



City of Sunnyvale

Agenda Item

16-1128
Agenda Date: 3/6/2017

REPORT TO PLANNING COMMISSION

SUBJECT

Storage Space for Multi-Family Residential: Forward a recommendation to the City Council to Introduce an Ordinance to Amend Section 19.12.130 ("L") of Chapter 19.12 (Definitions), Section 19.38.040 (Individual Lockable Storage Space) of Chapter 19.38 (Required Facilities) and Section 19.90.030 (Procedures) of Chapter 19.90 (Special Development Permits) of the Sunnyvale Municipal Code, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061 (b)(3).

REPORT IN BRIEF

This Study Issue was sponsored by the Planning Commission in 2015 during a discussion of a multi-family residential development application (see Attachment 2 for Study Issue paper). The application request included a reduction of the lockable storage size requirement from the required 300 cubic feet to 200 cubic feet for the one-bedroom units. Also, in recent years, exceptions have been granted for development projects with significant interior storage (e.g., large hall or walk-in closets) and in-unit laundry rooms with extra storage area.

The purpose of this Study Issue is to determine whether the existing storage requirements are still relevant in the multi-family development market, especially in relation to the current market and development patterns.

Staff recommends that the Planning Commission make a recommendation to the City Council to adopt an ordinance to amend Section 19.38.040 (Storage Space for Multi-Family Residential), along with Chapter 19.12 (Definitions), of the Sunnyvale Municipal Code to amend the individual lockable storage requirements to:

- Reduce the minimum interior size requirement to 200 cubic feet for one-bedroom and studio units;
- Create minimum dimension requirements;
- Expand the allowable locations for individual lockable storage to include access from a balcony and extra closet area in the interior of a unit;
- Provide that allowing two smaller spaces combined to meet the minimum size requirement may be allowed subject to approval by the Director of Community Development;
- Provide that the requirement applies to all new multi-family development in all zoning districts; and
- Provide that any modifications to established requirements for individual lockable storage may be authorized through a Special Development Permit (SDP), if the project is subject to an SDP.

The staff recommended draft ordinance, incorporating necessary findings and suggested amendments above to appropriate sections of the Sunnyvale Municipal Code is in Attachment 3.

BACKGROUND

Requests for exceptions to the regulations for individual lockable storage requirements have increased in recent years. The Planning Commission sponsored this Study Issue to determine if the current requirements, especially related to the minimum size and locations for storage units, are still relevant in the current economic market. In January 2016, the City Council ranked this item 3rd for the Community Development Department Study Issues.

Section 19.38.040 (Storage Space for Multi-Family Residential) of the Sunnyvale Municipal Code contains the requirements for individual lockable storage spaces within multi-family residential development projects. These regulations include requirements for the minimum size, location, and allowed exceptions for individual lockable storage (see Attachment 4 for existing ordinance language). The requirements have been in effect since 1986 and were adopted to address issues with the storage of personal items and the desire to maintain the high quality character of Sunnyvale's residential neighborhoods. The most recent amendment to this Sunnyvale Municipal Code Section was in 2006, when the exemption for individual lockable storage was added for developments that included a two-car garage for each unit.

The City Council is scheduled to consider this item on March 28, 2017.

EXISTING POLICY

GENERAL PLAN

Land Use and Transportation

- Policy LT-2.1: Recognize that the City is composed of residential, industrial and commercial neighborhoods, each with its own individual character; and allow change consistent with reinforcing positive neighborhood values.
- Implementation Action LT-2.1a: Prepare and update land use and transportation policies, design guidelines, regulations and engineering specifications to reflect community and neighborhood values.
- Policy LT-4.1: Protect the integrity of the City's neighborhoods; whether residential, industrial or commercial.
- Policy LT-4.4: Preserve and enhance the high quality character of residential neighborhoods.
- Implementation Action LT-4.4e: Require amenities with new development that serve the needs of residents.

Community Vision

- Goal II. Attractive Community: To maintain and enhance the appearance of Sunnyvale, and to distinguish it from surrounding communities, through the promotion of high quality architecture, the preservation of historic districts and structures, the maintenance of a healthy urban forest, and the provision of abundant and attractive open space.

