

October 2, 2018

Mitra Jalali Nelson, Ward 4 Council Member
310-D City Hall
15 Kellogg Blvd.
West Saint Paul, MN 55102

Re: West Marshall Avenue Zoning Study

Dear Councilmember Nelson:

I was disappointed and dismayed by the prospective revisions to the West Marshall Avenue Zoning Study that you assembled and that were posted on the city website on September 26, 2018. I trust their subsequent removal from the website indicates that they are under review and reconsideration. You have allies in affordability. I hope their views matter.

In this letter, I would like to detail some of the history and the thinking behind the consensus plan, endorsed by the District Council and already approved/recommended by the Planning Commission, and show you that it is indeed aligned with the goals of increased rental housing and (to the degree that any zoning plan can contribute) affordable housing. I think it is equally important to note that the plan supports other goals, as well, many of significant concern to the very people who live there, such as preserving “the scale and character of the neighborhood,” respect for history, walkability, connectivity, and availability of community services. I hope that it is informative and that you will find the time to read it fully, with all its many details about what went into discussions and decisions to date.

First, I should note that I have contributed to this process in good faith, striving towards collaboration, compromise and consensus. For example, I introduced the idea of service-oriented T1 zones (increasing density specifically at the two intersections of Prior and Fairview). Your proposal did not seem to offer anything that has not been fully considered earlier. It seems to have been developed behind closed doors, not in an open, accountable process, or in a collaborative democratic spirit. I find that quite disrespectful to me as a sincere problem-solving participant and Ward 4 resident. I hope that your future actions will exhibit more explicit respect and openness towards all stakeholders, and especially for community members who have invested significant and sincere effort at finding genuine solutions to some knotty problems.

I will address the plan in sections, each focusing on a particular issue.

Quantifying New Housing Opportunity

First, and perhaps most important, how much new housing opportunity is opened by the consensus plan? The quantitative analysis shows a ***three-to-four-fold increase*** over current levels along the corridor. That is a remarkable increase. It is hard to imagine that this is not regarded as a significant contribution to housing opportunity. In measuring potential increases, of course, it is important to use an appropriate benchmark for comparison. This should be ***current land use***—the number of units and density *actually* available now. Unfortunately, while the City Planner’s report included such maps and a summary (pie-chart), they were not used for direct comparisons when presenting the details of the plan. As a result, it is much harder to visualize the dramatic upzoning (from current land use). Making these map comparisons of “now” and “future” gives a much more honest view of new housing opportunity.

Moreover, in terms of absolute numbers, the consensus plan opens the way for density at 42 to 53.5 units per acre (depending on the average square footage per unit assumed). The city zoning guidelines for a Residential Corridor are 4-30 units/acre (medium density; *2030 Comprehensive City Plan Land Use* report, pages LU-9, LU-47, and echoed in the draft 2040 Comp Plan).^{*} The recommended consensus plan clearly meets (and exceeds) the standard provided by the City in its adopted public policy.

The consensus plan ***upzones almost every property along the corridor from current land use***. Single-family homes constitute over half (56%) of the current corridor land use, and a significant proportion of zoning limits. The consensus plan removes such limits. At the same time, the plan upzones in a sensible stepwise fashion, commensurate with preserving the overall scale (height and mass) and character of the neighborhood, reflecting a common general zoning principle to protect against adverse sudden change:

LU2.3 Ensure that new development fits within the character and scale of adjacent neighborhoods. (2016 Union Park District Plan)

Preserving Established Neighborhoods is also echoed in the existing and anticipated Comp Plans. Namely, the consensus plan envisions growth—evolving growth—that squarely meets existing quantitative and qualitative targets.

NOAH

Your campaign webpage on affordable, quality housing notes the importance of Naturally Occurring Affordable Housing (NOAH), so it is clear that you are already familiar with this concept. This notion was integral to the consensus plan. Namely, there are many large historic houses that contribute significantly to the character of the neighborhood (and its pleasant, walkable feel) but that are becoming increasingly difficult to maintain as a single residence. Important principles expressed in the 2016 Union Park District Plan, approved as formal policy by the City Council, are:

^{*}<https://www.stpaul.gov/DocumentCenter/View/7/web%20Land%20Use%202-18-10.pdf>

LU2.2. Encourage the continued use and rehabilitation of existing structures, districts, and landscapes to preserve the historic character of residential and commercial districts.

and

H2.2 Encourage rehabilitation of existing housing stock.

Accordingly, the goal was to foster the conversion and rehabilitation of these historic homes as duplexes (or triplexes) — a policy that is also environmentally responsible, by reducing the impact of new construction and use of virgin materials. By providing owners with the option of living in one part and renting another part, such houses become more affordable for those ready to own a home. Such rentals also tend to be much cheaper (more affordable) than new buildings, which strive to recoup their construction costs in the short-term through high rents. This NOAH-style reasoning led to rezoning *all* the single-family residences (RM3 and RM4) — from Cretin Avenue to Pierce Street — to RT1 and RT2 (townhouses, duplexes and triplexes). The result is also a significant increase in density and available *affordable* housing.

The draft 2040 City Comprehensive Plan profiles the “Missing Middle” — small-scale multi-family housing with a size and density between detached single-family homes and mid-rise apartment buildings (p. 108). The consensus plan supports that trend and anticipates prospective future goals — affordable housing across the spectrum of housing needs, as already expressed in the 2016 Union Park District Plan:

H1. Preserve Union Park’s pedestrian-scale neighborhoods, while promoting a range of housing types and affordability to meet the needs of people at different life stages with different housing needs.

