

ZONING COMMITTEE STAFF REPORT

FILE NAME: MacQueen Equipment

FILE #: 17-058-600

APPLICANT: East Seventh Street Building Company LLC

HEARING DATE: August 3, 2017

TYPE OF APPLICATION: Rezoning

LOCATION: 1125 7th St E, NW corner at Duluth Street

PIN & LEGAL DESCRIPTION: 282922420100; See file for legal description.

PLANNING DISTRICT: 4

EXISTING ZONING: IT

ZONING CODE REFERENCE: §61.801(b)

STAFF REPORT DATE: July 25, 2017

BY: Bill Dermody

DATE RECEIVED: July 11, 2017

60-DAY DEADLINE FOR ACTION: September 9, 2017

- A. **PURPOSE:** Rezone from IT transitional industrial to I1 light industrial.
- B. **PARCEL SIZE:** 5.8 acres
- C. **EXISTING LAND USE:** Large equipment vehicles sales, service, and repair
- D. **SURROUNDING LAND USE:** Railroad to the northwest (IT); mix of residential, commercial, and vacant properties to the south and east (IT, T2, T1, I1).
- E. **ZONING CODE CITATION:** §61.801(b) provides for changes to the zoning of property initiated by the property owner.
- F. **PARKING:** Rezoning to I1 would permit a range of uses with varying parking requirements. Conformance with parking requirements for any given use will be confirmed through review by the Department of Safety and Inspections.
- G. **HISTORY/DISCUSSION:** The site was rezoned from I1 light industrial to IR (now IT transitional industrial) as part of a larger zoning study focused on the Phalen Corridor in about 2004. The business prompting the rezoning opened in October 2016, in a newly constructed building, for its service, repair, and indoor sales functions.
- H. **DISTRICT COUNCIL RECOMMENDATION:** As of this writing, District 4 has not provided a recommendation.
- I. **FINDINGS:**
 1. The application requests approval to rezone from IT transitional industrial to I1 light industrial. The rezoning would allow for a range of uses, including the outdoor vehicle sales use desired by the applicant. Outdoor vehicle sales is not permitted in the IT district at this location.
 2. The proposed zoning is consistent with the way this area has developed. The subject site and others along Phalen Boulevard and the adjacent railroad have long been used for industrial uses.
 3. The proposed zoning is consistent with the Comprehensive Plan. The Comprehensive Plan in Figure LU-B Generalized 2030 Land Uses designates the site's future land use as Industrial. The Phalen Corridor Development Strategy and District 4 Plan Summary, both addenda to the Comp Plan, do not contain provisions that apply to this application.
 4. The proposed zoning is compatible with the adjacent railroad use and the surrounding mix of uses, including commercial and vacant industrial land.

5. Court rulings have determined that "spot zoning" is illegal in Minnesota. Minnesota courts have stated that this term "*applies to zoning changes, typically limited to small plots of land, which establish a use classification inconsistent with the surrounding uses and create an island of nonconforming use within a larger zoned property.*" The proposed I1 zoning does not constitute "spot zoning." The uses permitted in I1 are not inconsistent with the surrounding mix of uses, including railroad, commercial and vacant industrial.

J. **STAFF RECOMMENDATION:** Based on the above findings, staff recommends approval of the rezoning from IT transitional industrial to I1 light industrial.

EXHIBIT A

LEGAL DESCRIPTION

Parcel 1:

That part of Block 6, Terry's Addition to the City of St. Paul, County of Ramsey and State of Minnesota, according to the recorded plat thereof, and that part of the Northwest 1/4 of the Southeast 1/4 of Section 28, Township 29, Range 22 lying North of said Block 6 and South of right of way of Chicago, St. Paul, Minneapolis & Omaha Railway Company, described as follows:

Commencing on the North line of 7th Street 127.18 feet West of the West line of Frank Street in Terry's Addition to the City of Saint Paul; thence East along the North line of 7th Street 85.78 feet; thence North at right angles to the North line of 7th Street to the Southerly line of right of way of Chicago, St. Paul, Minneapolis & Omaha Railroad; thence Southwesterly along said last named line 90.53 feet, more or less; thence South on the line running at right angles to the North line of 7th Street to the point of beginning.