Community Character

- Policy CC-1.5: Encourage residents to maintain clean neighborhoods by preventing unsightly accumulations of discarded materials and illegal dumping of municipal solid waste.
- Goal CC-2: Attractive Street Environment. Create an attractive street environment which will

16-1128

Agenda Date: 3/6/2017

complement private and public properties and be comfortable for residents and visitors.

- Policy CC-3.2: Place a priority on quality architecture and site design which will enhance the image of Sunnyvale and create a vital and attractive environment for businesses, residents and visitors, and be reasonably balanced with the need for economic development to assure Sunnyvale's economic prosperity.

SUNNYVALE MUNICIPAL CODE (SMC)

Section 19.38.040 Storage Space for Multi-Family Residential

(Adopted 1986; updated 2006)

This Section contains the requirements for individual lockable storage that apply to all new multi-family residential development projects with more than two dwelling units. At least 300 cubic feet of storage is required for each dwelling unit, and storage units shall be separated from dwelling units, but accessible from common areas (see Attachment 4).

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Projects that are subject to the requirements of the new regulations will be evaluated pursuant to CEQA on an individual basis.

DISCUSSION

Overview

The goals of the individual lockable storage requirements are to maintain clean and attractive residential neighborhoods and provide needed storage space for Sunnyvale residents. In recent years, more applicants have requested and been approved for exceptions to total size and location of the lockable storage requirements. Applicants indicated that the Sunnyvale storage space requirements are far greater than what most residents use. Recently, three exceptions were approved and a pending application has requested a similar exception. The approved and pending exceptions range between 100 cubic feet to 200 cubic feet. Table 1 below demonstrates the recent approvals.

Table 1: **Recent Approvals with a Smaller Minimum Size Allowance**

Address	Approved Minimum Size	Location
388 & 457 E Evelyn Ave.	200 c.f. for 1-bedroom units	Individual unit's deck and hallways
620 E Maude Ave.	150 c.f. for studio and 1-bedroom units	In the common garage
238 Carroll St.	242 c.f. for 4 units (30 total units)	Within each unit's garage

To better understand the current conditions and demand for individual lockable storage, staff:

16-1128

Agenda Date: 3/6/2017

1. Discussed the issue with **other jurisdictions** that have similar storage requirements.
2. Conducted **site visits** to four multi-family residential properties to review the placement and usage of the on-site individual lockable storage units.
3. Discussed the storage requirements with several multi-family residential **developers/owners**. Developers and property owners expressed concern that the current minimum size requirements are too large for their existing and potential tenants. At the same time; however, staff has received applications from self-storage facilities in Sunnyvale requesting expansion of their existing facilities due to the high level of interest in their services.
4. Sent out a targeted **online survey to tenants** of four development properties (approximately 400 units). The survey was sent to property management groups and by including the information in the City Manager's Blog. At the time of this report, no responses were received on the survey; as a result, staff was unable to gain insight into how individual tenants are using their individual lockable storage units from the tenant's perspective.

Other Cities

Staff researched the few other cities within the Bay Area that have lockable storage requirements. The main difference among cities with storage requirements is the minimum size requirement. As shown in Table 2 below, the minimum size requirements range from 80 cubic feet (c.f.) to over 500 c.f.

Table 2: Comparison of Storage Size Requirements

Jurisdiction	Minimum Storage Size
Redwood City	80 c.f.
Los Altos	96 c.f.
Walnut Creek	200 c.f.
Sunnyvale	300 c.f.
Mountain View	164 c.f. for comprehensive plan areas; or 500 c.f. multi-family residential (R3) zoning district; or 80 square feet ¹

1. Depending on the height proposed for storage space, the minimum size in cubic feet can range from 640 c.f. (8 feet) to 800 c.f. (10 feet).

The requirement for lockable storage is limited to a few jurisdictions. The range of minimum storage area requirements varies considerably, even within a single city (Mountain View). Sunnyvale's standard is on the higher end of the spectrum.

