every commercial broker, property owner, etc. could claim that a particular building is "functionally obsolete".
Physical obsolescence occurs when a property loses value due to gross mismanagement and physical neglect resulting in deferred maintenance that's usually too costly to repair. (Examples: out-of-date infrastructure, inadequate insulation, out of date roof and HVAC systems, architectural style no longer comparable to the market standard, and inadequate parking).
Staff Comment: The City Code is not the place to include a lesson as to why buildings become out of date. Sure, some of these issues arise because of external factors like the market conditions; however, many are self-imposed monetary hardships.
[2]View Corridor is: 1) the line of sight (identified as to height, width, and distance) of an observer looking toward an object of significance to the community (e.g. shopping center, specific tenant in the center, historic building, etc.); or 2) the route that directs the viewer's attention.
Staff Comment: The City Code does not need a definition of view corridor.

Staff Response: Not Supported/No Change

Staff recognizes that the final decision for any amendment rests with the authority of the City Council. *IF* the City Council amends the City Code to allow Indoor Secured Self-Storage in the SC-2 zone, staff recommends a different format to the proposed restrictions/conditions for this use. Do not confuse the following reformatting suggestion as support for the amendment; staff does not support this amendment.

Reformatting Suggestion:

13-5E-5: GENERAL PROVISIONS:

H. Standards for Indoor Secure Self-Storage Uses:

1. No Indoor Secure Self-Storage use shall be located within one thousand feet (1,000') from any other check cashing credit service, pawnshop, bail bond, or indoor secure self-storage use. Distances shall be measured in a straight line, without regard to intervening structures or zoning districts, from the entry door of each business.

2. A maximum of 250,000 square feet of indoor secured self-storage shall be allowed in the city.

3. *Other restrictions/conditions.

Attached to this report (*Exhibit A*) is a letter from the applicant. This letter explains in greater detail why they are requesting these amendments, and how these amendments meet the required findings for text amendments.

The applicant's letter also includes recommended conditions/restrictions. These conditions/restrictions are dispersed throughout the applicant's letter, but a general summary is listed below. If the City Council were to approve the proposed text amendment, then it is recommended that these and any other conditions/restrictions be placed in the recommended format stated above in Section 13-5E-5H.

Applicant's Additional Restrictions/Conditions as stated or inferred in submitted letter:

1. *"Applicant's agreement to create additional smaller shops either within the vacant structure together with the self-storage component, to expand the building toward the street with the additional shop space, and/or developing new street oriented parcels to facilitating restaurant, fast food, or other retail uses."*

   Staff Comment: There are a high number of subjective terms ("additional", "smaller", "expand") in this condition that are highly subjective to a wide array of interpretation. This would likely cause problems in initial de

2. *"updated facades and esthetics"*

   Staff Comment: Additional information is needed. Does this include an upgraded façade on all sides of the existing building, just new additions to the building, or just the sides of the building visible to the streets?

3. *"apply only to existing and vacated (100% to include seasonally occupied [i.e. Halloween, Christmas, etc.] buildings) or "functional and/or physically obsolete[1]" commercial/retail buildings in excess of 40,000 square feet."*

   Staff Comment: What is the intent of this? I would recommend perhaps something like "vacated (no business operation for at least 2 years, excluding temporary or seasonal business operations)". As referenced above, the definition of "functional and/or physically obsolete" is very subjective and open to varying interpretation.

4. *Access for loading and unloading items shall be from areas not visible from public roads. However, the space may have a front entry, visible from public roads, for the business and sales office. No tenant loading or unloading shall occur through the business and sales office."*

   Staff Comment: No problem with this condition.

5. *"No more than 80% of the vacant space may be used for secured indoor self-storage the remaining space must be redeveloped into commercial/retail use."*

   Staff Comment: No problem with this condition, but what about office and other uses permitted in the SC-2 zone?

6. *"No more than 40% of the storage frontage shall face a public roadway. The remaining 60% of the frontage shall be incorporated in the redevelopment of the commercial/retail façade."*

   Staff Comment: Clarification should be added that states, "No more than 40% of the storage frontage (including the business and sales offices associated with the storage facility) shall face a public roadway".

