

ZONING COMMITTEE STAFF REPORT

FILE NAME: 10 River Park Plaza Rezoning

FILE #: 24-078-480

APPLICANT: St Paul Property Group, LLC

HEARING DATE: February 13, 2025

TYPE OF APPLICATION: Rezoning

LOCATION: NE corner of Fillmore Avenue East and River Park Plaza

PIN & LEGAL DESCRIPTION: 05-28-22-23-0031 and 05-28-22-23-0032; Lots 4 and 5, Block 2, River Park Plaza

PLANNING DISTRICT: 3

PRESENT ZONING: T3M

ZONING CODE REFERENCE: § 61.801(b)

STAFF REPORT DATE: February 5, 2025

BY: Chris Hong

DATE RECEIVED: September 12, 2024

60 DAY DEADLINE FOR ACTION: March 31, 2025

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- A. **PURPOSE:** Rezone from T3M traditional neighborhood with master plan to ITM transitional industrial with master plan.
- B. **PARCEL SIZE:** 2.9 acres
- C. **EXISTING LAND USE:** Surface parking lot
- D. **SURROUNDING LAND USE:**
North: Pier Foundry (I2), Mississippi River
East: Industrial uses (ITM)
South: Industrial uses (ITM), multitenant industrial/commercial buildings (ITM)
West: Surface parking (T3M), Comcast office building (T3M)
- E. **ZONING CODE CITATION:** § 61.801(b) provides for changes to the zoning of property initiated by the property owner.
- F. **HISTORY/DISCUSSION:** The north parcel has historically been undeveloped or a surface parking lot. There was once a café/restaurant on the south parcel but has since been converted into a continuation of the parking lot on Lot 4. The date is unknown but aerial photos show the change as early as 2006.

In 2006, JLT Group, Inc. applied to rezone 15 parcels including the two subject parcels from TN3, I1, and I2 to B5 with the intention of developing a “mixed-use urban village”. The application was denied.

The West Side Flats Master Plan and Development Guidelines (WSFMP) was adopted as an addendum to the Saint Paul Comprehensive Plan in 2015. In January 2025, the Metropolitan Council approved an amendment to the WSFMP, which changed the land use designation of the two subject parcels from mixed residential to light industrial/office.

- G. **DISTRICT COUNCIL RECOMMENDATION:** The West Side Community Organization has not provided a recommendation on this rezoning as of this writing.
- H. **FINDINGS:**
1. The Applicant requests a rezoning from T3M traditional neighborhood with master plan to ITM transitional industrial with master plan to develop a building to be used for offices, warehousing, and light manufacturing.
 2. The proposed ITM zoning is consistent with the Comprehensive Plan. The 2040 Comprehensive Plan designates the future land use of this parcel as Mixed-Use, which

allows commercial and industrial uses that are compatible with nearby residential. The IT district's intent is to *"provide sites for commercial, office and light industrial uses that are compatible with nearby residential and traditional neighborhood districts, parks, and parkways"* and the permitted uses in the district reflect that.

The proposed rezoning would create a transition zone between I2 general industrial and T3M traditional neighborhood, which is consistent with the policies in the West Side Community Plan and the WSFMP.

The following policies apply:

2040 Comprehensive Plan:

Policy LU-2. Pursue redevelopment of Opportunity Sites (generally sites larger than one acre identified as having potential for redevelopment) as higher-density mixed-use development or employment centers with increased full-time living wage job intensity, and the appropriate location for community services that are completely absent in the surrounding area.

Policy LU-6. Foster equitable and sustainable economic growth by:

- Facilitating business creation, attraction, retention and expansion;
- Growing Saint Paul's tax base in order to maintain and expand City services, amenities and infrastructure;
- Supporting business, real estate and financial models that keep more money locally, such as locally-owned businesses, local-prioritized employment, employee-owned business and commercial land trusts;

Policy LU-8. Ensure that zoning and infrastructure support environmentally and economically efficient, resilient land use development.

West Side Community Plan (2013):

LU1. Support land use that balances the housing, commercial, industrial, ecological, agricultural and green space needs of the community.

West Side Flats Master Plan & Development Guidelines (2015):

Principle 1. Integrate a broad mix of complementary land uses throughout the neighborhood that offer people opportunities for living, working, commerce, entertainment and recreation.