Mixed-Use Corridor or Residential Corridor? | Walk Score®

West Marshall Avenue is an important transit corridor. Many people thus assume that it is a Mixed-Use Corridor, mixing business and residence and expected to accommodate high density. This characterization is incorrect according to the 2030 City Comp. Plan, which now governs city policy. West Marshall, west of Snelling Avenue, is a *Residential Corridor*. It accommodates only 2 lanes of traffic, not four. It is not spotted throughout with businesses. Rather, Snelling Avenue is a Mixed-Use Corridor. Selby Avenue, too, just two blocks to the south (between Fairview and Snelling Avenues) is Mixed-Use. The Selby corridor follows the historic route of the old trolley line, and continues eastward to Dale Avenue (2030 Comp. Plan, pages LU-3 and LU-4).

It is also worth noting that the draft 2040 Comp Plan removes the designation of Residential Corridor altogether, and dissolves this segment of West Marshall Avenue into a more expansive “Urban Neighborhood.”

A consequence of the history of Marshall Avenue and its designation as a Residential Corridor is that it does not fit the pattern of Mixed-Use Corridors so popular among a certain age demographic. There are no trendy bars or brew pubs. Or hip restaurants. Or grocery stores. West Marshall Avenue is not a “destination.” For example, the Walk Score® for Town & Country Apartments at 2214 Marshall Avenue is 50—on the

culp of being car-dependent. By contrast, closer to Snelling Avenue, at 1635 Marshall, the Walk Score® rises to 88 (not yet quite a “Walker’s Paradise”). This transitional block (between Pierce and Fry) is thus upzoned to RM1 in the consensus plan.

Housing for People or Profit?

As indicated in the City Planner’s report, an overwhelming view of residents was to limit building height to three stories, as part of preserving “the scale and character of the neighborhood,” as expressed in the 2016 Union Park District Plan:

LU2.3 Ensure that new development fits within the character and scale of adjacent neighborhoods.

Of course, this merely echoes the more overriding intent and purpose articulated in the General Provisions and Definitions of the city’s Zoning Code:

Sec. 60.103.(i). To encourage a compatible mix of land uses, at densities that support transit, that reflect the scale, character and urban design of Saint Paul’s existing traditional neighborhoods

Ironically, your amendments acknowledge this principle, while proposing to allow 5-story structures at three locations along the corridor. It is no secret that these properties are all owned by the same person. The owner made a similar last-minute proposal at the final public hearing on the West Marshall Avenue Zoning Study before the Planning Commission. In the consensus plan, approved by the Union Park District Council, two of his three properties were upzoned from B2 to T2 (3-story), along with adjacent properties. It is telling that the Owner—who had not participated in any earlier public forum—then requested these changes for *his* properties only. It was hardly a vision of what was appropriate for the whole block or the neighborhood, or for renters in general. Ironically, then, while appealing to the benefit for renters, he did not encourage other such future developments elsewhere that might compete with his. On that occasion, the request for T3 (5-story) zoning was routinely honored by city staff. However, the subsequent report reflected its awkward status. It could only justify T3 at these locations by appealing to the 2040 Comprehensive Plan — not yet approved and not yet a legal basis for policy. The Planning Commission agreed and explicitly amended the plan to reject these last-minute changes, returned the proposed T3 zones back to T2, and approved the consensus plan. City planning allows for long-term accommodation, and it is unfair, in a sense, to telescope development planned for 2030 to 2040 into the previous decade. Zoning plans extend well into the future for a reason. Now, it seems pretty clear that the Owner has contacted you, away from unwanted public view and accountability. He certainly did not testify publically to oppose the consensus plan before the City Council. All this tends to reflect a motive for personal profit, not a community-minded spirit of meeting the housing needs of other people. This example illustrates a generality: developers seem motivated by profit, not people. Accordingly, their arguments should be viewed skeptically, in context.

For those of us interested in promoting affordability, the designation of T2 is especially important. It may well be at some point in the future that a larger building may seem appropriate. However, changing the zoning from T2 to T3 will require a variance. It is precisely through the process of applying for a variance that the community and city

have leverage to demand that affordable units be included in any approved project. Without the need for the variance, the developer is free to continue the recent trend of costly rentals for new properties. Thus, the consensus plan limits its zoning to T2 (3 stories), to promote affordability in the future.

Affordability and Availability

Simple logic about supply and demand would seem to suggest that the easiest way to decrease rental costs is to increase the rental supply. However, as you acknowledge on your campaign website, the economics are not that simple. The academic studies that I have been able to find are highly critical of this notion. ** As someone trained as a scientist and philosopher of science, and as a science educator, I fret about the disregard for evidence about climate change and vaccinations. So I feel that here, too, public policy should be evidence-based. I think that everyone who worked on the consensus plan supports affordable housing. The question is how. Evidence indicates that zoning higher densities does not work. If other relevant studies indicate otherwise, they should be presented for everyone to assess. We want our efforts to be effective, and not to fail or come back to haunt us with unintended consequences.

There is a simple reason, I think, why one opening the way to new development does not lead to lower rents. Developers (like the Owner profiled above) are interested in profit. They do not volunteer to provide housing at affordable rates or less than what the market will bear. If they do not see the opportunity for profit, they simply do not build. Supply never reaches saturation. So there is never excess to drive down rents. No one is out there to undercut the big developers. It takes a lot of capital to invest in real estate.

Developers seem ready in the current economic climate to invest in large 5-story buildings (with small units). But several projects in our area tell the story. The project at Marshall and Moore will be offering 4-bedroom, 1,000-square-foot apartments for \$3,600. Hardly affordable to the ordinary worker who now faces housing challenges. Nor are these manageable for small families, immigrants, or seniors (the largest growing demographic with housing needs). Another 5-story project underway proudly parades its allowance for affordability: 3 units out of 151. An uninspiring two per cent. No, these are not solutions to the very real problem of affordable housing. As noted earlier, these are projects for profit, not people.