The applicant has proposed this text amendment as a potential redevelopment tool. The applicant and staff have discussed the potential of an additional condition that properties must also be located in a Redevelopment Area. However, redevelopment areas gain their funds through capturing a portion of taxes generated within their boundaries. Storage units do not generate much sales tax; therefore, if a self-service storage facility were to be placed in a Redevelopment Area, the amount of money being collected to improve the area would be negatively impacted.

III. FINDINGS OF FACT

Section 13-7-D-7B, requires that prior to making a positive recommendation to the City Council for a Zoning Ordinance text amendment, the Planning Commission shall make the following findings:

Criteria 1: ***The proposed amendment conforms to the general plan and is consistent with the adopted goals, objectives and policies described therein;***

Discussion: The General Plan states, "Commercial uses are significant and necessary components of the community, providing needed goods and services as well as *sales tax revenues* for the funding of public improvements and services." – General Plan page 32; emphasis added.

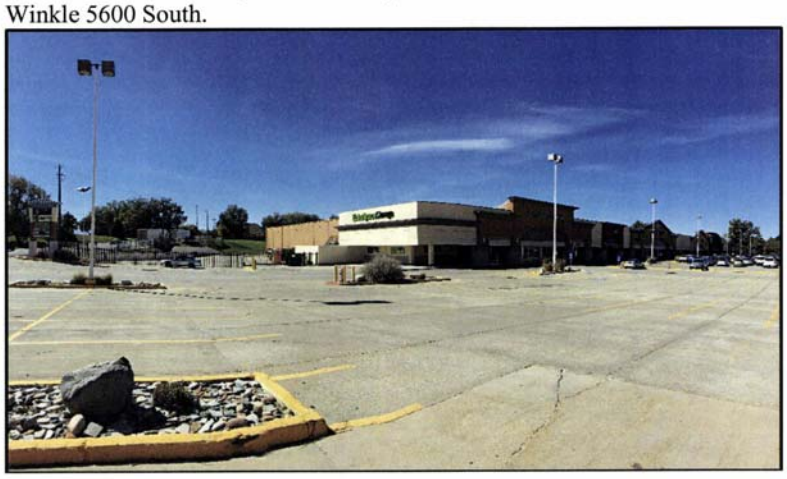
The proposed amendment would allow a use that produces negligible amounts of sales tax, does not generate traffic/pedestrian activity that supports ancillary commercial business, and uses large amounts of land that could otherwise be repurposed for the betterment of the community.

The applicant has appropriately referred to Commercial Land Use, Goal 4; "Encourage the re-se, rehabilitation, and revitalization of vacant and obsolete commercial centers and/or buildings".

The applicant's claim that this text amendment is a good option to revitalize depressed areas is interesting. Infusion of new capital into an old commercial development that has a large vacant box store appears to be a good solution. However, this solution overlooks an important element of commerce that the General Plan mentions as part of the description of the "Community Commercial" designation. The General Plan allows for and encourages these centers to have an "anchor" development, or in other words a business with a significant draw by which smaller commerce can benefit.

As witnessed in many communities, self-service facilities do not generate the trips to a commercial center needed to support healthy ancillary commerce.

As mentioned, the City of Murray recently revise their code to remove self-service facilities due to this very reason. The picture below is located on the corner of Van Winkle 5600 South.



Finding: The proposed amendments do not conform to the guidance of the General Plan and overall are consistent with the adopted goals, objectives and policies described therein.

Criteria 2: ***The proposed amendment is appropriate given the context of the request and there is sufficient justification for a modification to this title;***

Discussion: The proposed text amendment changes the intent of the current commercial makeup of the SC-2 zone. ***If*** this use were to be added to the code, there are other zones like the M-1, M-2, and C-M zones that would be more appropriate given the permitted uses and style of development allowed in those zones. Not to mention, properties with these zoning districts are typically not found at critical high volume road intersections.

Finding: The proposed amendment is not appropriate given the context of the request and there is not sufficient justification for a modification to the appropriate Sections of the 2009 City Code.

Criteria 3: ***The proposed amendment will not create a conflict with any other section or part of this title or the general plan; and***

Discussion: The 2009 City Code states as part of its description of the SC-2 zone that, "a junior department store and a supermarket will characterize uses permitted in the SC-2 zone as anchors, and by a wide range of restaurants, specialty shops, and hard goods or soft goods stores."