3. The proposed zoning is compatible with the surrounding uses. The proposed ITM zoning acts as a buffer between the broad range of uses permitted in the T3 district west of the subject parcels and the primarily industrial uses permitted in the I2 district northeast of them. The IT district's intent is to *"provide sites for commercial, office and light industrial uses that are compatible with nearby residential and traditional neighborhood districts, parks, and parkways"*.
4. The proposed zoning is consistent with the way this area has developed. With the passage of the WSFMP in 2015, the parcels zoned I1 south of the subject parcels were rezoned to ITM to create an employment center that was more compatible with residential and commercial uses and to be a transition zone from the surrounding industrial uses. The proposed rezoning would extend the transition zone to buffer the area zoned T3M that is designated as mixed residential on the WSFMP from the area zoned I2.
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 ITM zoning would not constitute spot zoning because it adjoins a large area zoned ITM. The uses are consistent with the allowable uses in the area and the proposed zoning acts as a buffer between the I2 and T3M districts.

- I. **STAFF RECOMMENDATION:** Based on the above findings, staff recommends **approval** of the rezoning T3M traditional neighborhood with master plan to ITM transitional industrial with master plan at 10 River Park Plaza.



REZONING APPLICATION

Department of Planning and Economic Development
Zoning Section
1400 City Hall Annex, 25 West Fourth Street
Saint Paul, MN 55102-1634
(651) 266-6583

Zoning Office Use Only	
File #	_____
Fee Paid \$	_____
Received By / Date	_____
Tentative Hearing Date	_____

APPLICANT

Property Owner(s) St. Paul Property Group LLC
 Address 1955 Atwood Avenue, Suite 201 City Madison State WI Zip 53704
 Email mjahnke@sarainvest.com Phone 608-852-8776
 Contact Person (if different) Matt Jahnke Email mjahnke@sarainvest.com
 Address _____ City _____ State _____ Zip _____
 (Attach additional sheet if necessary to include all of the owners of at least 67% of the area of the property to be rezoned.)

PROPERTY INFO

Address/Location 10 River Park Plaza
 PIN(s) & Legal Description 05-28-22-23-0032 (Lot 5, Block 2 River Park Plaza)
 (Attach additional sheet if necessary.)
05-28-22-23-0031 (Lot 4, Block 2 River Park Plaza)
 _____ Lot Area 2.88 acres Current Zoning T3M

TO THE HONORABLE MAYOR AND CITY COUNCIL:
 Pursuant to Saint Paul Zoning Code § 61.801 and Minnesota Statutes § 462.357, St. Paul Property Group, LLC
 owner(s) of land proposed for rezoning, hereby petition(s) to rezone the above described property from a
T3M zoning district to a IT zoning district, for the purpose of:
 The construction of a single story approximately 50,000 square foot light industrial building. Pier Foundry, the neighboring property owner would utilize the building for office, warehousing, sand core making, CNC machining, and casting finishing.

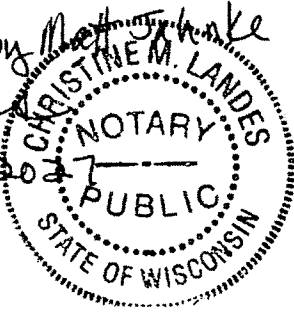
Attach additional sheets if necessary. Attachments as required: Site Plan Consent Petition Affidavit
 If you are a religious institution you may have certain rights under RLUIPA. Please check this box if you identify as a religious institution.

State of Wis., County of Dane

Subscribed and sworn to before me *on*
Date Sept 11 2024 by Matt Jahnke

Christine M. Landes
Notary Public

Notary Exp: 12/13/2027



By: [Signature]
Fee owner of property

Title: Vice President



Pier Foundry & Pattern Shop

51 State Street
St Paul, MN 55107
651-222-4461
651-222-4185 Fax
www.pierfoundry.com

9/25/24

Yasmine Robinson
1400 City Hall Annex, 25 West 4th St.
Saint Paul, MN 55102

Dear Yasmine

As the City of St. Paul continues to evolve, it is essential to align development initiatives with the broader goals outlined in the City of Saint Paul 2040 Comprehensive Plan and West Side Flats Master Plan. One significant opportunity lies in the re-zoning of the underutilized parking lot located at 10 River Park Plaza – PIN 05-28-22-23-0032 and 05-28-22-23-0031, transforming it into a Transitional Industrial (IT) District to accommodate the expansion of Pier Foundry's light manufacturing, warehousing and office operations. This request for modification to the property's zoning classification not only supports the growth of a local business, but also is consistent with the intent of the Master Plan and the City's commitment to economic vitality, job creation, and sustainable development.

Economic Development and Job Creation

Pier Foundry is a great example of a successful local business that has made a substantial impact on the St. Paul economy. Pier Foundry has been producing castings in St Paul since 1889, currently employing 65 full time employees dedicated to producing highly engineered grey and ductile iron castings. Pier Foundry services over twenty-seven industries such as Agriculture, Construction Equipment, Fitness, Medical and Municipal Water for over 300 customers. Castings are the first step in the manufacturing process. We produce the agricultural equipment required to put food on our tables, the pumps and valves needed to bring safe and clean water into our homes, and the high-speed drives and gears that enable the movement of people and products. Castings are a cornerstone of our modern culture.

