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HALVERSON AND BLAISER GROUP LTD.

September 5, 2024

Jeff Houge
Wakota Commercial Advisors
287 E. 6th Street
St. Paul, MN 55101

RE: The Allen Building – St. Paul MN

Dear Mr. Houge:

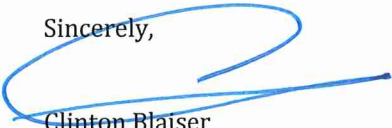
As a commercial and multi-family property owner in the Lowertown neighborhood and throughout the city of St. Paul, we are dedicated to supporting our neighbors and their continued viability.

The aftermath of the pandemic is still being felt in the country's Central Business Districts and periphery office markets. As an owner of office & residential properties throughout the metro area and downtown/Lowertown St Paul, we too feel the affects of the sluggish office market and empathize with others experiencing the financial stress.

Therefore, we support the Sellers and the prospective Buyer of the Allen Building, and their hopes of converting the property into a self-storage facility. Supporting this venture is twofold: Approving the variance provides relief to the current owners, who have continually invested money into their property to meet the demands of prospective tenants. It's a slippery slope when you continue to improve your property over several decades without realizing a return on your investment due to lack of tenancy. Secondly, approving the variance will keep this "corner" of Lowertown viable. Activity of any kind in a building keeps it healthy. Because all buildings in Lowertown are registered as historic, which prevents owners from changing the building's exterior, you'd never know by looking at the Allen Building if it was occupied by office tenants or self-storage units. The exterior wouldn't change, we'd simply see activity in the Allen Building, which is a very good thing for Lowertown. Additionally, offering it as storage to all residential buildings in Lowertown would fill a much-needed void that would give Lowertown residents options as well.

The Allen Building was originally built for dry-goods storage. Allowing the building to return to its original intent, after the building has been reinvented several times over the past several decades, will provide a much-needed storage option for residents and businesses throughout downtown and Lowertown today and into the future.

Sincerely,



Clinton Blaiser
President and CEO
Halverson and Blaiser Group Ltd
cblaiser@hbgld.net
612-865-9865

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September 4, 2024

Jeff Houge
Wakota Commercial Advisors
287 E. 6th Street
St. Paul, MN 55101

RE: The Allen Building – St. Paul MN

Dear Jeff Houge:

As an immediate neighbor to the Allen Building, we are familiar with the property, the Lowertown area, and the energy level in the Lowertown neighborhood. Because we own our building at 278 E. 7th Street E. (diagonally across Wall St from the Allen Building), we have an interest in the transformation of a neighboring property and how it may affect the surrounding neighborhood.

We are aware that the current owners of the Allen Building would like to sell to a Buyer who desires to convert the building to mini-storage/self-storage. While we currently do not have a need for additional storage space, we realize there are plenty of residents and businesses in the area who need a self-storage option nearby. The Allen Building seems to be a perfect fit.

The building already has a loading dock on the 6th Street side of the building, off-street loading/unloading (inside and outside the building), and is a perfect, periphery location for this type of use. From our perspective across the street, we wouldn't be able to ascertain if a person entering the building was to pick up items from a storage unit or if they're an employee of one of the businesses currently officing in the building.

Our biggest concern is that the building stays active and doesn't "go dark." Nothing good comes from a building that has little activity. Therefore, we support of Tom and Sandra Erickson's request for a variance from the current cap that only allows 15% of the building to be used for self-storage.

Sincerely,



Daniel and Andrea Repka
Repka Building Group, LLC
(651) 395-7421

August 29, 2024

Jeff Houge
Wakota Commercial Advisors
287 E. 6th Street
Suite 285
St. Paul, MN 55101

RE: Allen Building – St. Paul MN

Dear Jeff:

I've been involved with the ownership of commercial real estate in the Lowertown area since 2006. We've experienced several up and down markets over the past 18 years, but none like we've seen since the pandemic.