Both the General Plan and the 2009 City Code clearly state the importance of an anchor tenant for these commercial centers. The proposed text amendment has the potential to relegate significant commercial nodes into tertiary strip commercial.

Apart from the significant concern regarding the loss of potential tax generating real-estate, there are significant concerns relating to the ability to administer and enforce the proposed language associated with this text amendment. Municipal codes need to be written as clearly as possible. Objective, measureable, quantifiable parameters need to be established to avoid arbitrary application.

Finding: The proposed amendment creates a conflict with the purpose and intent of the 2009 City Code or the General Plan.

Criteria 4: ***The proposed amendment does not relieve a particular hardship, nor does it confer any special privileges to a single property owner or cause, and it is only necessary to make a modification to this title in light of corrections or changes in public policy.***

Discussion: The proposed amendment will have city-wide implications, though the applicant used the vacant building located on the southwest corner of 9000 South Redwood Road (Old RC Willy building) as a reason to request this amendment.

Finding: The proposed amendment does not relieve a particular hardship, nor does it confer any special privileges to a single property owner or cause.

Conclusion:
Staff *does not* support the proposed text amendment to allow "indoor secured self-storage" in the SC-2 zoning district. The proposed text amendment is not warranted as it is contrary to current goals and policies in the General Plan and is in conflict with Title 13 (Zoning Code) of the 2009 City Code.

Due to the numerous potential options presented by the applicant, and the clear recommendation from Staff and the Planning Commission that the proposed amendments (in any form) would not be in the long term interest of the city; a draft ordinance has not been attached to this report. If the City Council chooses to support the proposed text amendments, then staff will bring back a draft ordinance for approval at a future meeting.

IV. ATTACHMENTS:

Exhibit A – Applicant's letter of intent
Exhibit B – Planning Commission Minutes

Melanie S. Briggs, MMC
City Clerk
8000 South Redwood Road
West Jordan, Utah 84088
(801) 569-5117
Fax (801) 563-4716

THE CITY OF WEST JORDAN, UTAH
NOTICE OF PUBLIC HEARING

The City of West Jordan City Council will hold a public hearing on **Wednesday, December 21, 2016, at 6:00 p.m.** at the West Jordan City Hall 8000 South Redwood Road, 3rd Floor, Council Chambers, to receive public comments prior to considering amending the 2009 West Jordan Municipal Code regarding Certain Exceptions for Food Manufacturing Facilities: Section 13-13-8 Parkstrip Landscaping; Section 13-13-6 Materials and Standards; and 13-14-3 General Provisions and Regulations; City-wide applicability; Maxim's Utricare Inc./Papa Pita Bakery, applicant. Copies of the City Council agenda packet for the items listed below will be available at the City offices, or on the City Council Agenda webpage the Friday prior to the meeting.

Published this 10h day of December 2016
Melanie S Briggs, MMC
City Clerk

THE CITY OF WEST JORDAN, UTAH
NOTICE OF PUBLIC HEARING

The City of West Jordan City Council will hold a public hearing on **Wednesday, December 21, 2016, at 6:00 p.m.** at the West Jordan City Hall 8000 South Redwood Road, 3rd Floor, Council Chambers, to receive public comments prior to considering amending the 2009 West Jordan Municipal Code Title 13 to allow Indoor Secured Self-storage as a Conditional Use in the SC-2 Zone; City-wide applicability; JHB Realty Advisors/Jeffrey H Bernson, applicant. Copies of the City Council agenda packet for the items listed below will be available at the City offices, or on the City Council Agenda webpage the Friday prior to the meeting.

Published this 10th day of December 2016
Melanie S Briggs, MMC
City Clerk

See Attached

Exhibit A Applicant Letter of Intent

September 8, 2016

City of West Jordan
8000 South Redwood Road
West Jordan, UT 84088

Re: Zoning Text Amendment request for the SC-2 Zone to include as conditional use secured self-storage within an existing vacant or functionally and/or physically obsolete retail/commercial building of 40,000 square feet or more together with additional requirements included in the proposed text amendment.

