



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Ilya Gutman
Meeting Date:	Tuesday, August 22, 2023
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Discuss and Consider City Ordinance 86-248 Outside Storage
Background Information:	<p>The purpose of this Council agenda item is to discuss City Ordinance 86-248 Outside Storage, specifically as it relates to the regulations regarding the use of “shipping containers” for permanent storage in residential and business districts in the City of Marshall. There has been significant discussions surrounding the use of shipping containers, most specifically in business districts, over the past 2-3 years. City staff would like confirmation of City Council support for the City Ordinance as it is currently written and confirmation of City Council support for City staff’s function regarding Code enforcement. A brief history regarding City Ordinance treatment of shipping containers is included in the memo (below) and the current ordinance is included in the Council packet for reference.</p> <p>City Ordinance provisions prohibiting shipping containers were added to the City Ordinance in 2013 as a part of multiple revisions to the “Performance Standards” portion of the Zoning Ordinance. The Ordinance prohibited using shipping containers as accessory buildings or permanent storages in Business and Residential zoning districts but permitted them in Industrial districts. The inclusion of shipping container prohibitions were triggered in part by a complaint received about a shipping container installation in a residential neighborhood. It was determined that shipping containers do not meet building codes and do not fit into the typical city environment, which may lead to a reduction in surrounding property values. Provisions prohibiting shipping containers were not controversial at that time and there was limited discussion at the public meetings of the Planning Commission and City Council.</p> <p>Early in 2021, the City received an application for a variance to install a shipping container for the use as a permanent storage. State Statutes and City Ordinance require the presence of “practical difficulties” for a variance to be granted. At the meetings, the City Council determined that practical difficulties were absent in this case and the Council denied the request. However, it asked staff to review the Ordinance and explore ways to allow some storage containers under certain conditions.</p> <p>In the spring of 2021, after thorough review by the Planning Commission and Legislative and Ordinance Committee, Council adopted an ordinance revision that allowed installing a single shipping container in a B-3 General Business district with a conditional use permit (CUP). Such containers were still prohibited in residential districts and other business districts but remained permitted in industrial districts. Proposed standard conditions limited the placement location within a site, specified screening requirements from neighboring properties and public right of way, and regulated the exterior look of the containers.</p> <p>As was mentioned at the time of adoption, the new Ordinance amendment left some existing containers in the city not in compliance with the City Ordinance. In December of 2021, the L&O Committee revisited the issue and directed staff to investigate and identify existing containers</p>

	<p>not in compliance with the ordinance and notify owners of the need to comply. The letters of non-compliance were sent in the beginning of 2022 to about half a dozen violators. In the next year, several changes were made to the original ordinance – all changes were intended to relax the rules. Changes to the ordinance include: increasing the number of permitted containers from one to three (based on square footage), allowing other storage units besides shipping containers (e.g.; semi-trailers), and exempting shipping containers used during construction as temporary storage. Additionally, a requirement for a CUP was replaced with an Interim use permit (IUP). The IUP was more recently introduced and was not an available option during the previous discussions regarding shipping containers.</p> <p>Among those who received a letter of violation from the city, several chose to remove containers or move them to areas where they are permitted. By now, several others have applied for an Interim Use Permit and were granted permission to keep containers with certain conditions. To date, those issued IUPs have not yet complied with the conditions of their permit. The conditions to be met are most typically fence installation to screen the shipping containers.</p> <p>City staff discussed the shipping container ordinance and staff’s direction regarding the ordinance with the Legislative and Ordinance Committee on August 8, 2023. The L&O Committee recommended to Council to offer support for the City’s Ordinance regarding shipping containers and to recommend City staff to follow through with prior actions regarding shipping containers.</p>
Fiscal Impact:	No fiscal impact to the City
Alternative/ Variations:	As presented by City Council
Recommendations:	Staff is looking for a motion of Council support for the City’s Ordinance 86-248 Outside Storage and Council support for prior City Council direction to city staff to enforce the Ordinance as applicable