By re-zoning this parking lot for light industrial use, the City can support Pier Foundry's plans to expand its warehousing, finishing, machining and office space. The expansion will lead to the creation of roughly 25 skilled manufacturing positions, contributing to the local workforce and

reducing unemployment rates. It will also facilitate the rehoming of casting finishing that is being outsourced to Wisconsin.

In line with the City of Saint Paul 2040 Comprehensive Plan's (the "2040 Plan") goal of fostering a diverse economy, this initiative promotes job retention and creation, ultimately benefiting the community. The Land use section related to industrial demonstrates that this project is in alignment with the intentions for land use to remain "adaptable, relevant and supportive of well-paying jobs with low barriers to entry and a growing tax base" and supports the following policies:

- Policy LU-45 – Ability to bring jobs back to Saint Paul and Minnesota from work being diverted to Wisconsin. Ability to add additional needed secondary services of fully machined product.
- Policy LU-44 – Industrial sites located within close proximity to logistic networks.
- Policy LU-48 – Minimize the amount of surface parking in industrial districts.
- Policy LU-51 – Combine small parcels in industrial zones in order to allow for uses requiring larger building footprints.

(2040 Plan, p. 44).

In addition to the 2040 Plan, the West Side Flats Master Plan (the "Master Plan") aligns and supports rezoning this property to IT through the development of the overabundant and underutilized parking lot, into a job creation and business opportunity for Pier Foundry. The guiding framework principles of the Master Plan emphasize a need for a broader mix of uses that can build on "existing industrial businesses and jobs base." (Master Plan, p. 5: principles 4 and 7). As an Employment Center in the West Side Flats, Pier Foundry shares the Master Plan goal of retaining and growing our industrial jobs and operations. (Master Plan, p. 28). Rezoning this land to IT allows for the retention and growth of job opportunities in the West Side Flats community.

The West Side Flats Master Plan recognizes that, in order to create an economically sustainable City and West Side community, it is critical "to retain and grow industrial/commercial business, jobs and tax base in the West Side Flats." (Master Plan, p. 26). Indeed, the "vision for the West Side Flats encompasses a broad mix of land use, retention and growth of jobs, and appropriate transitions between neighborhood and employment land uses." (Master Plan, p. 26). The rezone of this property to IT directly supports this mission to give appropriate transitions between land use.

Within the Master Plan's Land Use Strategies, additional support for rezoning of the parking lot are as follows:

- LU1 – Adding a light industrial zone adjacent to an I2 zoned property, allows the creation of a needed buffer zone before the General Industrial district starting just West of Pier

Foundry and going South. Pier Foundry does not need to expand the processing of raw material manufacturing. The business' current need and growth potential is in the increase of light manufacturing, warehousing and office space. The parking lots, T3M zoning and Pier Foundry I2 zoning are currently zoned adjacent to each other, which is not recognized as a preferred mix use arrangement. Rezoning to light industrial aligns with having appropriate mix of adjacent land uses in the area.

- LU6- Our proposed site plan aligns well to improve the landscaping and aesthetic upgrades to the area including a tree canopy, landscape barrier and stormwater rain gardens.
- LU8 – Through this rezoning we plan to transform the current large parking lot into a light manufacturing, warehousing and office space. Meeting this strategy of “redevelopment of large surface parking lots ... to grow existing businesses.” This redevelopment is consistent with the “retention and expansion of existing businesses” and will directly allow Pier Foundry to provide additional “livable wage(s) and high-paying jobs, tax base and other economic benefits.”
- LU9 - By adding additional business growth opportunities at Pier Foundry, this will increase development density and grow the “city’s employment and tax base”.
- LU10 – Our proposed site plan aligns well with the Plans desire for new well designed industrial buildings to enhance property values.

(Master Plan, p. 30-31).

Alignment with Sustainable Practices

The City of Saint Paul 2040 Comprehensive Plan’s and West Side Flats Master Plan emphasize the importance of sustainability and responsible land use. Pier Foundry is committed to environmentally friendly practices, including recycling programs and energy-efficient manufacturing processes. By allowing the expansion of this light industrial site, the City will enable a business that prioritizes sustainable growth. In addition, the re-zoning will encourage the revitalization of an underused space, supporting the City’s vision of optimizing land use and enhancing the overall urban environment.