To Whom It May Concern,

It is proposed that the City of West Jordan consider and grant the applicant his request for a Zone Text Amendment in the SC-2 Zone. The reasons and justifications for the zone text amendment follow in the body of this request setting forth the manner in which the proposed zoning text would meet and hopefully exceed the objectives and scope of the Municipal Code and General Plan. Its main purpose is to provide an alternative use and developer incentive to improve the City's qualifying larger vacant retail buildings located in existing community centers. This amendment would allow qualifying buildings to be re-purposed and re-positioned providing the City and its residents with a longer term sustainable solution to the potential blight created by these large vacancies. The evolution of the brick and mortar store has given ground in recent years to online competition. Case in point, Amazon now has 47% of its distribution centers with 20 miles of its customers. As such many of the big box retailers are orienting to regional rather than community shopping locations more proximate to major freeways or expressways. This they are doing while increasing their own web presence.

One of the requirements proposed as a condition would be the applicant's agreement to create additional smaller shops either within the vacant structure together with the self-storage component, to expand the building toward the street with the additional shop space, and/or developing new street oriented parcels to facilitating restaurant, fast food, or other retail uses. This would reduce the existing parking fields thereby reducing the urban heat islands created by these larger unused parking surfaces. The public good is served by providing needed services of a well located and easily accessible self-storage within the confines of a secure indoor climate controlled environment. The revitalization of the existing center would include updated facades and esthetics, which will attract new vibrant tenancy providing goods and services not previously available, retain existing business curtailing out migration of goods and services, and most importantly the public's perception of the area changes influencing future shopping patterns. This is sustainability.

The compatibility of the proposed amendment with the general plan's policies, goals and objectives and consistency of the proposed amendment with the general plan's timing and sequencing provisions are discussed in detail under the approval criteria to follow.

Given the requirements attached to the conditional use I do not perceive issues of abuse to hinder or obstruct the primary policies, goals and objectives of the General Plan but rather will provide

an adaptive solution to the public's changing needs. Under Chapter 1; Purpose of the General Plan it states, "The General Plan is an important policy document used to guide future development in the city. The Plan provides direction which development should take but should be flexible enough to adapt to changing conditions. However, the Plan is not a static document but should evolve as the city evolves. The economy, new administrations, and unforeseen events may affect the Plan. For these reasons, it should be reevaluated from time to time to ensure its relevancy." It is inevitable that communities, economic conditions, and buying patterns change and uses that were once thought most appropriate become as obsolete as the structures that housed them. Re-purposing within the existing ordinance is always preferred; however, sometimes changes need to be made in order to maintain the sustainability of the community. Changes properly and appropriately introduced provide communities an opportunity to move to the future while maintaining the City's integrity and mission. A favorite quote from Abraham Lincoln sums it up best for me, "The best thing about the future is that it comes one day at a time."

Municipal Code Approval Criteria

In this next section I will treat each of the Code's approval criteria in sequence. You will note that from time to time points made earlier may be referred to or directly quoted.

1. The proposed amendment conforms to the general plan and is consistent with the adopted goals, objectives and policies described therein;

To quote Chapter 1 of the General Plan's Introduction:

"Consistent with State Law, the City of West Jordan has adopted this General Plan which is a compilation of long-range goals and policies that set the direction for how West Jordan should maintain existing development, plan for future growth, provide public services, and enhance the qualities that are unique to the city.

The General Plan is an important policy document used to guide future development in the city. The Plan provides direction which development should take but should be flexible enough to adapt to changing conditions. However, the Plan is not a static document but should evolve as the city evolves. The economy, new administrations, and unforeseen events may affect the Plan. For these reasons, it should be reevaluated from time to time to ensure its relevancy."

"It is important, therefore, to bear in mind that the General Plan is a guide to decision-making, and while this format implies that the policies represent a preferred course of action, their use is not mandatory and no one policy is binding on the city. There may be occasions when strict adherence to a policy is not always practical. Utah State Code also provides guidance for application of the General Plan."

Under the General Land Use Goals and Policies under Goal 2 Continually and Consistently Update the Future Land Use Map, Zoning Map, and Zoning Ordinances for Ease of Reference and Administration and Policy 1 – Update Future Land Use on an as-needed basis after positively finding that the location of the new or changed use is appropriate for the area and that no negative impact will be created to the neighborhood or the city because of the change. Under implementation Measures 1 it has been recommended to eliminate the CG zone in deference to the SC-1, SC-2, and

SC-3 zones incorporating the CG use within the confines of those three SC zones.