**Elliott Anne Rigsby (2016), "In the Short Run, Density Alone Won't Solve Affordable Housing Crisis," The Century Foundation. <https://tcf.org/content/commentary/short-run-density-alone-wont-solve-affordable-housing-crisis/>

Meaghan Dalton (2017), "Density and Housing Affordability" [working paper], Dalhousie University. http://theoryandpractice.planning.dal.ca/_pdf/multiple_plans/mdalton_2017.pdf

California Planning Roundtable, California Department of Housing & Community Development (2002). *Myths and Facts About Affordable & High Density Housing*. <http://www.hcd.ca.gov/community-development/community-acceptance/index/docs/mythsnfacts.pdf>

Respecting Historic Properties

Another feature of the consensus plan is respecting buildings of historic character and significance — rehabilitating them and thereby increasing housing density, as stated in the 2016 Union Park District Plan:

HP1. Integrate historic significance into Union Park’s housing, environmental, land use, and economic development decision-making processes, supporting preservation over demolition.

The consensus plan rejects the simplistic notions of “swath-zoning” and of treating all properties as if they are alike. Allan Torstenson, a veteran staff member of the City Planning Office, analyzed the properties from Wilder to Wheeler with a fine-toothed comb, property by property, to ascertain which had been designated in a 1987 historic resources survey, and which already housed higher-density apartment buildings. The historic properties he designated as RT1, suitable for NOAH. Others were designated as RM1 multi-family apartment buildings, while still others were designated as RT2 (three-plex or four-plex). This accounts for the apparent patchwork quality of the zoning in this section of the West Marshall Avenue corridor. It was not arbitrary. It reflects mindful selection to respect history while also enhancing housing opportunities.

Student Housing

Providing housing for students is important. But students tend to pay more for housing than others. They drive up rents for everyone else, decreasing affordability for all.

The Merriam Park neighborhood currently houses over 2,100 students off-campus — roughly twenty per cent of the University of St. Thomas enrollment (see attached map). The University has continued to increase profitable enrollment, while taking no responsibility for housing more students, unilaterally placing ever more financial and livability burden on neighbors. While accommodating students at low densities is unproblematic, high densities threaten the tax-base. In response to concerns about growth in student housing, the city established a Student Overlay District (City Ordinance 12-34) (see attached figure). However, this ordinance covers only rentals in single-family structures, not multi-family buildings. A key measure of neighborhood health and stability is the percentage of homesteaded properties. As noted in a UST report, “an increase to over 30% non-homesteads would generally be considered a ‘tipping point’ for a single family residential neighborhood that could lead to disinvestments and decline.” The 2011 study, sponsored by UST and the West Summit Neighborhood Advisory Committee (WSNAC), found that “non-homestead properties grew from 10.6% of the total residential parcels in this area in 2002 to 21.4% in 2009.” Moreover, in a focus area (see map), “during the same period, non-homestead parcels grew from 23.9% of the total residential parcels within these focus areas in 2002 to 40.5% in 2009”:

Year	Total Residences	Non-Homestead	%
2002	666	159	23.9%
2009	659	267	40.5%

That is, the neighborhood areas that straddle Marshall Avenue passed the acknowledged tipping point roughly a decade ago. Neighbors see this, for example, in the decreased density of families with young children and the decreased availability of overnight parking. For this reason, the consensus plan aimed to avoid large four- and five-story buildings, which developers find profitable as dormitory-style apartments. Instead, the plan fosters smaller scale buildings (limited to 3 stories) that tend to provide apartment styles more attractive to working individuals and small families. The effort to regulate excess student housing is to forestall further decline in Merriam Park, as already observed in the neighborhoods adjacent to the University of Minnesota in Minneapolis.

Mix of Housing Types

Merriam Park is especially proud of its mosaic of housing types and diverse residents. The 2016 Union Park District Plan expresses this clearly:

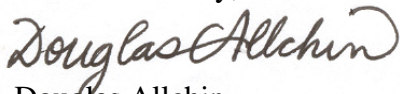
H1. Preserve Union Park's pedestrian-scale neighborhoods, while promoting a range of housing types and affordability to meet the needs of people at different life stages with different housing needs.

The City's draft 2040 Comprehensive Plan underscores this diversity through the whole neighborhood (visualized by the "speckled" appearance on the map of housing types on page 116). One finds much more heterogeneity of housing types and densities here than one finds in other nearby neighborhoods, such as MacGroveland, Midway-Hamline, Como or Highland Park. Indeed, this diversity was established well before the current zoning codes were instituted back in 1975. The consensus plan embraces the spirit of diversity by mixing and integrating— not segregating—different housing types (from single-family to multi-family apartments) all along West Marshall Avenue, as it does in the surrounding neighborhood.