Site Visits Conducted by Staff

Staff conducted four site visits of multi-family rental developments constructed between 1991 and 2016. Staff observed that storage units that are 300 cubic feet were generally underused by tenants at two of the properties. However, at one of the complexes, almost 80 percent of the storage units were occupied (as reported by the property management), but most of the units were underutilized. Property management data for some properties with storage units placed in less convenient locations (such as in an underground parking garage) had a very low utilization rate (as low as 15 percent).

In addition to staff's observations, the property managers of these multi-family projects made the following statements regarding the individual storage units:

- Potential tenants are usually pleased with the individual storage units included in their lease;

16-1128

Agenda Date: 3/6/2017

- There is a decreasing demand for additional storage space, especially in the spaces that are separated from the residential units (e.g., in garages).
- The property managers stated that many tech employees who move into the region from other parts of country and from other countries tend to be more transient and have fewer belongings with them. They also stated that larger units tend to use the storage space more and often rent extra storage space, if available.

Issues to Consider

Acknowledging there is interest by developers and owners to reduce or remove the on-site storage requirements, the following are considerations to assist in reviewing potential amendments to the individual lockable storage requirements, including the following five main components:

1. **Size** and minimum dimensions of individual lockable storage units
2. **Location** of the individual lockable storage units
3. **Exception process** to consider reduced sizes, location, etc.
4. **Configuration**-whether storage area can be divided into multiple locations (that still collectively meet the minimum size requirement)
5. **Unbundling**-whether lockable storage can be a separate rentable or ownership option
6. **Applicability**-the current code lists only a few residential zoning districts and excludes multi-family zoning districts in specific plan areas

Size of the Individual Lockable Storage Unit

The minimum area requirement has remained unchanged at 300 cubic feet (c.f.) per unit since it was adopted in 1986; however, recent development applications have included smaller sizes ranging from 150 to 200 cubic feet. The 300 c.f. could be met with a space approximately five by seven feet and eight feet high (these dimensions total 280 c.f.).

During site visits staff observed only lockable storage in a centralized location, such as underground parking. Access to private locations, such as off a patio was not possible; there were many underutilized lockable storage units observed. Property managers indicated that units covered by corporate rentals (typically short term tenancies in furnished apartments) are not as likely to use the storage facilities; this is not surprising as corporate rentals are often for temporary housing until longer term housing can be found. Temporary residents may be recently formed households or may not have relocated all their household goods from a prior location.

Given the wide range of estimated usage and the lack of information about usage in more private locations there is not a strong indicator, that changes to overall size are needed.

Staff recommends adding minimum interior dimensions to units to ensure each storage space maintains reasonable floor area, in addition to overall size (cubic feet). Staff observed that some tenants added shelving to their storage area to assist in organizing and accessing their items. Commercial storage facilities advertised a typical small space as five feet by five feet (usually with an eight-foot height); one facility advertised a space three feet by four feet. Considering the range of items and sizes that a resident may desire to store, staff recommends at least one dimension of eight feet (a typical floor to ceiling height) to accommodate bicycles, skis and other long dimension possessions-and a maximum height of 10 feet. Staff also recommends a minimum of three feet in other dimensions (minimum volume would be 72 c.f.), consistent with the smallest commercial

storage space.

Location of the Individual Lockable Storage Unit

Currently, each storage unit is required to be accessible from a patio, deck, hallway, the exterior of a dwelling unit, or via a separate structure. During site visits conducted by staff, it appeared that an assigned storage unit located in an area that is less conveniently located to the residential unit may be used less. To address this concern, modifications to the allowed locational requirements could be made to allow access from a balcony (the term which is often interchangeably used with “deck”), or to allow individual storage units to be located within the residential unit. Storage units located in areas that are more convenient to the tenants of the residential units may result in a higher and more beneficial use of these spaces.

Exception Process for the Lockable Storage Requirements

In the past, deviations to the storage sizes and numbers were included as part of the project review. When the Special Development Permit language was updated in 1999 examples for allowable deviations to “Space” were added: landscaping or open space. This language has suggested that a variance is required for these types of modifications. The option of using a deviation to allow a project to not meet the lockable storage requirements has less restrictive findings and allows the consideration of factors beyond a hardship. If included in the list of deviations, the findings listed in 19.90.030 (Procedures) of Chapter 19.90 (Special Development Permits) of the Sunnyvale Municipal Code would be required to be met with any approval of such deviation.

