



INFORMATION MEMORANDUM

TO: Mayor and City Council

FROM: Charles S. Cox
City Manager

DATE: November 6, 2018

SUBJECT: Ordinance No. 3540 – Comprehensive Zoning Ordinance amendment as it relates to allowing vehicle dispatch and storage uses and establishing related development standards.

Planning and Zoning Commission Recommendation:

On October 15, 2018, the Planning and Zoning Commission voted 5-1 to recommend approval of the zoning amendment with the following changes:

- Allow vehicle dispatch and storage, minor in Light Industrial (LI) and the East Side Business District with the approval of a Specific Use Permit (SUP); and
- Allow vehicle dispatch and storage, major in Light Industrial (LI) and the East Side Business District with the approval of an SUP.

The information below is the zoning amendment as originally presented to the Planning and Zoning Commission. After much discussion, the Commission believed that both uses were appropriate to allow with an SUP in the Light Industrial (LI) zoning district, as well as within the East Side Business District. Ordinance No. 3540 is consistent with the Commission's recommendation.

Proposed Request:

This is a city-initiated zoning amendment to the Comprehensive Zoning Ordinance (CZO) that adds two new land uses, along with associated definitions and development regulations, related to vehicle dispatch and storage uses.

Background:

This proposed CZO amendment was prompted by a zoning enforcement action and subsequent application for a Certificate of Occupancy by a local company (Bubbl®). The company transports people and delivers packages on-demand through a smartphone application. As part of the business operation, the company has vehicle inventory that is stored on-site. Currently, the CZO does not have an appropriate land use in which to classify this type of business.

The CZO has been amended throughout the years, most recently in 2017, but was initially adopted in February 1969 that established the zoning districts and many of the uses that exist today. Review of the City's CZO should be done from time to time to ensure relevancy with current land use policies, trends, and development conditions, specifically, with respect to regulations that were established many years ago that did not anticipate today's unique businesses or business models. There have been major advancements in technology and services, as is evident with micro-transit or ride-share companies that provide services to a limited number of individuals with personalized rides from a designated pick-up point to another geographical point; therefore, it is necessary to address this new land use. Some examples of micro-transit companies are Uber®, Lyft®, and Bubble®.

Although this amendment was prompted by a micro-transit type business, staff recognized an opportunity to include similar businesses that are primarily transportation-related and share similar characteristics. The proposed land uses will be uniquely identified in the CZO, which currently is not offered. Additionally, this amendment will address the operations of vehicle storage and the dispatch transportation service that are commonalities with these businesses. Some examples of businesses that would be categorized with micro-transit include taxi, limousine, and private ambulance service.

Proposed Amendment:***Use/Definition***

Staff is proposing that the following two uses be included within the CZO: minor vehicle dispatch and storage; and major vehicle dispatch and storage. The following definitions are proposed to be added to *Article 7, Definitions, Section 7.3, Definitions of Uses*:

Vehicle Dispatch and Storage, Minor – A commercial transportation service not operated by, or solely under a contract with, a governmental entity as part of a public transportation system, that specializes in the dispatch and provision of non-heavy-load vehicles such as ambulances, hearse, limousines, taxis, paratransit, and rideshare vehicles for a fee. The term includes facilities for storage of 10 or fewer vehicles used for transportation service, office space, and sleeping quarters for employees who are on-call. Vehicle storage shall not be the primary use of the property. Vehicle maintenance on-site shall be limited to washing, waxing, and cleaning of vehicles.

Vehicle Dispatch and Storage, Major - A commercial transportation service not operated by, or exclusively under a contract with, a governmental entity as part of a public transportation system, that specializes in the dispatch and provision of non-heavy-load vehicles such as ambulances, hearse, limousines, taxis, paratransit, and rideshare vehicles for a fee. The term includes facilities for storage of 11 or more vehicles used for the transportation service, office space, and sleeping quarters for employees who are on-call. Vehicle storage shall not be the primary use of the property. Vehicle maintenance on-site will be limited to those activities as defined in the Comprehensive Zoning Ordinance and shall be considered an accessory use.

Zoning Districts

The proposed amendment will allow vehicle dispatch and storage (minor and major) by right or with a Specific Use Permit (SUP) in Commercial (C), Light Industrial (LI) and Heavy Industrial (HI) zoning districts. When considering the appropriate zoning districts for vehicle dispatch and storage, staff evaluated similar types of uses allowed within the existing zoning districts and the purpose of each zoning district provided for within the CZO. The zoning districts that are proposed to allow vehicle dispatch and storage allow other transportation-related uses and vehicle-related uses which are compatible uses.

LI and HI zoning districts allow for a wide range of uses, including office, light manufacturing, warehouse, manufacturing and commercial uses that are compatible with the proposed vehicle dispatch and storage uses. These districts are intended to accommodate uses that have more intensive operations and typically have a transportation element associated with them such as delivery trucks, and loading and unloading operations. Therefore, due to the vehicle fleet operations associated with the proposed vehicle dispatch and storage (minor and major) uses, staff believes the proposed use is compatible with the uses allowed in LI and HI districts provided certain additional performance standards are met (described in the proposed siting/performance standards below). While minor vehicle dispatch and storage is proposed to be allowed by right in the LI and HI districts, major vehicle dispatch and storage is proposed to be allowed with approval of an SUP in the LI zoning district and by right within the HI district due to the number of fleet vehicles associated with the uses. Minor vehicle dispatch and storage is proposed to allow the storage of 10 or fewer vehicles, while major vehicle dispatch and storage would allow 11 or more.

