



# The Right Use in the Right Location: Thrift and Consignment Shops

November 2015



# Temporary Moratorium

## Ordinance 2015-67, Temporary Moratorium on Thrift Shops

*WHEREAS, the moratorium is intended to allow sufficient time to study the provision of these uses for the citizens of Pompano Beach and to create a long term strategy to ensure adequate access to such services is provided; and,*

*WHEREAS, the moratorium is intended to allow sufficient time to study the provision and location of these uses does not result in an over-concentration of these uses that will result in the blighting or downgrading of the surrounding neighborhood; and*

*WHEREAS, the moratorium is intended to allow sufficient time to study the provision of these uses to ensure that there is a balance between the existing residential uses and the projected demand for and location of these uses;*

Establishments which sell used merchandise not only prevent more goods from going to landfills and extend the life of products still in working condition, but can also offer hard to find, one-of-a-kind merchandise. However these uses can encourage illegal dumping and deteriorate the exterior appearance of shopping areas. This report analyzes the differences in consignment and thrift uses, the appearance and locations of the uses in the city, and proposes new definitions and use specific standards. The purpose of this report is to determine the right place in the city for the right consignment and thrift uses.

# Contents

1. Purpose
2. Pictorial Review of Existing Thrift Shops and Consignment Shops
3. Analysis of Municipal Standards
4. Outcome, Considerations, and Recommendations

**Purpose**

# Consignment vs. Thrift

## *Consignment Shop:*

- “Consign” means to hand-over goods to be cared for while being sold for a commission.
- Sellers desiring to sell unwanted belongings can sell them throughout the shop, and have the advantage of avoiding advertising, display space, and storage costs, while the consignment store earns a percentage of the sales’ profits.
- In general, they only accept items in good condition
- The goods must be current (one to two years old) and seasonal.
  - Some consignment shops do specialize in vintage goods.
- If items are not sold within a given time period, they are returned to their owner.
- Tends to focus on one or two specialty items:
  - Children’s Furniture / clothing
  - Vintage or high end clothing
  - High end furniture



# Consignment vs. Thrift



## *Thrift Shop:*

- Sells a variety of donated merchandise, often quite below market value.
- Thrift/charity shops are classified into three categories based on their operating system: nonprofit, charity-affiliated for-profit, and for-profit thrift shops.
- Nonprofit thrift shops maybe operated by major national charities and sometimes by local religious groups, charities, or cultural benefactors.
- Donated merchandise is often left onsite within or outside of a donation bin or an outdoor area.
- Illegal dumping and donated merchandise left outside for extended periods create an unsightly appearance.
- Donated merchandise left outside can attract crime and theft.



# Consignment vs. Thrift

## City's Existing Regulations

CONSOLIDATED USE TABLE

P = PERMITTED PRINCIPAL USE S = USE ALLOWED AS A SPECIAL EXCEPTION BLANK CELL = PROHIBITED USE

USE TYPE	B-1	B-2	B-3	B-4	CR	L-1	LX	OMP	TO	CF	RPUD	PCD	PD-TO	LAC	PDJ	PARKING	USE-SPECIFIC STANDARD	DEFINITION
Consignment Shop			P	P					P			P	P	P	P	1 per 300 sq ft	None	A retail establishment primarily engaged in selling used household goods and merchandise (e.g., clothing, furniture, books, shoes, small appliances), where all such goods and merchandise are sold on consignment.
Thrift Shop			S	P					P			P	P	P	P	1 per 300 sq ft	In the B-3 Zoning District, a thrift store shall be a minimum of 12,000 square feet of total gross floor area and operated by a single tenant.	A retail establishment primarily engaged in selling used household goods and merchandise (e.g., clothing, furniture, books, shoes, small appliances), where such goods and merchandise are not sold on consignment.