Configuration

In some instances, the City has allowed the 300 cubic feet to be placed in two separate, smaller storage spaces to provide flexibility in meeting the requirement. An example would be to allow some storage space in an individual carport space and then allowing the remaining space to be provided in another location. These modifications have been allowed with project approvals, but do not reduce the total minimum size requirements for the individual storage units. It would be useful to include language in the Sunnyvale Municipal Code to clarify how this can be considered. Consistent with earlier comment in this report, staff would recommend that minimum dimensions be added. Also approved in the past is locating required storage area inside the unit (the code only lists location outside of the interior of the unit). Staff finds that a separate, additional, closet on the interior of the unit could serve the same purpose as an exterior space. The closet would have to be over and above what would normally be expected (e.g., typically not bedroom, linen and coat closets or pantries).

While the functionality of the storage area may decrease slightly as the size increases (to allow for maneuverability within a larger space), a space that is too small may not sufficiently serve a resident’s storage needs. Staff recommends allowing flexibility to break up the volume into no more than two areas.

Removal or Unbundling of the Lockable Storage Requirement

One individual lockable storage unit is currently required for each residential unit within a multi-family residential development and the required storage units must be separate, lockable, and weatherproof. It is not intended that a storage unit would cost a tenant more money, but it is an assigned space for the unit. The requirement could be amended to allow a more limited number of storage units at a property and allow the owner to rent them separately, but that would increase the cost to tenants. This allowance can be considered to ensure a higher percentage of storage units are used.

Applicability

The current Sunnyvale Municipal code applies the requirement to R-3, R-4, R-5, commercial or industrial zoning districts, although the standard has been applied to projects in the Downtown and more recently the Lawrence Station areas.

Options to Consider

There are several options to consider for individual lockable storage requirements:

Option A: Reduced minimum size (staff recommendation)

Incorporate the following changes into the individual lockable storage requirements:

- **Size:** Reduce the minimum required size to 200 cubic feet for one-bedroom and studio units, retain the 300 cubic feet requirement for all other units and establish minimum dimensional requirements (at least one dimension of eight feet, and three feet minimum for other dimensions with ten feet maximum for the height dimension) for each individual lockable storage unit.
- **Location:** Allow individual lockable storage units to be located on a balcony (in addition to already allowed locations) or in the interior of the unit as extra storage area (excludes bedroom closet, linen closet and pantry).
- **Configuration:** add language regarding allowances to divide required lockable storage spaces into two, provided minimum dimensions are met.
- **Exception:** Clarify that a deviation may be granted as part of the Special Development Permit.
- **Applicability:** Revise the applicability language to be more inclusive of recently adopted zoning districts from numerous specific plans.

This option is consistent with the original intent and goals of the lockable storage requirements while also taking into consideration the comments received from the development community that were verified with staff's site visits. Reducing the minimum size requirement from 300 to 200 cubic feet for smaller units only, and allowing the storage unit to be located on a balcony or the interior of the unit, in addition to the list of already allowed locations, allows more flexibility in design of multi-family development projects while still providing tenants with viable lockable storage space.

Pros:

- The reduced minimum size allowance is consistent with recently approved exceptions and may relate more closely with current market trends.
- The new dimensional requirements help to ensure functionality of individual lockable storage units.
- Allowing access to a storage unit from a balcony or deck clarifies this section, and allowing interior space to count toward requirement provide more convenient access to individual lockable storage units for residents.

Cons:

- The reduced minimum size for studio and one bedroom units may be too small.
- The proposed dimensional requirements do not allow as much flexibility with design of storage areas.
- Differing minimum sizes require more staff review time since there would be additional items

to verify during permit review.

- Storage spaces located on balconies or decks may encourage storage of more hazardous materials (i.e. motor oil, paint, etc.) in closer proximity to habitable space and are less accessible for inspection by property management.

Option B: Different minimum sizes of individual lockable storage spaces by residential unit size and allow storage within the unit

Amend the individual lockable storage requirements section with the following changes:

- **Size:** Allow scaling of individual lockable storage minimum sizes by unit size. The following scaling sizes could be considered:
 - 150 cubic feet for studio and one-bedroom units
 - 250 cubic feet for two-bedroom units
 - 300 cubic feet for units with three bedrooms or more
- **Location:** Same as Option A.
- **Configuration:** Same as Option A.
- **Exception:** Same as Option A.
- **Applicability:** Same as Option A.

