City Council Action Item

Subject: First Reading of an Ordinance Amendment to Code Sections 153.004, 153.171, 153.188, and 153.251 Regarding Storage Facilities – City of West St. Paul

Meeting Date: Monday, February 14, 2022

Submitted/Presented by/Department: Melissa Houtsma - Community Development

Action Type
☐ Consent Item
☐ Public Hearing
☑ Action/Motion
☐ Resolution
☐ Resolution

Action
City Staff requests that the City Council review and approve of the first reading of the attached ordinance amendment related to self-storage facilities as written and originally presented.

While City Staff appreciates and understands the comments and concerns presented at the Planning Commission meeting, the recommendation remains to limit self-storage facilities exclusively to the I2 - General Industrial district. This recommendation is a result of multiple staff's perspectives and discussions around the limited size of the city, and furthermore the limited amount of industrial space within the city and would therefore recommend restricting this use in favor of offering a variety of uses throughout the district as well as uses that offer a higher level of job creation.

Background
In recent review of development and redevelopment goals and opportunities, it was decided that self-storage facilities in commercially zoned districts was no longer a highly desired option. Therefore, City Staff has drafted an amendment that would no longer allow storage facilities in the B3 or B4 zoning districts through a conditional use permit. Said amendment would only allow storage facilities in the I2 zoning district as a conditional use.

Current self-storage facilities within West St. Paul include:
68 Moreland Avenue East – More Space Self Storage (B3 Zoning District)
415 Marie Avenue East – Public Storage (I2 Zoning District)

With the Public Storage property (415 Marie Ave. E.) being within the I2 - General Industrial district, the use will be allowed to remain as is and will continue to be allowed through a conditional use permit. However, the More Space property (68 Moreland Ave. E.) will be changed to a legal non-conforming use, as self-storage facilities would no longer be allowed in the B3 - General Business zoning district. The legal non-conforming status would not affect the existing establishment’s ability to continue to operate, the business can continue to operate as is, as well as be sold/purchased and undergo a change ownership without the loss of that legal non-conforming status.
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Planning Commission Review
The Planning Commission met in regular session to review the proposed change and held a public hearing on the item.

Russell Zellmer of Langer Construction and partial owner of More Space Self-Storage (both 68 Moreland and Oakdale site) came forward to speak and detailed the following topics,

- The plan for the Oakdale Avenue property has been to construct a self-storage facility, however the project was delayed partially due to COVID-19.
  - Original plan approvals were granted in May of 2020, after an extension of the approvals timeline to up to 18 months, these approvals expired in November of 2021.
  - Since the Planning Commission meeting, Mr. Zellmer has updated staff that they no longer plan to construct a self-storage facility at the Oakdale Avenue property.
- The Oakdale property has been otherwise vacant and undeveloped prior to the self storage project, additionally the Oakdale building would create sizeable tax value.
  - While some sites experience periods of vacancy, City Staff encourages thoughtful review and consideration in terms of land use and its longevity. This is especially true in a fully developed city with very limited industrial land. While larger buildings do typically create a large tax base; however, City Staff does not believe that tax base is the primary or only factor in getting a quality use for a site.
- Concern for necessary storage due to the increasing number of apartments, as apartment dwellers tend to store seasonal items that would otherwise not fit in the apartment units.
  - City Staff understands and is aware of the potentially increasing need for storage as new apartments are being built with a smaller unit footprint. When moving into these new apartments, the future tenants are aware of these smaller unit sizes, as are the developers of these properties. As a result, many apartment buildings offer storage spaces or storage lockers in their buildings to help offset the smaller footprint of the units.
- Ability to have storage as a conditional use in the I1 district, which was not detailed in the published ordinance amendment.
  - City Staff did not include permitted and/or conditional uses for the I1 district in the ordinance amendment as none of that language is being changed, as it is common practice to only publish the changes being proposed to the ordinance.
  - Additionally, the currently allowable storage in the I1 district is outdoor storage through a conditional use permit, as an accessory use to a permitted primary use. An example of this would be at the City’s Public Works/Maintenance facility, where salt can be stored on site for the snow plows. With this in mind, it is clearer
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that the intention of storage in the I1 was not for self-storage facilities, but more incidental storage as a part of the primary use.

The Planning Commission discussed the following items:

- Concern for potential increased demand for storage due to the large number of multi-family apartments being built. Staff stated that they were satisfied with the existing number of facilities in West St. Paul considering the small and dense scale of the city.
- The history of the redevelopment of the 68 Moreland Ave. site, and as a result Staff recommends being more mindful on where these uses go. It is not uncommon for codes to change as time passes.
- Potential for up-zoning some of the I1 properties to I2, rezoning one parcel from I1 to I2 would be inadvisable as it would be considered spot zoning. However, if it were a larger number of parcels it could potentially be considered.
- Timeline of the site plan approvals and expirations, and the possibility for the project proposal to move forward.

Ultimately, in an effort to reach a compromise the Commission voted 7-0 to recommend approval of the amendment to restrict storage facilities to the I2 - General Industrial zoning district, with the alteration of the language to also allow self-storage facilities in the I1 - Light Industrial district, but with a significant distance requirement to limit the number of facilities to one.

Attachments
Planning Commission Memo and Presentation
Resident Letter of Support
Zoning Map
Draft Ordinance

Previous Relevant Actions
Proposed ordinance reviewed by the Planning Commission on 01/18/2022.

Alternatives
If City Council is not satisfied with the proposed language as written, please advise City Staff or the desired changes and recommendations.

Financial

| Budgeted: | ☑ No Financial Impact |
| Fund:     | N/A                     |
| Department: | N/A                   |
| Account:  | N/A                     |
| Amount:   | N/A                     |