Abstract property

Parcel 2:

That portion of vacated Frank Street as evidenced by City of Saint Paul Resolution filed November 29, 2006 as Document No. 3993266.

Abstract property

Parcel 3:

That part of Blocks 5 and 6, Terry's Addition to the City of Saint Paul, County of Ramsey and State of Minnesota, according to the recorded plat thereof, and that part of the Northwest 1/4 of the Southeast 1/4 of Section 28, Township 29, Range 22 lying North of said Blocks 5 and 6 and South of right of way of Chicago, St. Paul, Minneapolis & Omaha Railway Company, described as follows:

Commencing on the North line of 7th Street, Block 6, of said Terry's Addition to the City of Saint Paul 41.4 feet West of the West line of Frank Street; thence East on the North line of 7th Street 280.28 feet; thence North at right angles 254.64 feet to the South line of the right of way of Chicago, St. Paul, Minneapolis & Omaha Railroad; thence Southwesterly along said railroad right of way 298.4 feet; thence South 154.1 feet to the point of beginning.

Abstract property

Parcel 4:

All that part of the Northwest 1/4 of the Southeast 1/4 of Section 28, Township 29, Range 22 bounded and described as follows:

Beginning at the point of intersection of the North line of 7th Street in the City of Saint Paul, County of Ramsey and State of Minnesota as the same is now located and established and Southeasterly right of way line of Chicago, St. Paul, Minneapolis & Omaha Railway Company; thence Northeasterly along said Southeasterly right of way line 110 feet; thence Southwesterly in a straight line 35 feet more or less to the point in the North line of said 7th Street which is 107.82 feet East, measured along said street line from its point of intersection with the Easterly line of Earl Street in said city; thence West on the North line of 7th Street 87 feet more or less to the point of beginning.

Abstract property

Parcel 5:

All that part of Blocks 5 and 6, Terry's Addition to the City of Saint Paul, County of Ramsey and State of Minnesota, according to the recorded plat thereof, and that part of the Northwest 1/4 of the Southeast 1/4 of Section 28, Township 29, Range 22 lying South of a line drawn parallel with and 8 feet distant North of center line of spur track of the said party of the first part as the same is constructed and operated over and across said premises.

Abstract property

Parcel 6:

Blocks 1 and 2, Wm. B. Dean's Addition to St. Paul, according to the recorded plat thereof, together with all of the vacated alley lying between said blocks.

Abstract property

Parcel 7:

That part of the Northwest Quarter of the Southeast Quarter of Section 28, Township 29 North, Range 22 West of the Fourth Principal Meridian, bounded and described as follows:

Commencing at a point on the North line of East Seventh Street, distant 56 feet Southeasterly, measured at right angles, from the center line of the most Northerly main tract of the St. Paul Stillwater and Taylors Falls Railroad Company (later the Chicago, St. Paul, Minneapolis and Omaha Railway Company, now the Chicago and Northwestern Transportation Company), as said main track center line was originally located and established across said Section 28; thence Northeasterly parallel with said original main tract center line a distance of 110 feet to the point of beginning of the parcel of land herein described; thence continuing Northeasterly parallel with said original main track center line a distance of 135 feet, more or less, to a point on the Northerly extension of the East line of Lot 8 in Block 7 of Terry's Addition to St. Paul; thence Northwesterly at right angles, to the last described course a distance of 15 feet, more or less, to a point distant 27 feet Southeasterly, measured at right angles, from the center line of the most Southerly main track of the Chicago and Northwestern Transportation Company (formerly the