The abundance of vacant office space in the Twin Cities is staggering. Property owners are doing all that they can to entice businesses into their buildings. The offer of low rental rates and lease concessions haven't moved the needle. We are still experiencing an extremely difficult office market with no end in sight.

I am intimately familiar with the challenges building owners face when considering alternative uses for their office property. It's not only a matter of whether or not you can attract tenants with an alternate use, its whether or not the configuration of the building will allow for alternative uses. I know the Allen Building. I know they have forever gotten push-back from prospective tenants because the windows are so high off the ground. I know they have a middle core in their building that is windowless, making it virtually unleaseable. These challenges are moot if they are allowed to sell the building to a self-storage operator.

We run the risk of dark buildings all over the city if we don't allow office building owners to consider alternative uses for their buildings. I support the Erickson's and/or their prospective Buyer in their efforts to convert their half empty office building to self-storage.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. McCullough', with a long horizontal flourish extending to the right.

Robert D. McCullough
Past Owner, Current Lender
413 Wacouta – The Gilbert Building

David Eide

From: Barb Henry <barbwiredit@gmail.com>
Sent: Thursday, September 26, 2024 11:56 AM
To: *CI-StPaul_DSI-ZoningReview
Subject: Zoning for 287 6th Street

Dear David Eide,

I am writing to express my concerns regarding zoning for rental storage at 287 6th Street East (file 24-077286).

I am a longtime resident (owner) at 289 5th Street East (building across the street) and **strongly oppose** the zoning for 85 percent of the gross floor for rental storage.

Lowertown doesn't need more industrial storage ...

- (1) Goes against the city's commitment to get more residents in the community.
- (2) Currently have two very large storage facilities within a mile of this area.
- (3) Shame to have the historic Allen building used for material storage versus improving our community with new residential living.

My husband and I both vote NO to the applicant(s) request for changing zoning requirements.

Barb Henry and Mike Hickey
289 5th Street East, Condo 308,
St. Paul, MN 55101

David Eide

From: eeva savolainen <erksavolainen@gmail.com>
Sent: Wednesday, September 25, 2024 10:21 PM
To: *CI-StPaul_DSI-ZoningReview
Subject: File# 24-077286

To Whom It May Concern,

My husband and I have been condo owners at River Park Lofts since 2020 and strongly oppose the GB Realty's proposal to convert the 1st floor property on 287 6th St East to a storage facility. Lowertown -and all downtown area is losing so many businesses and especially now with Madison Equities going bankrupt the area is quickly declining because of empty office towers and less people to make this beautiful and fun area a great and safe place to live and work. We owners see that clearly as the units in our great building are not selling or are selling way below the value. We're happy to see more low-income housing being built around the city, but adding a storage of this size right in the same block where the troublesome Amoco gas station is will make this even more unsafe as it is now. We don't think that adding a storage space would benefit the existing and already suffering businesses at all. Instead, the developers should work on supporting and creating small/large businesses that would bring the Lowertown and Downtown area back to life and safety.

Respectfully,

Eeva Savolainen and Kari Sundstrom
406 Wacouta St Unit 220
St. Paul MN 55101

cell 651-261-0181

David Eide

From: Jack Smith <jack.quinsmit@gmail.com>
Sent: Monday, September 23, 2024 2:31 PM
To: *CI-StPaul_DSI-ZoningReview
Subject: Comments for Upcoming Hearing

Name: Jack Q Smith (he/him)
Address: 345 Cedar St Apt 702, St Paul MN 55101

Comment:

As a resident of downtown St Paul, I would like to join my voice with those of others who are interested in using the currently-vacant Allen building as a candidate for renovation into more residences. Recent discussions of downtown's state and ways to improve its economic output are centered around office and commercial development, but in my opinion the days of downtowns (both here and elsewhere) being places primarily for workday business are behind us. We must instead find creative ways to enrich and enliven the city center, and the way we do that is by bringing in more people. The clearest way to bring more people downtown is to open more of downtown for housing. Converting commercial leasing properties like the Allen building and others into apartments, condos, and townhomes, is the way forward. The city ought to incentivize this. The Allen building being used as a storage facility by an out-of-state corporate entity does not interest or excite me about the trajectory of downtown, and I would oppose it were I on the board. That all said, I understand if the conversion costs in the short term disincentivize this.