- Consignment Shop is Permitted in B-3; whereas Thrift Shop is Special Exception in B-3 and requires a minimum size.
- There is very minimal difference in the definitions of the two uses

### Purpose of Study -

1. Create more distinctive definitions for Consignment Shops and Thrift Shops
2. Determine if use specific standards are needed



# **Pictorial Review of Existing Thrift and Consignment Shops**

**St. Vincent DePaul  
Thrift Store**  
2323 N. Dixie Hwy



**The Salvation Army Family  
Store**  
451 E. Copans Rd.



**Déjà Vu Consignment**  
452 S. Cypress Rd.



**J&M Furniture Consignment**  
2169 N. Dixie Hwy



**Alpha 2000 Thrift Store**  
1857 S. Dixie Hwy



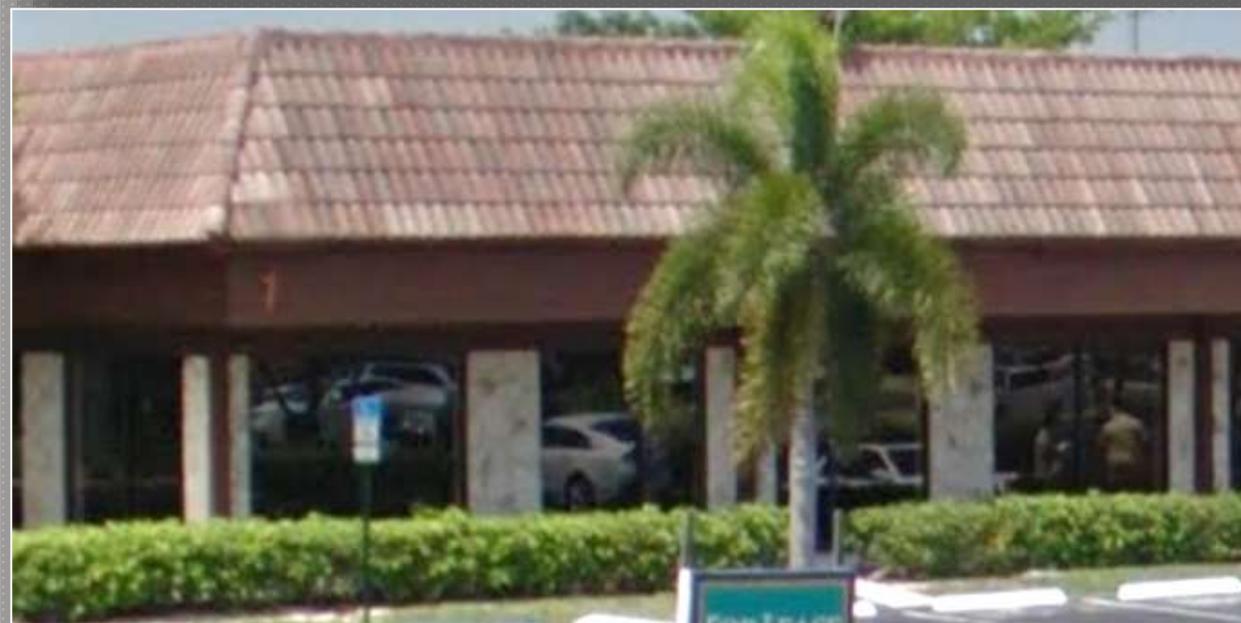
**Fancy Nancy's Consignment**  
1823 Sample Rd  
(Closed? Pic Apr.2015)



