

TOY **STORAGE** NATION

RV and Boat Storage Entitlements



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The Key Pieces for the Planning and Zoning Puzzle: A Primer

By S3 Partners

Building a toy storage facility requires more than just finding a suitable piece of land and starting construction. Before a developer can begin any work on their project, they must go through the planning and zoning process, which can be a lengthy and elaborate procedure as it is designed to ensure that any new development adheres to local ordinances and regulations.

This process is critical in securing entitlement, which is the legal right to develop a piece of property for a particular use. This article explores the planning and zoning process for RV and boat storage facilities and identifies key steps to secure entitlement.

Zoning

Before discussing the zoning process, it is important to understand what zoning is. Zoning refers to the regulations defining the manner in which land can be used in a specific area. It categorizes land use into distinct zones, including residential, commercial, industrial and others. The first step in the planning and zoning process for vehicle storage facilities is determining whether the intended project meets the zoning requirements of the area. The developer must check with the local planning department to determine if the land is zoned for such facilities. If the land is not zoned for the intended use, the developer must apply for a zoning change. A zoning change requires a reclassification of the land use in the zoning map.



Public Hearings

In some jurisdictions, the developer must participate in public hearings to discuss the proposed project with the community. This process allows neighbors and other stakeholders to voice any concerns or objections that they may have with the development.

Public hearings can be crucial in securing entitlement as local authorities may use community feedback to make decisions. It is important for the developer to be prepared to address any concerns raised during these hearings.

Environmental Review

Developing toy storage facilities can have an impact on the environment, and some local authorities will require an environmental review before granting any permits. This process reviews the impact of the project on the environment, including air quality, water resources and wildlife.

Site Plan Approval

Before permits can be issued, some jurisdictions review and approve the site plan. A site plan provides a detailed layout of the development, including the location of buildings, parking, landscaping and drainage.

The site plan must meet several requirements, which vary by jurisdiction. The developer may need to make revisions to the site plan to adhere to these requirements.

Permitting

Once the intended use of the land has been established, the developer must obtain the necessary permits. Permits are required for every phase of construction, including site preparation, foundation work, framing, electrical work, plumbing and more.



The permitting process is designed to ensure that all work is up to code and complies with local regulations. Depending on the jurisdiction, the process may involve multiple rounds of plan review, site visits and inspections.

Securing entitlement is an important part of any toy storage development. While the planning and zoning process can be lengthy and complex, it is necessary to ensure that the developer is adhering to local regulations and building a safe and suitable facility. By understanding the requirements and taking the time to navigate each step, developers can secure entitlement and begin construction of their toy storage facility with confidence.

S3 Partners is well-versed in all aspects of the storage business. Whether you're thinking about building a new facility or adding RV, boat and toy storage to your existing storage business, S3 can offer expert services while keeping costs down and maximizing your return on investment. S3 Partners works with self-storage and toy storage companies from coast to coast, providing Site Selection, Due Diligence, Planning Entitlements, Project Management, Signage, Branding and more. For more information, [visit the company's website](#).



RV and Boat Storage Entitlements: A Personal Perspective

By Chris Koenig

Land development is not for the faint of heart or for the weak. Everyday is like being Mel Gibson in Braveheart, but, plot twist, today you are battling a cruel English king and tomorrow you are fighting aliens that have sharks with laser beams attached to their heads! Friday is mud wrestling in a Speedo with one arm duct-tapped behind your back in some fraternity house basement across town.

Point being – developing raw, unentitled land, into a viable project forces you to wear multiple hats and, at least mildly, understand a plethora of various disciplines: from civil engineering to site planning, architecture, soils engineering and more.

You are the quarterback in this development but you are also the head coach, defensive and offensive coordinator and water boy/girl to name a few. In today's world, there's a chance you're also dating Taylor Swift, so roll with it.



Be an expert in all facets of the project

The project takes shape from your initial interaction with the property (training camp); you'll go through several site plan changes, ad nauseum sometimes, to get "the perfect plan." This might take you two to three months of back and forth with your highly trained and highly paid team of professionals. Your architect will say, "This is the way," then your civil engineer will tell you, "No you can't do it that way because of X, Y and Z."

So, we go back to the architect and explain what we need to change; then all is right in the world, and we go to get our soils engineer to sign-off and he/she points out a few things that were missed. It's like a whack-a-mole with no rules laid out for the layperson! Meanwhile, we are now four months into this deal and our deposits are about to go non-refundable. Are we releasing contingencies?

You have to maintain composure to hear what Consultant X is saying, digest this information and ask for further clarification and/or translate these wants and desires to Consultant Y. I can't say how many times a civil engineer has said, "You have to do it this way," only to discover through research that there are two or three options.

Or, I digest "this is the only way" and have to craft my discussion with the other consultants as to why we are making this project design change.

It's similar to having three to five very opinionated children who know more than you, but you are trying to make them all happy. This rarely works well, by the way, but we are here to try our best.

It's now month five and our deposits go hard soon!

We want the "kids" to be happy though, so we keep a positive smile and don't yell. Have we decided the best course of action by now? I mean, you have to keep in mind, this is your money on the line and not the kids'!



Staff can make or break you

This site plan minutiae is happening while we are also trying to appease City Planners, Engineers, Traffic, Air Quality, Public Works, etc., with their specific set of (1) code requirements, but more importantly (2) personal wants and desires.

Sorry, I am pretty jaded by our lovely California (CEQA) requirements. Yes sadly, in the land of real estate development and entitlements, people's personal opinions will play a role in your project's path to succession. I've personally dealt with a couple projects that made it or failed miserably due to one or two staff members either championing a project or seeking its failure. The latter can be overcome and the former is something to memorialize with possibly a mural on your site or with Scottish war face painting like our man William Wallace.