Under Policy 3 of Goal 2 "The Zoning Ordinances shall be updated to incorporate necessary changes . . . . . and reflect the best and most current land use practices of the time." Implementation step 7 states, "Create and adopt future ordinances which take into consideration form-based (emphasis on compatible building and site design rather than land use) or modified form-based ordinance concepts" and step 8 states, "Develop and adopt ordinances, standards, and policies to support mixed-use development in various parts of the city.

The promotion of sustainability as professed in Policy 4, specifically promoting sustainability through sound site planning and environmental design practices to mitigate negative impacts to the environment. With the text amendment allowing indoor secured self-storage in existing unusable vacant big box space smaller space could be incorporated up front which could be more easily filled. Also, the parking fields could be filled with more street oriented retail and commercial development allowing for a more walkable landscaped experience while reducing the urban heat island effect.

Within the construct of the Commercial Land Use and more specifically the Community Commercial application reference to applicable uses provide for medium-scale department stores and supermarkets as typically acceptable uses within the zone as well as restaurants, hotels, retail and specialty shops, automobile service stations, and hard and soft goods stores. However, with the evolution of on-line shopping brick and mortar stores are becoming more and more obsolete. This is and has created mass vacancies where once thriving centers of commerce existed leaving many vacant big and medium boxes vacant to be filled here and there with seasonal merchandisers specifically in the Halloween and Christmas seasons remaining vacant and rundown through the remaining months of the year.

Specific reference to Goal 1 under Commercial Goals and Policies the City is to "Evaluate and update sections of the zoning ordinance relating to commercial development." Policy 1 Implementation step 3 follows with "Encourage a wider range of commercial uses in Community Commercial (SC-2) and Regional Commercial (SC-3) zones."

In conclusion, perhaps the most appropriate sections of the General Plan fall under Goal 4 of the Commercial Goals and Policies encouraging the re-use, rehabilitation, and revitalization of vacant and/or obsolete buildings. Each of its five implementation measures would support a properly redesigned vacant big box space incorporating secured indoor self-storage and other uses such as incubator office/warehouse facilities which add to business development and a City's future prosperity. The economics of such an amendment would then allow the property owner to re-develop the property. The city requirements within the scope of the amendment would require the owner to re-develop the property in such a way as to "Encourage revitalization efforts which re-orient development to the street frontage and provide for new uses which can more fully contribute to the vitality, attractiveness, and overall viability of the immediate area and community as a whole. Revitalization efforts should expand local employment opportunities, provide a mix of residential and commercial/office uses and create a sense of place." Implementation Measure 5. The only change above would be to not require the residential component except where appropriate as determined by the appropriate authority.

2. **The proposed amendment is appropriate given the context of the request and there is sufficient justification for a modification to this title**; *per the statements listed above the amendment would be appropriate given its context within the confines of the General Plan providing sufficient justification for the modification to this title.*

3. **The proposed amendment will not create a conflict with any other section or part of this title or the general plan**; *it appears not to be in conflict as the text change applies only to indoor secured self-storage with an existing vacant building in excess of 40,000 square feet together with the additional provisions and requirements to be met before city approval*, and

4. **The proposed amendment does not relieve a particular hardship, nor does it confer any special privileges to a single property owner or cause, and it is only necessary to make a modification to this title in light of corrections or changes in public policy. (2009 Code; amd. Ord. 11-35, 11-22-2011; Ord. 13-33, 11-13-2013)** *this would apply to any property owner or developer falling under the provisions of this proposed text amendment.*

Proposed Text Amendment

This shall be a text amendment to the City of West Jordan's Municipal Code 13-5E-3 as Conditional Use under the SC-2 Zone. The conditional use shall be for: Indoor Secured Self-Storage as defined in Section 13-2-3* and further addressed in Section 13-5E-5C**.

This text amendment shall apply only to existing and vacated (100% to include seasonally occupied [i.e. Halloween, Christmas, etc.] buildings) or "functional and/or physically obsolete[1]" commercial/retail buildings in excess of 40,000 square feet. Access for loading and unloading items shall be from areas not visible from public roads. However, the space may have a front entry, visible from public roads, for the business and sales office. No tenant loading or unloading shall occur through the business and sales office. No more than 80% of the vacant space may be used for secured indoor self-storage the remaining space must be redeveloped into commercial/retail use. No more than 40% of the storage frontage shall face a public roadway. The remaining 60% of the frontage shall be incorporated in the redevelopment of the commercial/retail façade.