**Thrifty & Nifty  
Consignment Store**  
598 E. Atlantic Rd.



**Hanky Panky  
Consignment Store**  
2301 W. Sample  
(Closed? Pic May 2015)



**M&M Thrifty Consignment**  
200 S. Dixie



**J&M Thrift Store**  
721 S. Dixie Hwy East





# **Analysis of Municipal Standards**

# Definitions: Consignment Shop vs. Thrift Shops

City	Definition of Consignment Shop	Definition of Thrift Shop
Pompano Beach	Consignment Shop. A retail establishment primarily engaged in selling used household goods and merchandise (e.g., clothing, furniture, books, shoes, small appliances), where all such goods and merchandise are sold on consignment.	Thrift Store. A retail establishment primarily engaged in selling used household goods and merchandise (e.g., clothing, furniture, books, shoes, small appliances), where such goods and merchandise are not sold on consignment.
Dania Beach	Consignment store or shop. A business establishment in which secondhand merchandise is offered for sale; such merchandise is placed for sale with the business establishment by the owner of the item of merchandise and upon sale of the item the purchase price is divided between the business establishment owner and the owner of the item.	Charity or thrift shop. A shop in which the items sold (or given away to the needy) have been obtained through donations or gifts and where the donor receives no value upon the sale (or gift) of such merchandise to a thrift shop customer, and where the use is designed to sell donated merchandise at a price below reasonable market value, or where the revenue received from selling same is retained by a charitable or not-for-profit organization or institution.
Hallandale Beach	Consignment shop means an establishment wherein goods such as clothing, shoes and/or accessories for adults and/or children are sold by the operator of the shop, acting as the agent for the owner of such goods, in return for a percentage of the profits, or other consideration. Such goods may be comprised of used goods and/or new goods. As used within this definition, "used goods" shall be limited to wearing apparel and accessories to such apparel, which are clean and not stained, abraded or worn out in any area, and which (but for the sole fact that the item was previously owned) are generally merchantable as first quality merchandise.	None.
Hollywood	Consignment Store or Shop. A business establishment in which secondhand merchandise is offered for sale; such merchandise is placed for sale with the business establishment by the owner of the item of merchandise and upon sale of the item the purchase price is divided between the business establishment owner and the owner of the item.	Thrift Shop. A shop in which the items sold (or given away to the needy) have been obtained through donations or gifts and where the donor receives no value upon the sale (or gift) of such merchandise to a thrift shop customer, and where the use is designed to sell donated merchandise at a price below reasonable market value, or where the revenue received from selling same is retained by a charitable or not-for-profit organization or institution.

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<b>North Miami</b>	Consignment shop means an establishment wherein goods limited to clothing, shoes and/or accessories for adults and/or children are sold by the operator of the shop, acting as the agent for the owner of such goods, in return for a percentage of the profits, or other consideration. Such goods may be comprised of a combination of used goods and new goods, or of used goods only.	Thrift store or resale shop means an establishment wherein secondhand articles are sold, such as clothing, shoes, accessories, furniture and other assorted items, the value of which is only a fraction of the original cost, for which price guides are not available, and which normally have no collectible or antique value. This term shall not apply to businesses which sell primarily new goods, and which may occasionally sell secondhand articles as a result of trade-ins, or unclaimed merchandise.
<b>Parkland</b>	Consignment store means stores which sell non-donated items such as art work, used musical instruments, antiques, or a particular class of items that could be fairly characterized as vintage due to their association with a particular time in history or period of production or other luxury items whether new or used; provided that a pawn shop as defined in F.S. § 539.001 shall not be considered a consignment store.	None
<b>Plantation</b>	Resale boutique. A business engaged in the purchasing, selling, and consigning of qualified, previously owned or used merchandise which is not "second-hand goods" as defined in section 538.03, Florida Statutes (1991), as same may be amended, and which principally deals with buying and selling only one specific type or category of tangible personal property which is not identified as an item of extra value within the definition of "second-hand dealer" in section 14-91 of this Code, as amended, or which is subject to state certificate of title laws where the item is registered and a certificate of title is issued to identify ownership. A resale boutique shall not be defined to include the business of a "secondary dealer" as defined in section 4-91 of this Code of Ordinances, as same may be amended, or a "second-hand dealer" as defined in section 538.03, Florida Statutes (1991), as amended. As used within this definition, "qualified, previously owned or used merchandise" shall be limited to wearing apparel and accessories thereto, which are clean and not stained, abraded, torn, or worn out in any area, and which (but for the sole fact that the item was previously owned) are generally merchantable as "first quality" merchandise. Whenever in this chapter a use is defined sufficiently broad arguably to include the sale of previously owned items, such as "wearing apparel stores," but where the usual and customary connotation of such use would be for the sale of new and unused merchandise, then such use shall not be deemed to include the sale or consignment of previously owned or used merchandise.	Thrift shop. A shop wherein the items sold (or given away to the needy) have been obtained through donations or gifts and where the donor receives no value upon the sale (or gift) of such merchandise to a thrift shop customer, where the use is designed to sell donated merchandise at a price below reasonable market value, and where the revenue received from selling same is retained by a charitable, not-for-profit, or religious organization or institution. The term "resale boutique," as used in this chapter, shall not be deemed to include "thrift shops."
<b>Boynton Beach</b>	MERCHANDISE, USED (OTHER) - An establishment primarily engaged in the sale of used merchandise, such as a clothing or book store. "Merchandise used (other)" may also include any of the following types of establishments: (1) secondhand sales of personal items resold through a broker (consignment ); (2) loaning money on the security of pledges of personal property (pawnshop); or (3) merchandise principally donated (thrift store). This classification does not include the sale of secondhand motor vehicles or parts.	