Chicago, St. Paul, Minneapolis and Omaha Railway Company), as said main track is now located; thence Northeasterly parallel with said last described main track center line a distance of 500 feet, more or less, to a point distant 10 feet Southeasterly, measured radially from the center line of Chicago and Northwestern Transportation Company (formerly the Chicago, St. Paul, Minneapolis and Omaha Railway Company) spur track ICC No. 94, as said spur track is now located; thence Northeasterly parallel with said spur track center line a distance of 250 feet, more or less, to a point on the Northerly extension of the West line of Block 1 of William B. Dean's Addition to St. Paul; thence Southerly along said West line, extended, of Block 1, to a point distant 56 feet Southeasterly, measured radially, from said original (most Northerly) main track center line; thence Southwesterly parallel with said original main track center line a distance of 300 feet, more or less, to a point on a line drawn at right angles to the North line of said East Seventh Street to a point thereon distant 41.4 feet Westerly from its intersection with the West line of Frank Street; thence Southerly along said last described right angles line a distance of 10 feet, more or less, to a point distant 7.2 feet Southeasterly, measured at right angles, from the center line of Chicago and Northwestern Transportation Company (formerly the Chicago, St. Paul, Minneapolis and Omaha Railway Company) spur track ICC No. 89, as said spur track was located in 1928; thence Southwesterly along a straight line a distance of 90 feet, more or less, to a point distant 10.1 feet Southeasterly, measured radially, from said last described spur track center line, and which point is on a line drawn at right angles to the North line of said East Seventh Street (and distant 112.6 feet Northerly therefrom), at a point thereon distant 127.18 feet Westerly from its intersection with the West line of Frank Street; thence Southerly along said last described right angles line a distance of 112.6 feet to a point on the North line of said East Seventh Street; thence Westerly along said North line of East Seventh Street a distance of 370 feet, more or less, to a point distant 107.82 feet Easterly, measured along said North line, from its intersection with the East line of Earl Street; thence Northeasterly along a straight line a distance of 35 feet, more or less, to the point of beginning.

Abstract property

EXHIBIT B

SUPPORTING INFORMATION FOR REZONING APPLICATION OF EAST SEVENTH STREET BUILDING COMPANY, LLC

I. Background:

East Seventh Street Building Company, LLC (“East Seventh Company”), is the owner of 1125 7th Street East, St. Paul, MN 55106. It leases the property to MacQueen Equipment, Inc. (“MacQueen”). MacQueen is a dealer of new and used municipal and emergency equipment such as firefighting vehicles, street sweepers, snow removal equipment, and refuse vehicles. MacQueen has been licensed to sell motor vehicles by both Minnesota and St. Paul for many years.

MacQueen’s business was previously located at 595 Aldine Street in St. Paul. It had operated at that location since the 1960s. In 2016, the East Seventh Company purchased the 1125 7th Street East, St. Paul, MN property from the St. Paul Port Authority and constructed the present building. The East Seventh Company leased the property to MacQueen on a long term lease and in late 2016 MacQueen moved its operations to its current location at 1125 7th Street East. At the time the East Seventh Company acquired the property, it was vacant land in need of redevelopment. After providing details of the MacQueen operations and proposed uses, permits to construct and occupy the property were obtained from the St. Paul Zoning Office. The East Seventh Company then constructed its new building on that site at a cost of approximately \$7,000,000.

After MacQueen’s renewal of its Minnesota and St. Paul Motor Vehicle Dealer licenses for its new 1125 7th Street East address, it was ascertained that the industrial transitional zoning of 1125 7th Street East did not allow outdoor parking of vehicles for sale. The St. Paul Zoning Office indicated that the outdoor parking of vehicles for sale would require rezoning to Industrial 1.

In addition to the sale of new and used emergency and municipal vehicles, MacQueen’s operations at 1125 7th Street East include the service and repair of special use equipment which is attached to truck chassis and bodies. This service and repair business is conducted in indoor service bays. MacQueen does not engage in general motor vehicle repair.

II. Necessity for Rezoning:

As a dealer of new and used municipal and emergency equipment, MacQueen’s sales consist, in large part, of vehicles ordered from the manufacturer for specific municipal customers followed by the delivery of those vehicles to the customer. Sold vehicle inventory is generally kept at the premises for a short time pending delivery to the customer. MacQueen has inadequate

indoor space available for its inventory of new and used emergency and municipal vehicles, and it is expected to require outdoor parking of such vehicles.