Now, we are likely six to nine months into this development project and still don't have approvals or realistically a solid indication that Staff or the Planning Commission/Council will approve us? Keep in mind, much like we are tending to our 'kids' (the consultants), the Staff is synonymously the 'kids' in this scenario working with you to prepare a case for "Mom and Dad" (aka, Council/Planning Commission) to support and ultimately approve your project.

Staff wants to make sure they have a full set of complete and well-thought-out plans so that your project realizes success and they don't look like they presented a half-baked plan. This reminds me of negotiating with my father in college as to why I needed a savings budget for my college allowance. I failed miserably and this was a completely half-baked, irrational plan that didn't meet any of the family design guidelines. Don't embarrass yourself like I did.

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Side note: I didn't get the savings approved in my college budget and to this day it is one of the few arguments I've lost (aside from with my wife; I'm 4 in 3,097 with her) Give the staff all the tools and information they need to present a rock solid project to Mom and Dad.

Oh, just in case you didn't notice how fast time flies, we are 12 months in and anxiously awaiting a public hearing to get our project approved!

Nothing ever happens fast or as expected

Sorry for the buzzkill, but every project I have pitched to investors, my wife or myself in the mirror has never met the expected timeline in the proforma. There are far too many extraneous and unmitigated circumstances to account for to keep your timeline for the roadmap of entitling raw land. This is a harsh but true reality.

Title issues will come up when you go to get financing, after the project is approved. What about that removal of an unpermitted underground diesel storage tank 30 years ago that showed up in some third-party loan consultant's document research on the property as you are about to sign loan docs? How about the requirements from the Fire Department? Well, after the project's been fully designed, that forces major site plan changes and Fire Department approval before you go to your hearing.





Did you talk to the neighbors about how tall your wall will be on your shared property line and the fact they are all planning to attend the hearing to delay/deny your project? These are all true stories, sadly, and ones that are difficult, if not impossible, to plan for during due diligence on a property with only the highlight reel as your personal history on the property.

The best suggestion is to eat that humble pie: Under promise and over deliver. Point out, up front, these possible pitfalls and get good partners that know you will see this project through to the end and plow through the nonsense that is thrown at you. If your partner is just you/a spouse, don't lie to yourself/your spouse and think these things won't happen; it could get you caught in a world of pain, regret and remorse.

Note: We're 12-18 months into this project and it's finally going to get approved tonight!

Project approval isn't the finish line: It's the Red Zone

I am the first to admit that I am guilty of thinking (still) that once I get approvals, then we can start construction next Monday. This isn't the case. Once you get approved, you then still must get full working drawings for your project. This, by way of example, includes the EXACT depth of the pipes (water, sewer, storm) and how EXACTLY they flow in and out of the project. For the approval stage, we just show the lines; whereas for this construction document phase (the red zone now to continue my football analogy) is getting us to the 20-yard line, but we still need to punch it in for a touchdown.

Construction documents are "the plans" that the GC keeps on site and that will need to get approved by the City/County/Authority Having Jurisdiction (AHJ). The AHJ isn't so discretionary, but rather checks all the boxes to make sure you meet all the required codes and standards; to me it's like the first phase was getting a date and a second and a third, but now we are meeting the parents, and they will scrutinize each mannerism, comment, detail we display. There's a certain and specific set of rules to play by in this phase and it's honestly best to let the professional "kids" shine in this environment.

FYI: We're 18 months into the project and there is still no shovel in the ground.



Construction to cash flow

This is a depressing to say but once we start construction, we are still nine to 15 months out from being fully built out and, depending on the market, three to 24 months from turning around positive cashflow and realizing a true return on the investment of time, money and energy (not to mention blood, sweat and tears). But our proforma said cash flow positive 18 months from the time we option the property to now, right? We all can dream.

Once we get our approval to build and start, we must be serious and true to ourselves. This is going to take some time to build and then lease up. We must be realistic in our proformas. We have to be realistic with our partners and ourselves. If you've been tracking the timelines thus far, we are 2.5 years into this project, using my overly optimistic timelines and not listening to my own advice, but we are 35% leased up and approaching a much lower burn rate on my interest reserve!

We can see the horizon and it looks glorious! Our desert oasis awaits, and we just have to keep chugging along with our marketing and lease-up efforts to get us to financial freedom. We are so close we can taste it!



In closing

Now, we're literally three years into this project, and it's cash-flowing and you've missed all your budget timelines. What or who do we have to blame? If we planned appropriately and didn't over promise and under deliver then we might be in good shape. If we wanted to say all the right things to all the right people to make everyone happy, then we might be in muddy waters. Don't lie to yourself. Be honest and know what the future holds on any real estate development where you aren't in control of 75% of your future. You're just gripping this wild bull and trying to make it through to that construction document phase where emotion and discretion are out the window.

If you've learned anything during this lesson, it's that the entitlement process is never easy. In fact, it's quite the opposite. Your timeline for design, approvals, construction and lease-up may never match up with reality. My best advice: Try to be pleasantly surprised by beating proforma timelines rather than losing sleep as to how to catch up to them.

Chris Koenig is Manager of Kingsland Properties and President of Pacific Property Advisors. He sped through higher education studies at University of California, Davis, graduating the four-year bachelor's in business program in three years while earning honors. Since then, he successfully developed retail and industrial properties in Napa Valley for Pacific Union Property Advisors LLC, before starting a property tax appeal business under a new company, Pacific Property Advisors Inc. Currently, he has developed, owns and is in the process of developing approximately \$200 million in storage projects in California.