*Section 13-3-2 Definition of "Indoor Secured Self-Storage:"

A secure access building containing, within a fully enclosed building, separate, individual and private storage spaces of varying sizes available for lease or rent for varying periods of time.

**Section 13-5E-5 shall be amended to include "Indoor Secured Self-Storage:"

C. Standards for Check Cashing Credit Service, Pawnshop, Bail Bond Uses, or Indoor Self-Storage uses:

1. No check cashing credit service, pawnshop, bail bond or indoor secured self-storage use shall be located within one thousand feet (1,000') from any other check cashing credit service, pawnshop, bail bond or indoor secured storage self-storage us. Distances shall be measured in a straight line, without regard to intervening structures or zoning districts, from the entry door of each business.

2. A maximum of twelve (12) check cashing credit service businesses, three (3) pawnshop businesses, six (6) bail bond service businesses and 250,000 square feet of indoor secured self-storage shall be allowed in the city.

[1]Definition of Functional and Physical Obsolescence

Functional obsolescence occurs when a property loses value due to its architectural design, building style, size, outdated amenities, local economic conditions and changing technology. (Examples: structures of improper size, ceiling height, insufficient parking, diminished view corridors[2], features no longer useful, unsuitable architectural style or design, undesirable location (out migration of businesses).

Physical obsolescence occurs when a property loses value due to gross mismanagement and physical neglect resulting in deferred maintenance that's usually too costly to repair. (Examples: out-of-date infrastructure, inadequate insulation, out of date roof and HVAC systems, architectural style no longer comparable to the market standard, and inadequate parking).

[2]View Corridor is: 1) the line of sight (identified as to height, width, and distance) of an observer looking toward an object of significance to the community (e.g. shopping center, specific tenant in the center, historic building, etc.); or 2) the route that directs the viewer's attention.

Comparisons to Regulations in other Jurisdictions

In reviewing a couple of other jurisdictions I looked specifically at Murray as they actually have a conditional use provision in their code allowing as a conditional use self-storage units (office/warehouse) in their Commercial Development and Mixed Use Zones (17.160.030). The have also provided a definition of Self-Service Storage: [A retail service establishment providing off site storage space to residents and businesses, offering convenience storage and limited warehousing services primarily for personal effects and household goods within enclosed structures having individual access, but excluding use as workshops, hobby shops, manufacturing or commercial activity.] The primary example of its application is the old Grocery Store/Gym Facility on Van Winkle and 5600 South which has now been converted to an Extra Space Storage. The large unused parking now provided a re-development opportunity for both the City and the developer/owner.

Salt Lake City allows self-storage as a permitted use in its CC (Corridor Commercial) and CG (General Commercial) zones (21A.22) and the definition of self-storage is found in 21A.62.040.

West Valley City allows self-storage facility with a maximum of 100' of frontage along any road. This appears to apply to a standalone storage facility. However, it is allowed in the C-2 and C-3 zones as a conditional use (Title 7-6-1002). I was not able to find a definition of Self-Storage in Title 7-1-103.

November 15, 2016 Planning Commission Minutes

See Attached

Exhibit B Planning Commission Minutes

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5. Text Amendment – Secured Self Storage in SC-2 Zones; Amend the West Jordan Municipal Code Title 13 to allow Indoor Secured Self-storage as a Conditional Use in the SC-2 Zone; City-wide applicability; JHB Realty Advisors/Jeffrey H. Bernson (applicant) [#11089]