# Additional Municipal Regulations for Thrift Shops

## **Hollywood, FL**

- Shall have a minimum floor area of 10,000 square feet;
- All goods donated for sale at the thrift shop must be accepted through the rear of the store;
- No more than 30% of the floor area shall be utilized for receiving, sorting and storage of donated goods;
- The sale of furniture is prohibited; and
- Only the sale of small tabletop electronics is permitted
- Shall post signs advising patrons that the merchandise/goods within the store are primarily pre-owned.

## **Dania Beach, FL**

- 2,500 foot separation from another such use, property line to property line

## **Boynton Beach, FL**

- 2,400 foot separation from another used merchandise store

## **Boca Raton, FL (consignment shops)**

- Required to post a \$10,000 surety bond

## **North Miami, FL (consignment shop)**

- 600 foot separation from another such use

# Additional Municipal Regulations for Thrift Shops

## **Rancho Cordova, CA**

- Enclosed Activities. All activities shall be completely enclosed within the building for the use.
- Collection/Receiving Area. The collection area shall be located on the side or rear of the building. Adequate directional signage shall be provided from the main entrance to the use to direct individuals to the collection area. The collection area shall be noticed to prohibit depositing goods when the store is closed.
- Property Maintenance. Management shall be responsible for the removal of litter from the subject property, adjacent property, and streets that results from the thrift store (with adjacent property owner consent).

## **Ventura, CA**

- The storefront windows shall be permanently maintained as displays of merchandise in a professional and attractive manner (i.e., unsightly clothing racks and displays shall not be placed adjacent to the windows).
- The subject property shall be maintained free of trash and debris at all times.
- A designated area inside the building shall be established for the receipt, sorting and processing of goods. Donated goods shall be accepted only during regular business hours. Donated goods shall not be left outside for any period of time. Loading and unloading must take place in a designated area.
- Outdoor storage or display of donated goods or merchandise shall not be permitted.
- Signage prohibiting dumping of merchandise during non-business hours shall be installed in conspicuous locations to the satisfaction of the director indicating penalties and fines for such activity. Signage should include daytime collection hours for donated goods. At the director's discretion, video cameras shall be installed to monitor all exterior areas abutting the store and recordings shall be made and retained for no less than 30 days to document illegal dumping. Exterior lighting shall be installed to illuminate collection points.
- Temporary outdoor storage bins may be used for a period not to exceed 48 consecutive hours on up to two separate occasions monthly, and shall not block access to required parking.
- Any donated goods or materials left outside of the store overnight shall be removed by 9:00 a.m. the next business day.



# **Outcome, Considerations, and Recommendations**

# Outcome

- Neither Parkland nor Hallandale Beach define “Thrift Store”.
- Boynton Beach groups thrift stores and consignment stores together into one term, “Other Used Merchandise”.
- Dania Beach and Hollywood use the same definition for Consignment Shop.
  - The definition includes the following components: the items sold are secondhand; and that the purchase price is divided between the business establishment owner and the owner of the item.
- Hallandale Beach and North Miami use the same definition for Consignment Shop.
  - The definition includes the following components: the goods sold include clothing, shoes and/or accessories; and the operator of the shop receives a percentage of the profit.
- Plantation has a use called “Resale Boutique”.
  - Though a bit convoluted, the intent of this use is for the resale of wearing apparel and accessories thereto. Therefore it is similar to the definition used by Hallandale Beach et al.
- Dania Beach, Hollywood and Plantation use a similar definition for Thrift Store.
  - The definition includes the following components: the items sold have been obtained through donations; the donor receives no value from the sale; the goods are sold below the market value; and the revenue is retained by a nonprofit.
- North Miami’s definition of Thrift Store includes the sale of used items including clothing, shoes, accessories, furniture and other assorted items. This definition does not require the goods to have been donated or the store to be operated by a nonprofit.
- There is local precedent to require separation between thrift shops.
- There is local and national precedent to require use-specific standards related to outdoor donations, indoor donations, space designated for sorting, illegal dumping, and overall appearance of thrift shops.