This option includes allowing different minimum sizes based on residential unit size, which was suggested by the Planning Commission at the Study Session on November 28, 2016. This option may require additional efforts from staff in evaluating multi-family development projects to ensure an adequate amount of storage units are provided for each type of residential unit. This may also cause problems for applicants in the future if different sized units are converted to a different size (e.g. conversion of two-bedroom plus den units into three-bedroom units) because staff will have to make sure that these requirements are still met with those changes. Additionally, this option would allow individual storage units to be located within each residential unit which could increase the options to meet the standards.

Pros:

- Provides flexibility on the minimum size requirement.
- Additional space available from the smaller storage units for smaller residential units may provide additional square footage for each residential unit or extra community amenities.
- Potential for easier and more convenient access to individual lockable storage units for residents or tenants.
- The range of sizes is supported by the size ranges used by other jurisdictions

Cons:

- Differing minimum sizes require more staff review time since there would be additional items to verify during permit review.
- Increases safety and health risks for residents from potentially hazardous or flammable items stored in individual lockable storage located inside residential units.
- Increases the potential for conversion of individual lockable storage units to closets by tenants.

Option C: Other options to consider

The following options were considered but not recommended:

- Reduce the minimum area for all size dwelling units to 200 cubic feet (or other volume).

16-1128

Agenda Date: 3/6/2017

- Only allow exceptions to storage requirements through the variance process.
- Add separate deviation subsection for storage area, and establish findings specific to individual lockable storage units for any modifications to requirements.

Option D: status quo

This option retains the existing requirements for individual lockable storage. The minimum size would remain as 300 cubic feet, and other requirements would remain unchanged.

Pros:

- No staff time would be necessary in learning or implementing new standards.
- Maintains a generous storage requirement for all sizes of units.

Cons:

- If any exceptions are requested, they would be reviewed on a case-by-case basis.
- The minimum size requirements may be too large in relation to the current demographic in Sunnyvale.
- Locations not close to the units may discourage the usage of the amenity.

Other Zoning Code Amendments Associated with the Study Issue

Staff recommends amending Section 19.12.130 ("L") of Chapter 19.12 (Definition) to add a new definition of "lockable storage, individual."

FISCAL IMPACT

The proposed amendments to the Sunnyvale Municipal Code associated with individual lockable storage requirements would have no fiscal impact.

PUBLIC CONTACT

Public contact regarding this item was made through the following ways:

1. Posting the Agenda for Planning Commission on the City's official-notice bulletin board outside City Hall and by making the agenda and report available at the Sunnyvale Public Library and on the City's website;
2. Publication in the Sun newspaper, at least 10 days prior to the hearing;
3. E-mail notification of the hearing dates sent to all interested parties and neighborhood associations;
4. One community outreach meeting on November 2, 2016;
5. One Planning Commission Study Session on November 28, 2016.
6. An online resident survey was circulated from January 9, 2017 to January 23, 2017.

Community Outreach Meeting

Staff conducted a community outreach meeting on November 2, 2016. Three members of the development community attended the meeting. Staff explained the current regulations, information on what other jurisdictions in the area require, solicited feedback on how the individual lockable storage spaces have been used on their properties in Sunnyvale, and asked the attendees whether changes to the requirements were necessary. The developers expressed the following comments regarding the City's requirements:

- The minimum size requirement for lockable storage units is excessive; and
- Most of available storage units in their properties are vacant and underutilized.

Planning Commission Study Session

The Planning Commission Study Session on the Individual Lockable Storage Requirements Study Issue was held on November 28, 2016. The Planning Commission made the following comments/suggestions on the lockable storage requirements:

- The requirement for individual lockable storage is still beneficial and should remain a requirement.
- It is important to retain storage requirements because many garages are used for storage, and cars are parked on the street, impacting street parking.
- Consideration of a different minimum size, especially allowing different minimum sizes based on residential unit sizes (either by floor area or number of bedrooms).
- Storage units should be separated and enclosed, especially for fire safety concerns.
- Staff should conduct a resident survey to understand the current demand on storages.
- Suggested methods to reach residents, including contacting community service locations (e.g., library, recreation centers), street signs, or through neighborhood associations.