Jeff Bernson, applicant, said he has 42 years of real estate experience and has seen the growth of West Jordan. He feels there is an opportunity to move the city to the next step with the changing demographic, retail tenant requirements, and what the community supports now. The purpose of the amendment is to change the complexion of some of the retail centers. The staff report said indoor self-storage will eliminate sales tax dollars, but a severely blighted shopping center doesn't bring sales tax dollars. They would like to help some of the vacant big box spaces. Statistics say that 50% of Christmas sales will be done online. Community centers are going more toward events, attractions, and entertainment. He addressed some of the comments from staff by saying that ceiling height, open floor space area, and parking is not subjective. For example, the former RC Willey building has 76,000 square feet with parking for only 40,000 square feet. If a retailer can get past the ceiling height and support column spread within the space they still can't park for it. He listed some of the vacant commercial buildings within the city. He pointed out the Jordan School District property that was vacant for a number of years but now doesn't generate sales tax or property tax. This amendment will allow some of this space to be used for needed indoor self-storage. Self-storage is the number one investment vehicle in the United States for real estate with a 19% increase in value year to year, which is significant to property tax dollars. A 40,000 – 50,000 square foot storage facility could be valued around $4.5 - $5.5 million. The owner of the units would be required to add retail space concurrent with the storage complex, which generally pay more rent and generate needed business. Shortening the parking field reduces the heat island effect of unused parking lots. He believed that this would be in the very best interest of the community. He suggested that they read from the General Plan Goal 2 under Policy 3 zoning ordinances and Goal 4 of the Commercial goals and policies regarding reuse, rehabilitation, and revitalization of vacant and/or obsolete buildings. This would allow for revitalization of the property and structure without cost to the city or the need to create an RDA.

Chris Haertel said they did a survey and West Jordan is 500,000 square feet deficient within a five mile area of the RC Willey site. He listed other cities such as Bountiful, Centerville, and Ogden that had buildings such as this remain vacant for more than 10 years. The storage units will not only eliminate some parking need, but they will add 12,000 square feet of retail to the front of the building. He referred to sites in Farmington and Murray that did this kind of project. There can be elements written into it to make it a win for the City instead of a loss. This is a new, clean and professional side of the self-storage industry and looks like any other store front.

Dan Lawes asked how many sites in Utah have replaced these types of buildings with self-storage.

Chris Haertel said they are aware of the old K-Mart in Farmington and in Murray on Van Winkle. The parking field needs to be addressed on some of the larger buildings. He said they need to think of the long term effect and ask if not this then what else will they do to fix the blighted buildings.

Kelvin Green asked why Murray City changed its code and why other cities don't allow it if it is such a good idea.

Jeff Bernson said he didn't know why but in his 42 years in the business he has heard councils say that they will 'never do' something and now they are. They need to think out of the box and take the first step toward this change. Any kind of development will create a synergy or excitement for other areas as well.

Chris Haertel thought that the Murray location turned out well. There are other cities that have allowed it with a conditional use.

Jeff Bernson showed a perspective of the property on 9000 South.

Josh Suchoski said it is commendable that they are trying to reuse a building rather than demolish it. His issues are on page 4 where subjective language is used such as 'smaller shops' and 'expand the building toward the street'. He thought that 'vacated building' is open ended.

Jeff Bernson said staff recommended a 2 year vacancy, which he could accept.

Josh Suchoski referred to #6 and asked if the storage sales office is included in the 40% limit facing the public right-of-way.

Jeff Bernson said it does. The actual retail has been bumped out and creates relief and entices people to come in. There are hundreds of apartments next door to the RC Willey site that could use this facility.

Josh Suchoski referred to #5 that says the area not being used for secured self-storage has to be commercial and retail and he thought the verbiage should be amended to include office uses as well.

Scott Langford said this is an intriguing idea and it is great to see people coming to them with possible solutions for the dark stores. He reviewed the history of storage units in the City. Historically from 1980 to 2000 they were allowed in the C-G, M-1, and M-2 zones. In 2000 there were concerns that these would continue to occupy commercial and heavy industrial areas so they were removed from the C-G and M-2 zones. He said there are four active storage development applications and five currently seeking building permits. They have had a dozen in the past eight months, so there is a need and a market for them. The SC-2 properties are the most widely used commercial districts in the city. If this proposal was for the C-M zone there might not be so much concern, but the SC-2 zones are throughout the city and on some of the most prominent corners. Even with the conditions and restrictions they could lose some valuable real estate for other types of redevelopment. As he researched other communities around the country it is evident that it does work as an initial jump start to the community, but at what expense. His job is to look at the long term vision for the city and make that recommendation to the policy makers. He thought there are other options to jump start dead centers. Once the storage centers are built they will remain, because they are such money generating entities.