Additionally, any development that is commercial in downtown should provide a visible benefit at the street- (or skyway-, but absolutely more at street-) level. We need more storefronts. This is somewhat unrelated to the Allen building but redevelopment of building facades on streets such as 5th st, which are largely faced by bare concrete and brick walls, into spaces that allow for more street-facing businesses (such as the block of 5th between St Peter and Wabasha), will only be a benefit for creating a downtown that feels more socially alive, feels more safe, and is more economically productive. The city ought to encourage this kind of (re-)development, especially as so many downtown buildings are being marketed to new buyers currently. If the proposed buyers of the Allen building at least commit to some street-level retail space leasing, I would be supportive, even if a full residential conversion is not in the cards.

Finally--and this may be a comment for the city council instead of this board--but I would also be strongly in favor of programs penalizing extended vacancies for property owners. The governments of cities like Vancouver have implemented programs like this and they have had demonstrable impacts in reducing vacancies and increasing property revenues (and tax revenues by extension). Properties like the Allen building sitting fallow for months and years on end shouldn't be allowed to be used for paper losses for businesses when they just as well could be serving the local community and generating at least some level of taxable revenue, even if it's not at the margin the owner/investor would prefer.

To reiterate: downtown needs more housing first and foremost and the Allen building ought to be considered an opportunity to expand the housing pool. Downtown also needs more street-level storefronts for reasons both economic and social. Any and all paths taken to accomplish these aims are worthwhile in my book.

Jack Q Smith (he/him)

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Jack Q Smith (he/him/his)

David Eide

From: James Buscher <jimbuscher@hotmail.com>
Sent: Sunday, September 15, 2024 11:59 AM
To: *CI-StPaul_DSI-ZoningReview
Subject: 287 6th St East - Storage Use ENS

Hello,

I'm writing to you to pass on my opposition to the proposed storage use for the Allen Building, 287 6th St E. I strongly urge the board to reject this proposal by the applicant. At this time, more than ever, downtown needs to promote active uses for its buildings. A storage facility will not provide an active 24/7 use. Our city's highest density, largest tax generating neighborhood should be devoted to office space, housing, retail, museums, entertainment, hotels, the list goes on. Downtown needs those kinds of uses. We should not be in a rush to approve the first proposal to come along just because we are in a tough spot at the moment.

If St. Paul approves this use it will send a defeatist signal to investors, downtown, and the entire city as a whole.

I have lived in downtown for 17 years, 15 as a condo owner. If the board decides storage use is the best use for our most important neighborhood in our city, then so be it. I won't be leaving tomorrow. But I won't be staying much longer.

Sincerely,

James Buscher
78 10th St E, Unit 1905
St. Paul, MN 55101

David Eide

From: Alexander Voronov <voronov@umn.edu>
Sent: Friday, September 27, 2024 8:27 PM
To: *CI-StPaul_DSI-ZoningReview
Cc: CRC Office
Subject: Comments to BZA on file # 24-077286

Dear David,

I would very much appreciate it, if you could provide our comments below to the BZA before their Monday, September 30, meeting.

We own a condo in the Market House Building, which is our main and only home. Our building is just across 6th Street East from the 287 6th Street East building, whose owner has applied for conversion of 85% of the building into a storage facility.

We would like to express our strong opinion against the conversion. We would like Lowertown to develop in the direction of growing residential community and enhancing the quality of life. For this reason Downtown Alliance is expanding its urban development effort from the western part of Downtown Saint Paul to cover Lowertown, starting 2025. The City supports this expansion, as it desires to bring more RESIDENTS to Lowertown, not more BOXES. We do not want to live in an industrial zone here. If this happens, we will be looking into selling our condo and moving out.