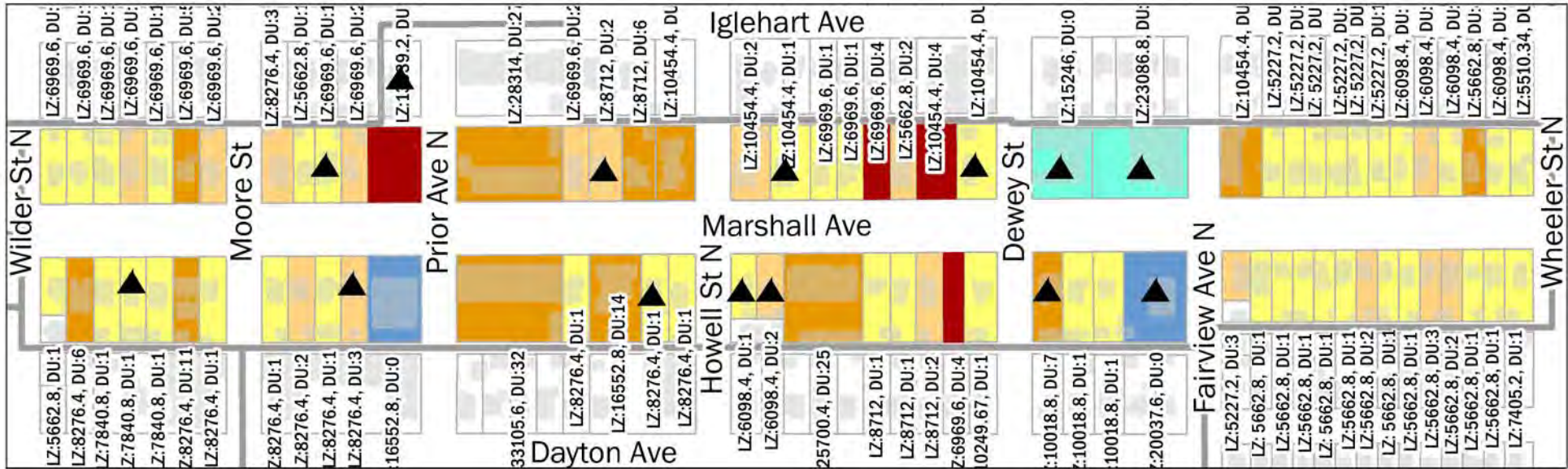
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I hope that this comprehensive review of the thinking and implicit justification behind the consensus plan is informative. It shows, I hope, that the input was complex, balanced and based on evidence and a spectrum of considerations, and that the plan was consistently aligned with the 2016 Union Park District Plan and the City's 2030 Comprehensive Plan (with an eye to the draft 2040 plan) as the relevant policy benchmarks. Most important, perhaps, it provides for an impressive three- to four-fold increase in density from current land use. It promotes Naturally Occurring Affordable Housing. It promotes expanded housing, while discouraging *unaffordable* development-for-profit. For all these reasons, I think, the plan represents a strong consensus, and was accordingly endorsed by the District Council and approved by the Planning Commission. And because you have promoted these very goals, it would seem natural that you would support it, too.