III. Rezoning Factors Considered by Planning Staff:

A. Compatibility with Land Use and Zoning of Property Within General Area.

The subject property is bordered by railroad tracks to the north. To the west, the property is bordered by Industrial 2 zoned property. To the east, the property is bordered by Duluth Street. To the east of Duluth Street, the property is zoned Industrial 1, Traditional 1, and Traditional 2. Current uses of that property include auto repair, truck and trailer services, and a carpet store. The southern portion of this property is bordered by East 7th Street. To the south of East 7th Street, the property is zoned Industrial Transitional and Traditional 2. Current uses include a tire store.

The Petitioner's proposed use is the outdoor parking of vehicles for sale. MacQueen's business is a relatively low volume business selling expensive municipal equipment. The outdoor parking of MacQueen's inventory of street sweepers, firefighting vehicles, snow removal equipment, and refuse vehicles will not increase area traffic or noise and it will not result in any aesthetic concerns on the property. The inventory would be placed near the railroad tracks on the north side of the property. The property will remain a vibrant redevelopment compatible with zoning and uses in the surrounding area.

B. Suitability of the Property for the Uses Permitted Under the Existing Zoning Classification:

The current Industrial Transitional zoning classification does not permit the outdoor parking of motor vehicles that are for sale (Ordinance 65.706(e)). Only outdoor rentals of a limited number of vehicles within a 1/4 mile of University Avenue are permitted in Industrial Transitional zones. The requested rezoning to Industrial 1 would allow MacQueen to have part of its inventory of emergency and municipal equipment located on its outdoor parking area on the north side of its property near railroad tracks.

C. The Trend of Development in the Area.

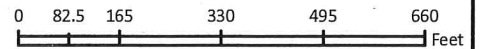
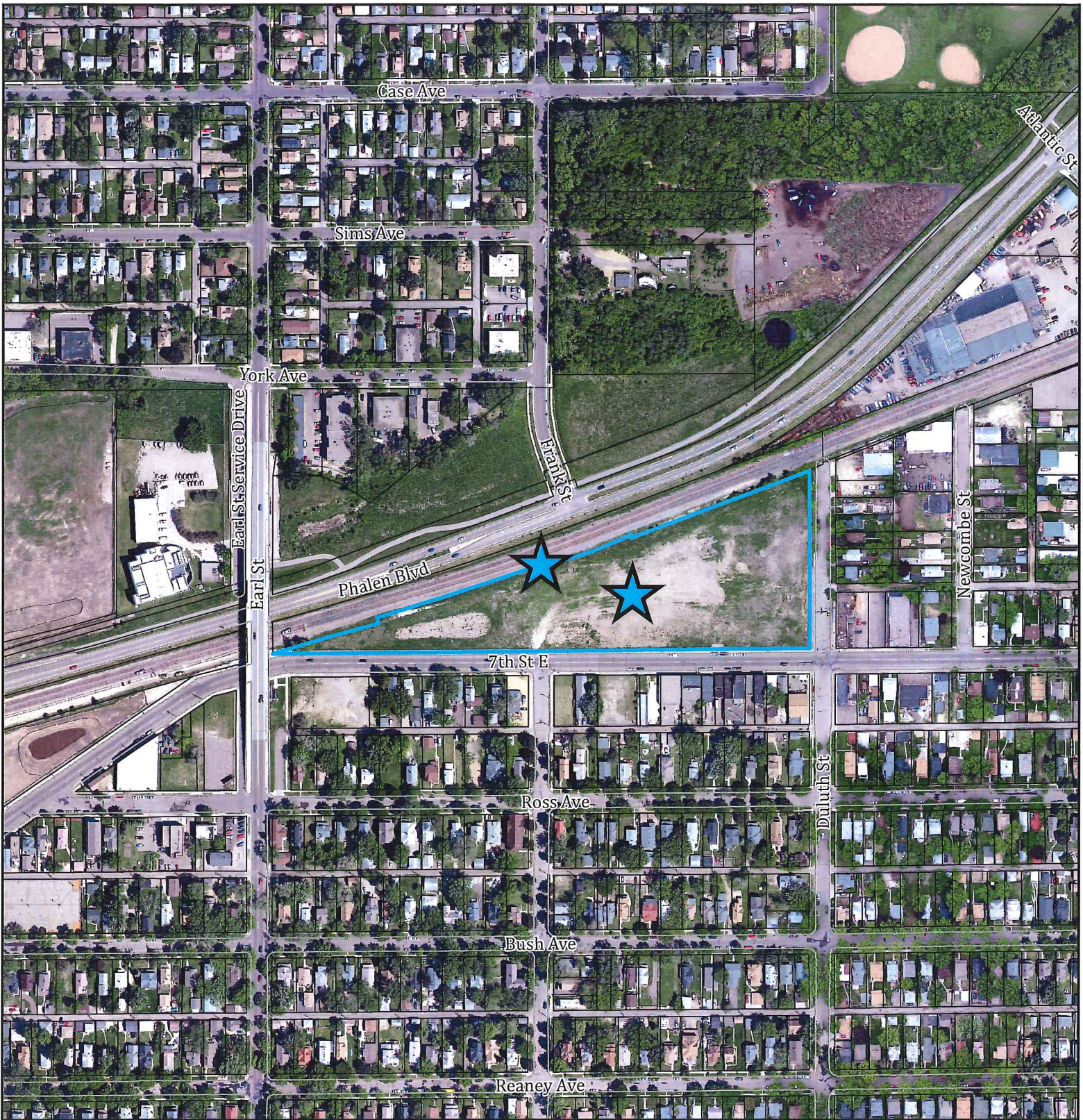
East Seventh Company's construction of the property in 2016 was a revitalization of a vacant lot that previously housed an industrial business manufacturing tar paper and asphalt shingles. MacQueen's sales and service of municipal and emergency equipment is consistent with existing uses and development in the area.