Thank you,
Alexander & Svetlana Voronov

289 5th Street East, Unit 601
Saint Paul, MN 55101
(651) 245-9708

David Eide

From: Mike McAvoy <mmcavoy9@gmail.com>
Sent: Sunday, September 29, 2024 8:43 PM
To: *CI-StPaul_DSI-ZoningReview
Subject: Zoning Appeal for building at 287 6th Street East

Mr. David Edie,

I am writing in reference to File #077286, and its Public Hearing Notice owners in the Lowertown area recently received. It is dated 9/20/24, with a deadline to respond listed as 9/27/24. I, as some others, were out of town the past several days, further shortening our collective response times. Given this very short notice in soliciting public input, I am hopeful my response here will still make its way to the Board of Zoning Appeals before Monday's public hearing. If not, I ask that it be read into the record at that meeting.

But first, permit me to introduce myself. My wife and I are property owners in the Market House Condominiums located at 289 5th Street East. We have been owners here for seven years and have no plans to relocate. We are in the direct neighboring building to the south of the applicant's building. I am also the president of the Market House Condominium Association. I, along with other Board members, support the 59 individuals who own condos here. In the few days that were available to gather owner input, those contacted do not wish to have this variance request approved.

Speaking for the Market House Condominium Association, we are in strong opposition to this requested zoning variance.

Zoning is in place to maintain a balance between residential, commercial, industrial and agricultural. It is meant to prevent overlapping incompatible uses, like having a home next to a factory, or in this case, condo homes next to a storage facility. While approving such a variance request might be helpful for the property owner, it creates an imbalance in the favor of industrial use.

The City of St. Paul has been very transparent about their desire to draw more residents to the Lowertown/Downtown areas. Approving such a request is in direct opposition to the City's ambitions of attracting more to join the 10,500 downtown residents. Our Association would welcome a request to convert more of this building's space to residential zoning.

The mission of the heralded St. Paul Downtown Alliance is to create and maintain a vibrant, economically successful, safe and attractive downtown. It is set to expand into this very neighborhood in 2025. A variance approval would be in conflict with this mission and the Alliance's efforts.

I believe the building in question is also under the authority of St. Paul's Heritage Preservation Commission. I am hopeful they have provided input into the protection of this historic property.

If approved, the value of condominium properties in Lowertown may stagnate, if not even drop. Again the neighborhood would be shifting away from the City's ambition to draw more residents to this very area.

The exact corner under consideration is already a traffic nightmare. There are both freeway on and off ramps directly at this corner. One way traffic north on Broadway Street is already hazardous, as cars accelerate on a residential street when entering the on ramp. Cars exiting I-94 westbound onto 6th Street literally exit directly along side this building, often at too high a rate of speed. Accidents occur here regularly. Creating storage space here will increase car, truck, and pedestrian traffic trying to enter and exit the building, most probably during very extended "open" hours, seven days per week.

Street parking in this immediate area is competitive and extremely limited. Events at CHS Stadium, Farmer's Market, Mears Park, and Bullvino's Restaurant already escalate traffic and parking problems. The building appears to have very limited parking on their property. I am hopeful the BZA would define parking expectations for any considered variance.

I am not certain if there is any building tax advantage for the owners switching to more commercial or industrial space. If there is, that may advantage the owners yet shift the tax gap to other owners of the city.

Last, I am also uncertain of the history, and have not had time to research this topic, but I believe this building already has a city variance to maintain a large unsightly billboard on their roof top - the only one across St. Paul's landscape. I am certain it has a positive cash flow for the owners, at the expense of St. Paul's skyline. Achieving another variance for financial gain seems self serving and not in keeping with being civic minded and good neighbors.

Again, we urge the BZA and Department of Safety and Inspection to deny this request for a variance.

Sincerely,

Mike McAvoy, President
Market House Condominium Association

Mike McAvoy
289 5th Street East #605
St. Paul, MN 55101
218-290-2889