At that meeting, staff informed the Planning Commission that a comprehensive mailed survey would not be possible under the scope of the budget for this Study Issue; however, staff would be willing to conduct a sample online survey with help from property managers of some multi-family developments.

Two members of the public, both from the development community, spoke at the Study Session, both advocated for scaling storage size requirements by dwelling unit size and/or reducing the overall size requirements. One mentioned that only 27-28% of lockable storage spaces are utilized in their properties in Sunnyvale. One of the speakers also mentioned that square footage requirement would be easier to implement than cubic feet for the size requirement.

Online Resident Survey

A targeted, sample survey was conducted on Peak Democracy from January 9, 2017 to January 23, 2017. The online survey was distributed to tenants of four different multi-family residential properties. The survey was distributed to tenants of approximately 414 residential units of four different multi-family residential properties, and via the City Manager's Blog. No responses to the survey were received. The questions from the survey are included in Attachment 5.

Public Comments

Four comment letters have been received on this Study Issue (Attachment 6). All four letters requested the City to consider reducing the minimum size requirement for individual lockable storage, as well as providing flexibility on quantity (unbundling storage space, incentivizing larger size) and location (allowing on balconies).

ALTERNATIVES

Recommend to City Council that City Council:

1. Introduce an Ordinance to amend Section 19.38.040 (Storage Space for Multi-Family Residential) regarding size, location, configuration, exception process and applicability and make associated amendments to Section 19.12.100 ("I") of Chapter 19.12 (Definitions) and Section 19.90.030 (Procedures) of Chapter 19.90 (Special Development Permits) of the Sunnyvale Municipal Code,

16-1128Agenda Date: 3/6/2017

and find these actions are exempt from CEQA.

2. Introduce an Ordinance with modifications.
3. Do not amend the Sunnyvale Municipal Code and make no changes to the requirements for individual lockable storage.

STAFF RECOMMENDATION

Staff recommends Alternative 1: Recommend to City Council that City Council Introduce an Ordinance to amend Section 19.38.040 (Storage Space for Multi-Family Residential) regarding size, location, configuration, exception process and applicability and make associated amendments to Section 19.12.100 ("I") of Chapter 19.12 (Definitions) and Section 19.90.030 (Procedures) of Chapter 19.90 (Special Development Permits) of the Sunnyvale Municipal Code, and find these actions are exempt from CEQA.

The requirement for lockable storage at multi-family developments have been in place for many years, and appear to be appreciated by residents, even if underutilized. Staff does not support removing the requirement, but can support modifying the standards to be more consistent with the current market. Staff recommends smaller volume area for one-bedroom and studio units, adding minimum dimensions, expanding the allowable locations, clarifying that the space may be divided, that exceptions can be considered through the Specific Development Permit process and that the regulations should apply to any multi-family development of three or more units in all zoning districts. Reducing the size to 200 cubic feet for smaller units reduces the space necessary for the additional units, but still maintains a useful size for the tenants. The use of a variable size of storage units based on the number of bedrooms is a potential option, but staff is concerned that the regulations become too complicated and difficult to administer.

Modifications to the Sunnyvale Municipal Code pursuant to staff's recommendation will continue to support the City's effort to protect, maintain, and enhance residential neighborhoods by preventing unnecessary accumulation of personal belongings in areas that are visible to the public, while also modifying the requirements to more closely match current trends in multi-family development. The recommendations will also standardize existing internal policies and clarify the permit process for allowing exceptions.

Prepared by: Kelly Cha, Associate Planner

Reviewed by: Amber Blizinski, Principal Planner

Reviewed by: Andrew Miner, Planning Officer

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Kent Steffens, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. *Not Used (Reserved for Report to Council)*
2. Study Issue paper
3. Draft Ordinance
4. Existing Zoning Code language (Sunnyvale Municipal Code Section 19.38.040)
5. Sample questions from the online resident survey
6. Public comment