Staff recommended that the Planning Commission accept the findings contained in the staff report and forward a negative recommendation to the City Council for the proposed text amendment to Title 13 to allow Indoor Secured Self-storage as a Conditional Use in the SC-2 Zone.

Matt Quinney said, in a vacuum, he liked the design and the concept. However, out of the vacuum they need to consider opportunity lost. He referred to page 2 of the staff report in 13-5E-5C that limits the

distance between indoor self-storage, check cashing, pawn shops, and bail bonds. He pointed out two check cashing locations that may be within 1000 feet.

Scott Langford said he would check the current business licenses prior to city council.

Josh Suchoski asked about the possibility of doing one location as a trial.

Duncan Murray said they would have to identify one zone and then give the same option to everyone within that zone. Sometimes the ordinance can limit a use within a certain proximity, etc. But there have to be iron clad rules applied to everyone uniformly.

David Pack asked staff what would be an idea for a vacated area like Kmart.

Scott Langford said there are other businesses they are trying to recruit to the area, but rooftops generate the need for business. So, if money weren't an issue he would put some higher density housing near the commercial areas to provide the need for commercial. The city continues to grow, and while shopping trends have changed there are still general daily necessities where people go to brick and mortar locations. There are also entertainment options, such as the ones that will be introduced at Jordan Landing.

Dan Lawes said the City Council just rezoned an SC-2 property that was on the market for ten years to a residential zone. He wondered if the 9000 South piece is an antiquated mall.

Scott Langford said that was a midblock commercial area, and the property they are talking about is in the crosshairs of the two largest roads in the city. He thought storage is a short term fix to a long term problem, which the city is working hard to try to solve.

MOTION: David Pack moved to take a 2 minute break.

The meeting reconvened at 8:20 p.m.

Scott Langford said the applicant approached him during the recess to explain their interpretation of Section 13-5E-5C, which is that the spacing for secured self-storage would only apply to other self-storage. However, staff interprets it to mean any of the uses must be at least 1000 feet from any other of the listed uses.

Dan Lawes opened the public hearing.

Further public comment was closed at this point for this item.

Kelvin Green didn't think they should pull the best retail zones out of the market.

Dan Lawes said if they are empty then how are they are best.

Kelvin Green said they are the high traffic areas, and he felt that each business had their own issues. He said they are talking about 250,000 square feet of indoor secured self-storage, which means they would put 10 to 15 in the city, which he didn't like. The city needs to ask what they need to do to

revitalize the corner, and he didn't think it is with storage units. He referred to one on 1300 East that hasn't revitalized that area and neither has the one on Van Winkle. There is one in Sugarhouse, but that area was being revitalized anyway. He wondered if there are other more appropriate zones like P-O where they can be placed midblock. There are too many questions and he felt they are leaning too far forward on this type of ordinance.

Josh Suchoski agreed with Commissioners Green and Quinney. He liked the outside the box thinking, but he didn't think there had been enough time with the new city manager to see what can be done with these areas. The comment that this is the fastest growing money maker scares him to think they would blanket the city and when an influx of self-storage comes in they will give up some valuable property. He was also concerned with the image of pad sites that are meant to shield the front of the building, which may be harmful to the success of the retail associated with the main building. He has seen this happen in an area of Sandy City. He didn't feel this was a good solution for the SC-2 zone.

David Pack referred to the general plan and the ideas discussed at the bottom of page 5 throughout page 6 concerning sales tax revenue and having an anchor development that generates adequate trips to support healthy ancillary commerce. Redwood and 90th South is a major intersection and he didn't see the proposal as the best and highest use at this time. He said it is hard to create a blanket policy for this.

MOTION: **Kelvin Green moved based on the findings set forth in the staff report and upon the evidence and explanations and our discussions tonight to forward a negative recommendation to the City Council for the proposed text amendments to Title 13 Regarding Secured Indoor Self-Storage in SC-2 Zones as addressed in the report; JHB Realty Advisors/Jeffrey H. Bernson (applicant). The motion was seconded by Josh Suchoski and passed 6-0 in favor. Judy Hansen was absent.**

MOTION: **Josh Suchoski moved to adjourn.**

The meeting adjourned at 8:33 p.m.

DAN LAWES
Chair

ATTEST:

JULIE DAVIS
Executive Assistant
Development Department

Approved this _____ day of _____, 2016