In the C district, vehicle dispatch and storage (minor and major) is proposed to be allowed with an SUP given that this district should be for retail, service and commercial uses that promote the economic viability and encourage employment growth within specific areas. Currently there are not properties in the City zoned as C district. It may be possible for properties to be rezoned to C district where vehicle dispatch and storage could be appropriate. However, not all properties that may be zoned C are necessarily suitable for the proposed uses, hence the ability to take into consideration the use on a case-by-case review to factor in other existing uses in the vicinity, not impairing the development of the nearby property, and consistency with the City's Comprehensive Plan.

The only exception where vehicle dispatch and storage is not being proposed, regardless if the base zoning district is proposed to allow the use, is the East Side Business District. The purpose of the East Side Business District is to manage vehicle sales and stimulate design-related retail activity in the area. The East Side Plan designates the East Side Business District as Creative Center and Community Mixed-Use where careful consideration should be taken for allowing some light industrial uses that could potentially be complementary to future land uses within these areas.

Staff proposes to add minor vehicle dispatch and storage and major vehicle dispatch and storage to the transportation-related uses section in *Article 2. Zoning Districts and Uses, Section 2.4.C Use Table*, as follows:

Use	R-1	R-2	R-3	R-4	R-5	R-6	D-1	D-2	MF-1	MF-2	MF-3	MF-4	I-RU	O	LR-1	LR-2	C	LI	HI	Use Stds
KEY: X=Permitted S=Specific Use Permit Required T=Temporary Blank Cell=Use Not Permitted																				
Transportation Related Uses																				
Vehicle Dispatch and Storage, Minor																	S	X*	X	2.5F
Vehicle Dispatch and Storage, Major																	S	S*	X	2.5F

The existing footnote is proposed to be revised in the Use Table to provide further clarification regarding proposed uses being prohibited within the East Side Business District that have the LI base zoning district:

* Use is not allowed ~~with a Specific Use Permit (SUP), except~~ in the East Side Business District.

Parking Requirements

Although vehicle dispatch and storage provides a service, this use has unique parking needs. Parking for these uses will be generated by employees who will be operating the fleet of vehicles or conducting office operations associated with the business. Staff considered the parking requirements for vehicle dispatch and storage to be similar to storage or warehousing uses. The main purpose of the property for vehicle dispatch and storage uses is anticipated to be for the storage of vehicle inventory similar to warehouse uses storing goods.

The parking standards proposed for Vehicle Dispatch and Storage in *Article 4. Site Development Standards, Section 4.3, Parking and Loading* are as follows:

Use	Minimum Parking Spaces Required
Vehicle Dispatch and Storage, Minor and Major	One space per 2 employees, or one space per 1,000 sq ft of gross floor area, whichever is greater

Siting/Performance Standards

In order to ensure a designated area is provided for fleet inventory and the site is appropriately designed so that the visibility of the fleet inventory is reduced from view by the general public, additional siting and landscape standards are proposed.

A new Subsection F is proposed to be added to *Article 2. Zoning Districts and Uses, Section 2.5, Land Uses Requiring Special Performance Standards*, as follows:

F. Vehicle Dispatch and Storage

1. The following conditions are required for approval for all vehicle dispatch and storage uses:
 - a. Parking spaces used for vehicle storage shall be in designated areas that comply with the requirements of Section 4.3 Parking and Loading. Parking spaces designated for vehicle storage shall be in addition to the number of on-site parking spaces required pursuant to Section 4.3 for property developed and used for vehicle dispatch and storage purposes.
 - b. Vehicle storage spaces shall be located at the rear of the property or on the side of the building; however, vehicle storage shall not be located forward of the front face of the building. Vehicle storage areas shall be designated on a site plan approved by the City Manager or designee prior to commencement of use of property for vehicle dispatch and storage.
 - c. For major vehicle dispatch and storage uses, vehicle storage areas must be screened along all sides by a masonry wall not less than six (6) feet and no greater than eight (8) feet in height. For vehicles visible above the masonry wall, non-ornamental trees must be provided to effectively screen vehicles at a space of 1 tree per 30 linear feet (minimum 3-inch caliper at planting) for the length of the masonry wall, planted at the exterior side of the masonry wall. Trees may be clustered as approved by the City Manager or designee.
 - d. For minor vehicle dispatch and storage uses, where vehicle storage is visible from the public street evergreen screening shrubbery (minimum 36 inches at planting) and non-ornamental trees (minimum 3-inch caliper at planting) at a spacing of 1 tree per 30 linear feet must be provided to effectively screen vehicles from view of public streets.

Comprehensive Plan Recommendation:

The proposed amendments to the CZO are consistent with the Comprehensive Plan's objectives in that the orderly spacing of land uses and compatible uses is a goal of the Comprehensive Plan. Furthermore, as it relates to the City's East Side, the proposed amendment is consistent with the recommendation of the East Side Plan particularly as it relates to the East Side Business District.

Public Response:

The required public hearing notice was published in the *Dallas Morning News* on October 5, 2018 for the Planning and Zoning Commission meeting and a second public hearing notice was published on October 18, 2018 for the City Council meeting. No zoning notification signs nor mailed notices are required for amendments to the CZO. Staff has not received any written correspondence regarding this CZO amendment.

Staff has received verbal feedback, via phone, from the owners of Bubble®, who have expressed support of denial to the proposed amendment. Specifically, due to the use proposed to be prohibited in the East Side Business District where the business currently resides. Although Bubble® initiated this zoning amendment, the use is not currently permitted in the City and has been allowed to operate with the understanding that an amendment would be taken forward by Staff.

Possible City Council Action:

1. Motion to adopt Ordinance No. 3540.
2. Motion to adopt Ordinance No. 3540 with the following changes...
3. Motion to deny Ordinance No. 3540.
4. Motion to continue the discussion at the next meeting.