# Considerations

- The City's existing Consignment Shops and Thrift Shops have similar exterior appearances; they are indistinguishable except in name only.
- The City's regulations, which permit Consignment Shops in B-3, while requiring Thrift Shop to obtain Special Exception approval, are inadvertently encouraging business owners to apply as Consignment Shop even when they are operating a Thrift Shop.
- City Staff is unable to effectively determine when an applicant's request is a Consignment Shop versus a Thrift Shop.
- City's definitions should enable applicants, staff, and code enforcement officers to easily distinguish between the two uses.

# Recommendation: Consignment

- Rename Consignment Shop to Consignment Boutique
  - Similar to Hallandale Beach, Parkland and Plantation
- Revise definition to limit boutique to one type of merchandise. Examples include:
  - Clothing and related accessories
  - Maternity clothes
  - Children's apparel and furniture
  - Sporting equipment
  - Furniture and related accessories
- Specifically excludes sales of guns, appliances, mattresses, and motor vehicles
- In AOD, prohibit Consignment Boutiques from fronting on Atlantic Blvd.

## **E. CONSIGNMENT SHOP BOUTIQUE**

### **2. Definition**

A consignment shop boutique is a retail establishment primarily engaged in selling used household goods and merchandise (e.g., clothing, furniture, books, shoes, small appliances), where all such goods and merchandise are sold on consignment. This use does not include thrift shops or antique shops non-donated, second-hand luxury merchandise, and the merchandise is placed for sale with the establishment by the owner of the merchandise and upon sale of the merchandise the purchase price is divided between the establishment owner and the owner of the merchandise. The establishment shall be limited to one type of merchandise, including but not limited to, clothing and related accessories, children's apparel and furniture, sporting equipment, or furniture and related home furnishings. This use does not include the sale of guns, appliances, mattresses, or motor vehicles.

# Recommendation: Thrift

- Revise definition to clarify that use is for items bought on bulk or donated items, which are sold below reasonable market value
  - Definition also includes establishments that sell on consignment but are not a considered a Consignment Boutique, including:
    - Consignment Appliances or Mattresses
    - Consignment of more than one type of merchandise (furniture, books, clothing...)
  - Require a designated donation area and require that the area be located in the rear of the building
  - Require signage for the designated donation area, including no dumping signage
  - Clarify that donation left outside for 24-hours are considered illegal outdoor storage and is prohibited.
  - Remove limitation on minimum size in B-3.
    - The removal of the limitation reflects that this use now includes some consignment shops, which currently are permitted in B-3, but they do not meet the standard for Consignment Boutique.
- Continue to prohibit Thrift Shops in both AOD and DPOD

# Recommendation: Thrift

## M. THRIFT SHOP

### 2. Definition

A thrift shop is a retail establishment primarily engaged in selling used household goods and merchandise (e.g., clothing, furniture, books, shoes, small appliances), where such goods and merchandise are not sold on consignment merchandise which has been obtained through bulk-purchases, or through donations or gifts and where the donor receives no value upon the sale of such merchandise, and where the use is designed to sell donated merchandise at a price below reasonable market value. This use does not also include establishments which sell used merchandise on consignment shops or antique shops but which do not meet the definition of consignment boutique. This use does not include the sale of used guns or motor vehicles.

### 3. Standards

A thrift shop shall comply with the following standards:

- a. In the B-3 Zoning District, a thrift store shall be a minimum of 12,000 square feet of total gross floor area and operated by a single tenant.
- a. The thrift shop shall have a designated donation area which shall be located at the rear of the store.
- b. Donations shall only be accepted at the designated donation area.
- c. Adequate directional signage shall be provided from the main entrance of the thrift shop to direct individuals to the designated donation area. The donation area shall be noticed to prohibit depositing goods when the shop is closed.
- d. Donations left outside for more than 24 hours is considered outdoor storage and is strictly prohibited.
- e. In the B-3 Zoning District, a thrift store shall be operated by a single tenant.



# The Right Use in the Right Location: Thrift and Consignment Shops

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