Yours most truly,

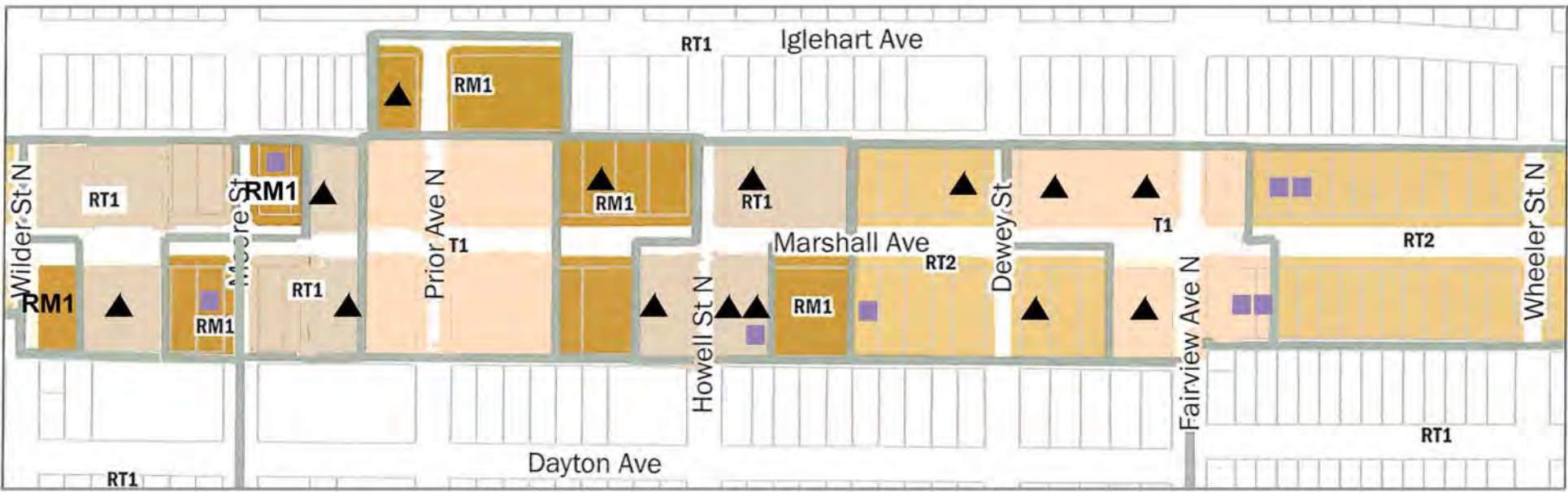


Douglas Allchin



Existing Land Use

▲ Merriam Park Historic Resource Survey



UPDC Proposed Zoning After Changes



▲ Merriam Park Historic Resources Inventory

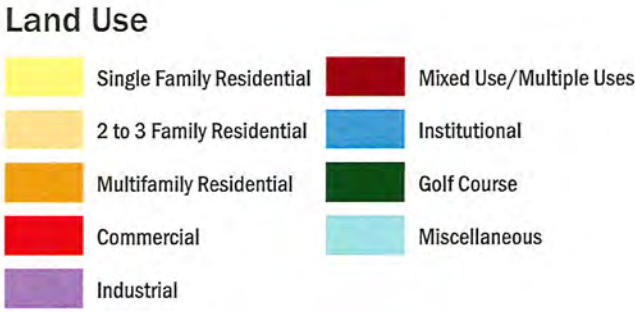
■ Registered Student Housing Rental

Marshall Avenue: Wilder to Wheeler



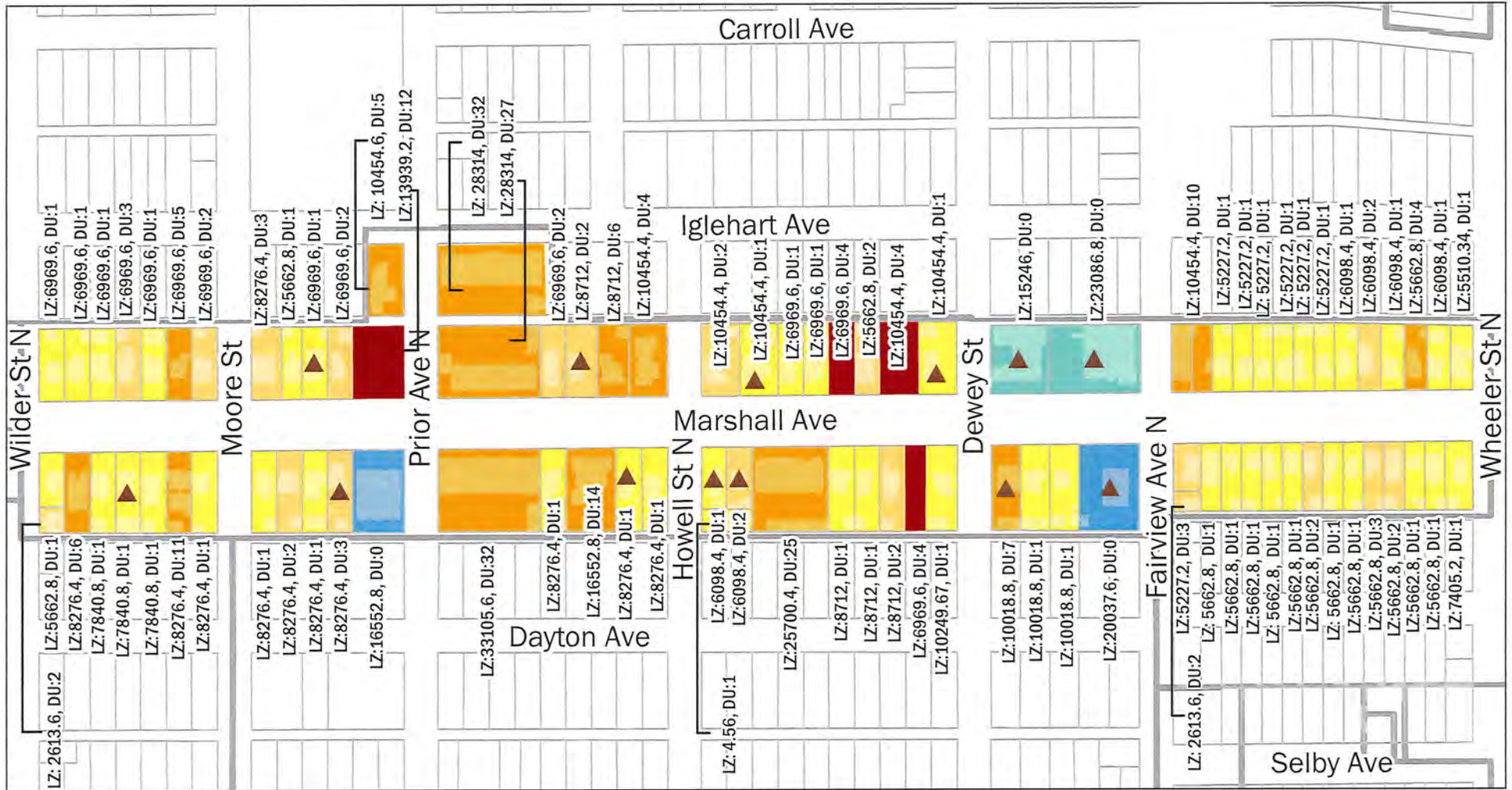




 Zoning District Boundaries DU: Dwelling Unit
 Parcel Boundaries LZ: Lot Size (in square feet)



Marshall Avenue: River to Wilder - Existing Land Use Map 1





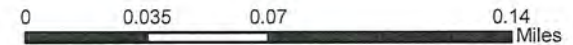
 Zoning District Boundaries DU: Dwelling Unit
 Parcel Boundaries LZ: Lot Size (in square feet)