With property to the west currently zoned Industrial 2 and property to the east zoned, in part, Industrial 1, the rezoning of the subject property to Industrial 1 would not change the corridor of mixed use industrial properties along East 7th.

D. Consistency with Comprehensive Plan:

St. Paul's economic development strategy in its Comprehensive Plan recognizes that, "For a city to be sustainable economically, there must be wealth enhancement and job creation. . . . The City's role is to create a climate conducive to economic self-sufficiency by fostering economic development activities and attracting businesses to Saint Paul." *Page 6, St. Paul Comprehensive Plan.*

Redevelopment of areas surrounding railroad tracks under the Comprehensive Plan includes encouraging industrial business. The rezoning of the subject property to Industrial 1 is consistent with the Comprehensive Plan for industrial property bordering the railroad tracks in the Phalen corridor and will further the City's goal of fostering economic development. Appendix LU-A of the Comprehensive Plan is attached.



FILE NAME: East Seventh St. Building Co.

Aerial

APPLICATION TYPE: Rezone

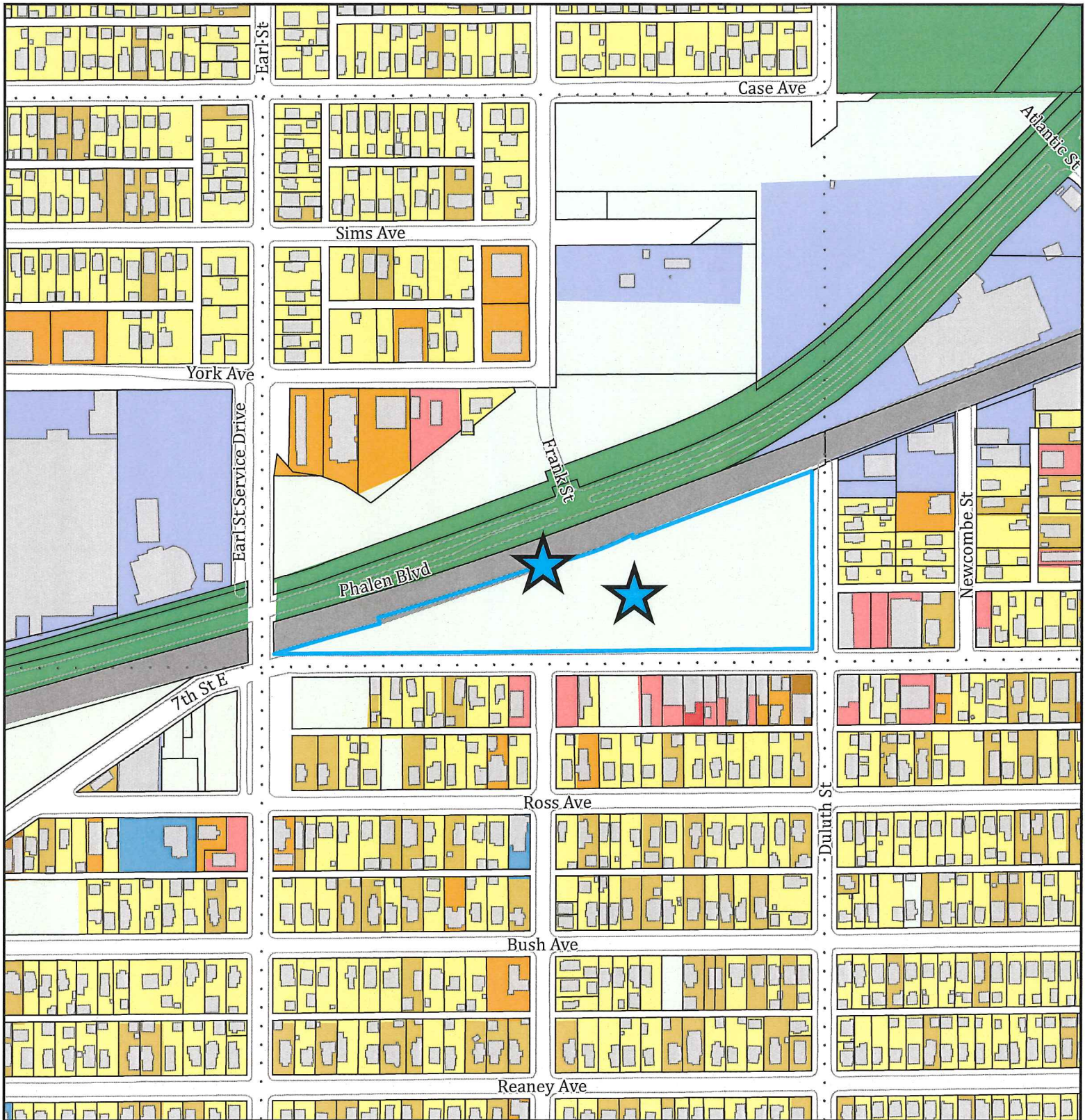
 Subject Parcels

FILE #: 17-058600 DATE: 7/11/2017

PLANNING DISTRICT: 4

ZONING PANEL: 11

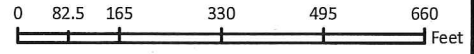


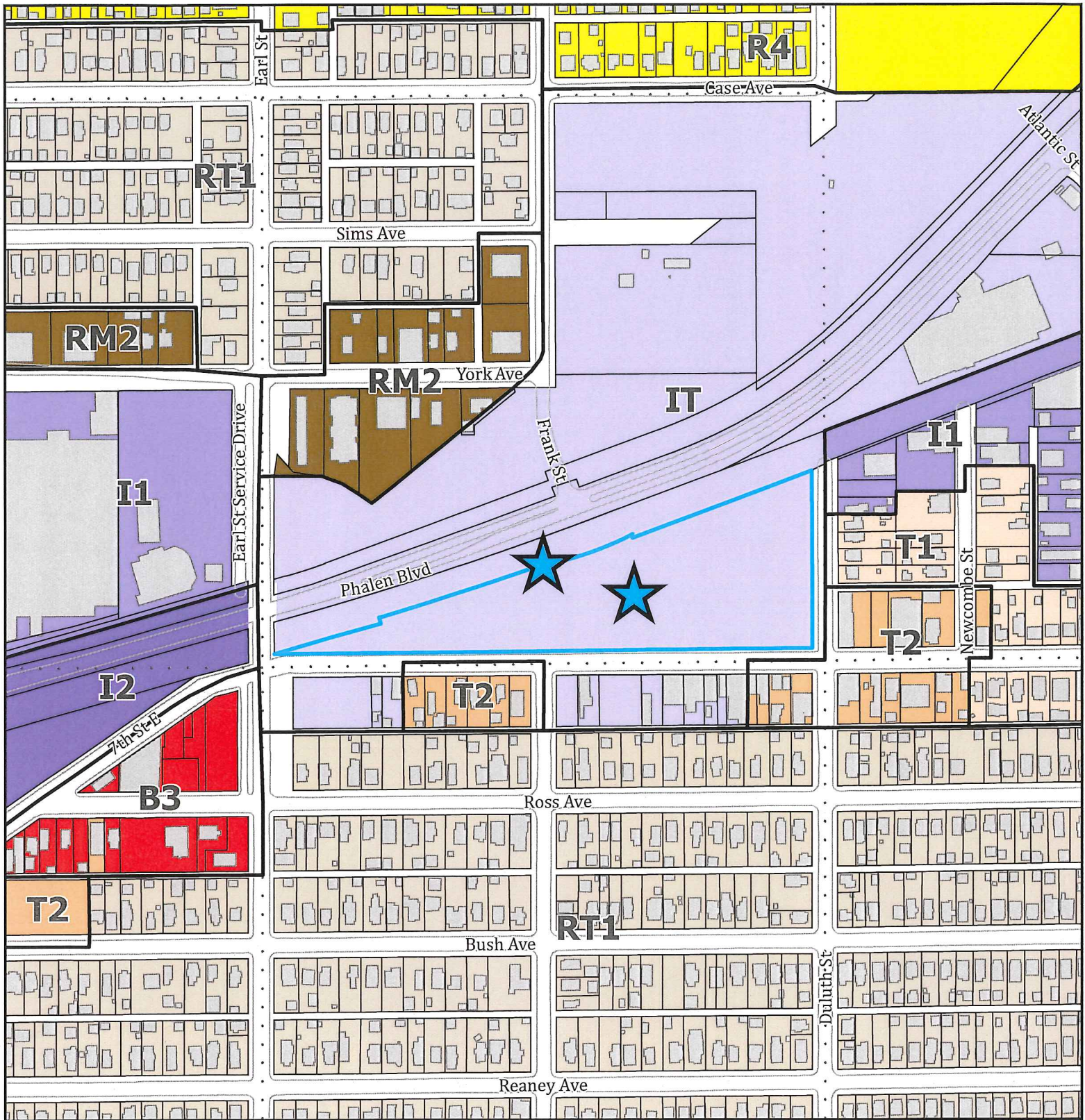


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Land Use

- Single Family Detached
- Single Family Attached
- Multifamily
- Retail and Other Commercial
- Mixed Use Residential
- Mixed Use Commercial and Other
- Industrial and Utility
- Institutional
- Park, Recreational or Preserve
- Railway
- Undeveloped
- Subject Parcels
- Section Lines





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APPLICATION TYPE: Rezone

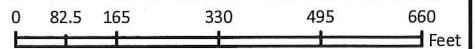
FILE #: 17-058600 DATE: 7/11/2017

PLANNING DISTRICT: 4

ZONING PANEL: 11

Zoning

- Subject Parcels
- Section Lines
- R4 One-Family
- RT1 Two-Family
- RM2 Multiple-Family
- T1 Traditional Neighborhood
- T2 Traditional Neighborhood
- B3 General Business



- IT Transitional Industrial
- I1 Light Industrial
- I2 General Industrial