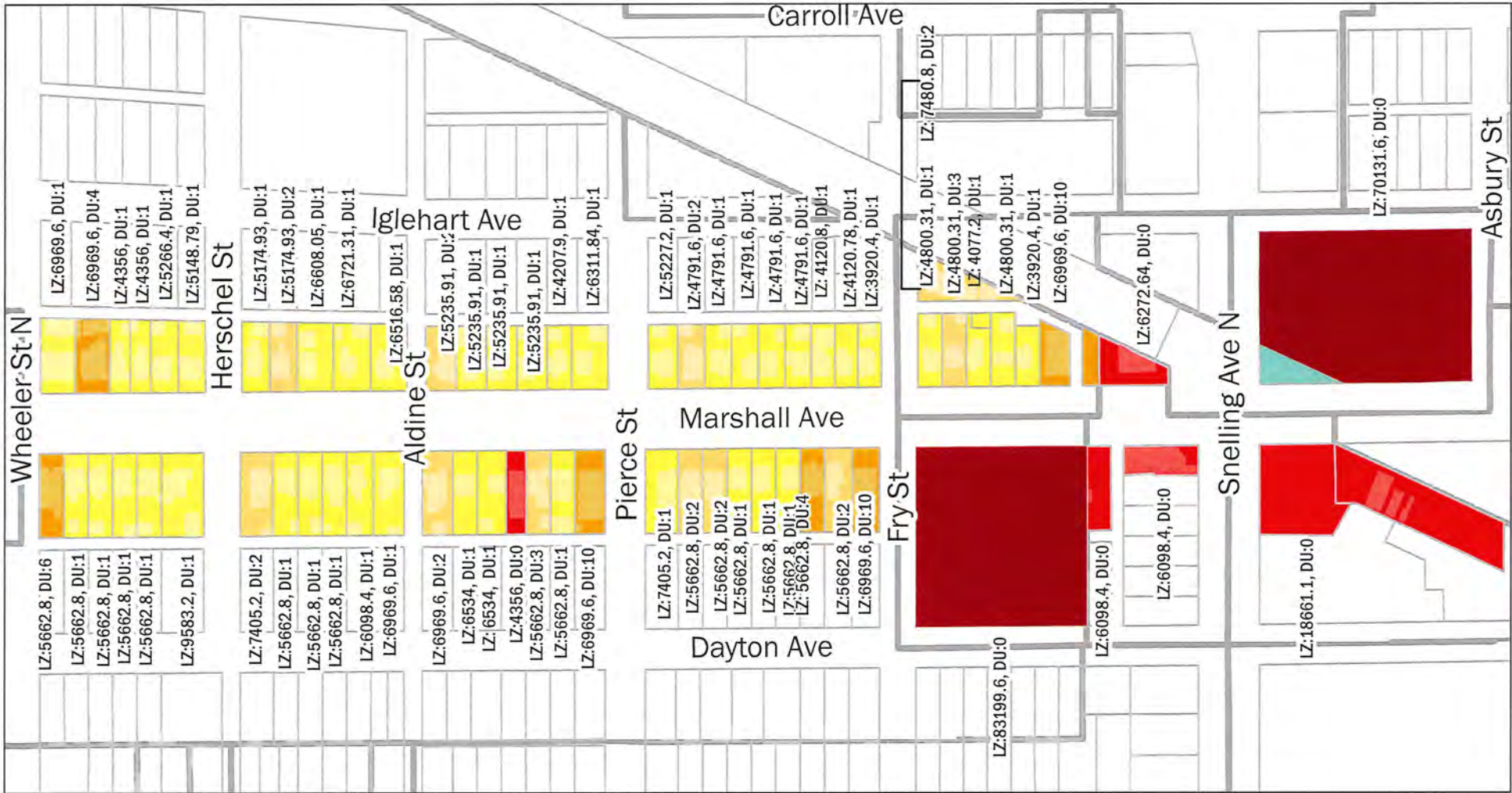
Land Use



-  Previous Merriam Park Historic Resource Inventories
-  Industrial
-  Single Family Residential
-  Mixed Use/Multiple Uses
-  2 to 3 Family Residential
-  Institutional
-  Multifamily Residential
-  Golf Course
-  Commercial
-  Miscellaneous



Marshall Avenue: Wilder to Wheeler - Existing Land Use MAP 2





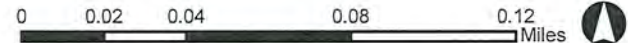
 Zoning District Boundaries DU: Dwelling Unit
 Parcel Boundaries LZ: Lot Size (in square feet)

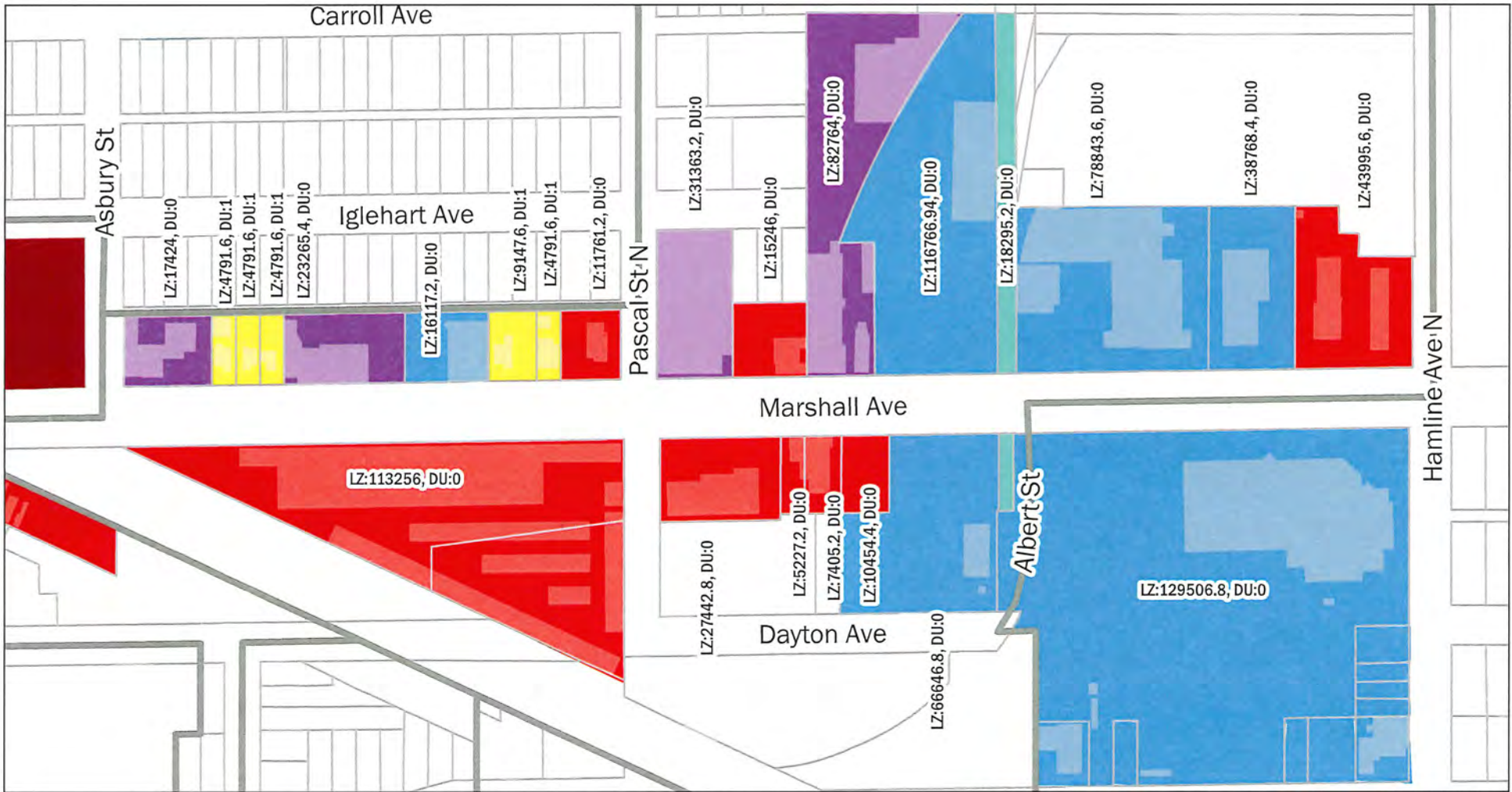




Marshall Avenue: Wheeler to Asbury - Existing Land Use MAP 3

Land Use

-  Single Family Residential
-  Mixed Use/Multiple Uses
-  2 to 3 Family Residential
-  Institutional
-  Multifamily Residential
-  Golf Course
-  Commercial
-  Miscellaneous
-  Industrial





 Zoning District Boundaries DU: Dwelling Unit
 Parcel Boundaries LZ: Lot Size (in square feet)

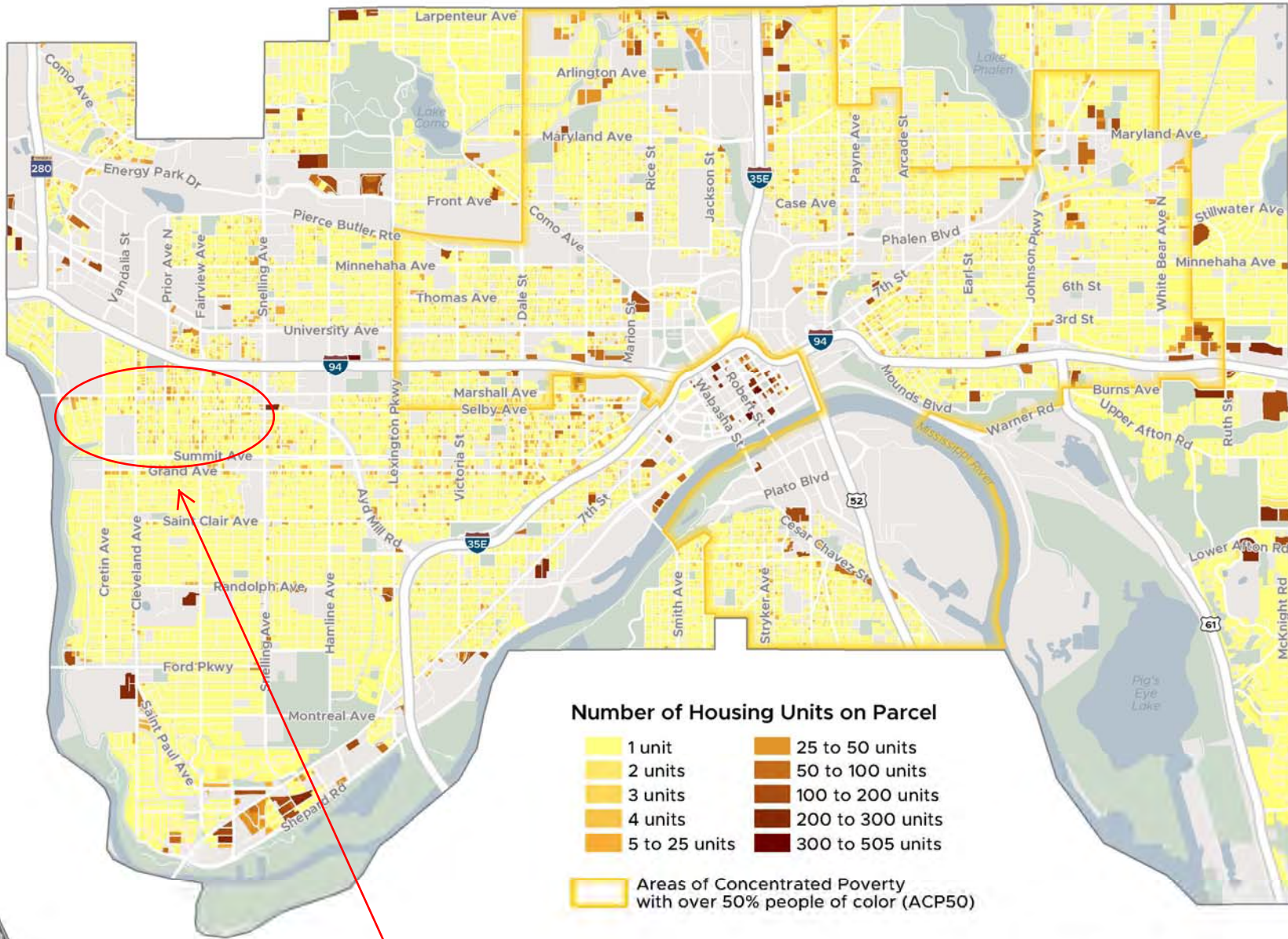
Land Use

- | | |
|---|---|
|  Single Family Residential |  Mixed Use/Multiple Uses |
|  2 to 3 Family Residential |  Institutional |
|  Multifamily Residential |  Golf Course |
|  Commercial |  Miscellaneous |
|  Industrial | |



Marshall Avenue: Asbury to Hamline - Existing Land Use Map 4





rich diversity of housing types in Merriam Park



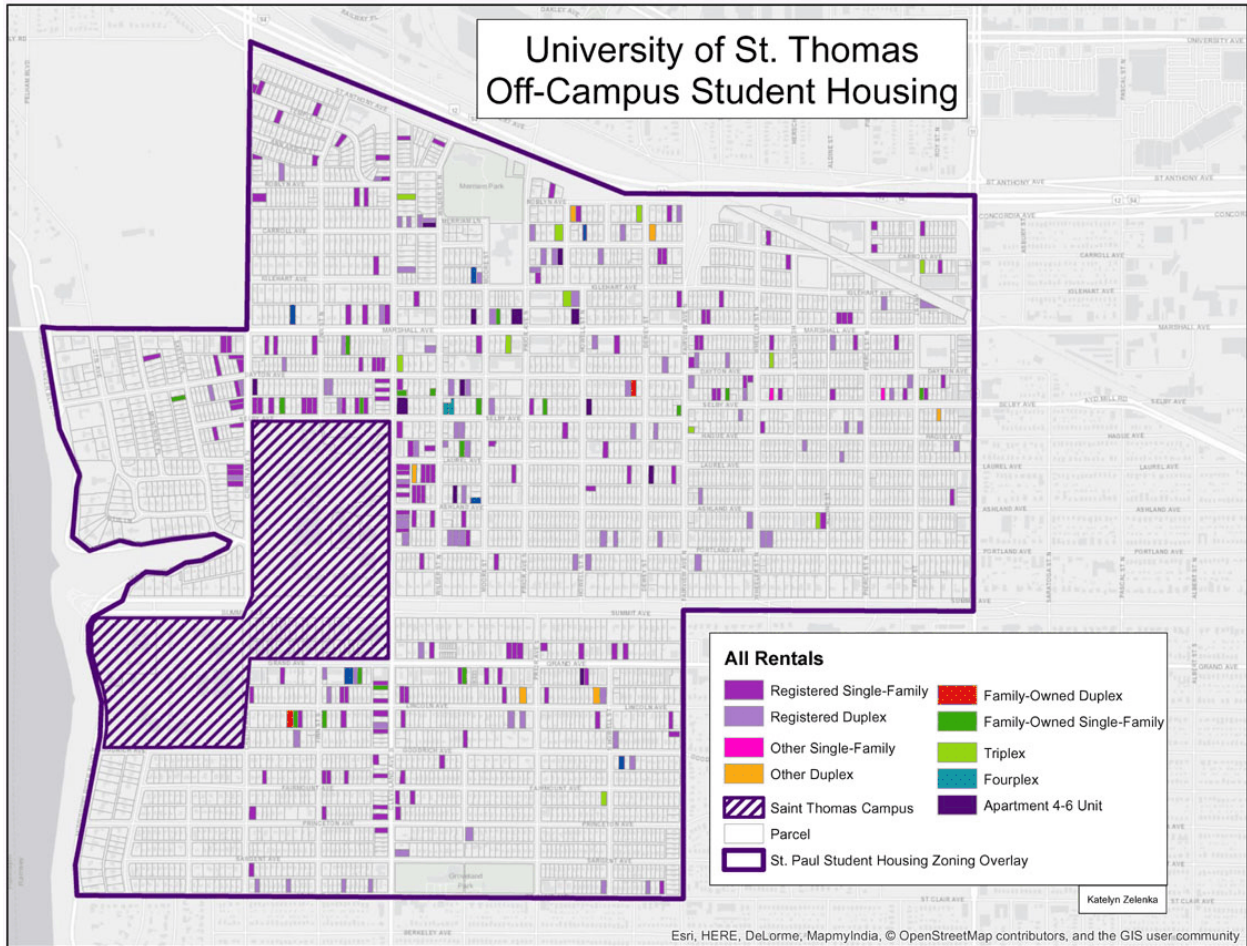


Figure 1. Student housing in the Overlay District (updated April, 2018).

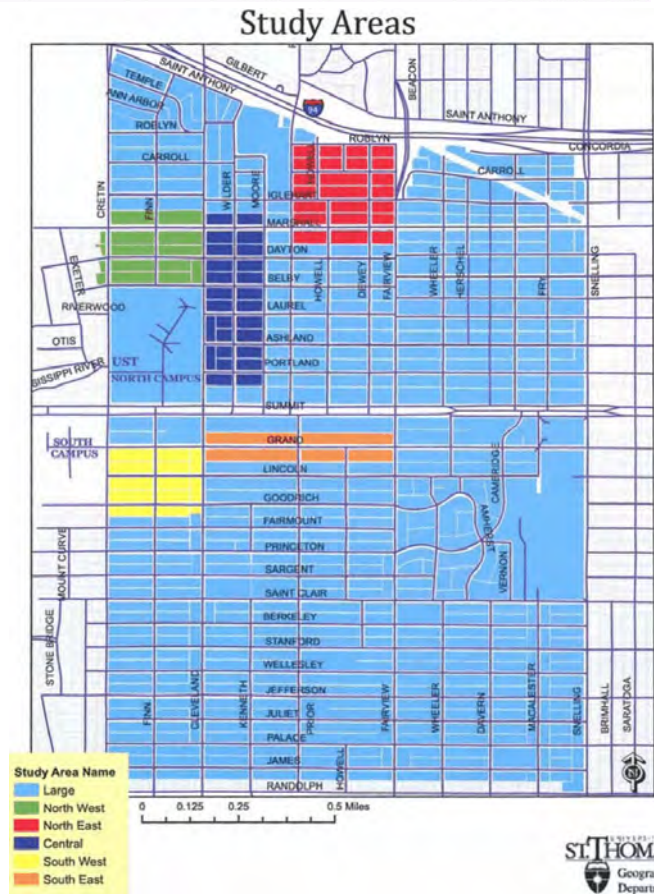


Figure 2. Areas where non-homesteading percentages exceeding the “tipping point,” as documented in 2011 study.