This rezone and redevelopment of this property has thoughtfully aligned with the following guiding principles stated in the West Side Flats Master Plan:

- Number 1 – Integrate a broad mix of complementary land uses.
- Number 5 – Sensitively integrate stormwater runoff with stormwater rain gardens.
- Number 7 – Encourage a variety of building heights & massing. The site plan has been developed with setbacks from rivers edge, with maintaining and preserving river views in mind.

- Number 8 – Creating an urban ecology with a natural and native landscape barrier with planned tree canopy.
- Number 9 – The redevelopment improves “business functionality, land use diversity and visual character of the commercial/ industrial employment district” by allowing Pier Foundry to grow the light manufacturing, warehousing and office portions of its business via a visually appealing renovation and expansion.

(Master Plan, p. 15).

The need for the expansion also supports the MRCCA district’s goal of policy CA-13 (p. 244) to have shorter buildings closer to the river’s edge to maximize the views of the river.

Increased Tax Revenue

Re-zoning the parking lot to accommodate Pier Foundry’s expansion will result in increased property tax revenues for the City. As the business grows, it will contribute more to the local tax base, providing essential funding for public services, infrastructure development, and community programs. This financial benefit is in line with the City’s objectives of enhancing fiscal stability and investing in community well-being. Rezoning and redevelopment of this parking lot helps meet the objectives in the City of Saint Paul 2040 Comprehensive Plan of Policy LU-47 in preserving the long-term tax base with tax-generating industrial land (2040 Plan, p. 44) and the objectives in the West Side Flats Master Plan of retaining and growing the tax base within the West Side Flats (Master Plan, p. 26, 28, 31).

To conclude, the re-zoning of the parking lot into a Transitional Industrial site for Pier Foundry’s expansion is a strategic decision that aligns with the West Side Flat Master Plan and the City of Saint Paul 2040 Comprehensive Plan. It presents an opportunity to boost the local economy, create jobs, enhance sustainability, and generate increased tax revenue. By supporting this initiative, the City of St. Paul will not only aid a local business that has called St. Paul home for 135 years in its growth journey, but also contribute to the broader vision of a thriving, sustainable, and economically vibrant community.

Thank you,



Matt Grilz | Pier Foundry & Pattern Shop, Inc. | President and CEO

51 State Street | Saint Paul, MN 55107-1408

Office: 651-789-7650

Check out our website: pierfoundry.com





Pier Foundry & Pattern Shop

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About

Pier Foundry & Pattern Shop

In 1889 on the St. Paul bank of the Mississippi River, a small, gray iron foundry was established under the name of its owner, M.V. Johnson. Records indicate that it is one of the oldest Twin City area foundries still in operation. Around the time of the First World War, Mr. Johnson sold the foundry to Olaf Krook, who changed the name from Johnson Foundry to Pier Foundry, taking the name from wooden piers left in the river from a failed bridge project. In 1951, the foundry changed hands again to the Grilz family. Fast forward 73 years and three generations and you find Pier Foundry is one of the most efficient, and modern jobbing shops in the Upper Midwest. Pier Foundry has progressed from a small stove grate foundry at the turn of the last century to the highly automated production foundry it is today.

Importance of Foundries: Casting production is the first step in the manufacturing process that makes modern life possible. Foundries are the original and one of the largest recyclers in the world. From the modern agricultural equipment that is required to put food on our tables, to the pumps and valves needed to bring safe and clean water into our homes, and the high-speed drives and gears that enable the efficient movement of people and products, all of these items first start with a casting.

Products Supplied: Pier Foundry is a highly diversified company providing highly engineered casts components to over 300 customers in 27 industries such as Agriculture, Construction Equipment, Fitness, Medical and Municipal Water. Our castings are used in familiar applications like fire hydrants built by St. Paul company, Waterous along with other recognizable Minnesota companies like Toro, Graco, Rosenbauer, Kurt Manufacturing and Loram Maintenance of Way.

Recent Journey: While Pier Foundry has been in business for 135 years, they consider themselves to be 135 years young. Beginning in 2008, Pier began on their path to redefine and modernize the company with a focus on safety and creating an enjoyable workspace that provides good paying and high satisfaction jobs. They focused on increasing sustainability, efficiency, and improving environmental impact. Starting with smaller

projects such as upgrading plant lighting to LED, all the way up to a 3,000kW melting furnace modernization as part of the SPPA Trillion BTU project. Since 2015, Pier has invested over \$2.5 million in make-up air systems and dust collection to maintain indoor and outdoor air quality standards. During this same time, they have enhanced their safety programs to reduce their experience modification rating from 1.61 in 2016 to 0.83 by 2020. Pier has maintained a mod rate of less than 0.90 since. In the last 4 years, \$8 million has been invested in equipment upgrades to improve worker safety and efficiency.

Employer: Pier Foundry currently employs a diverse group of 65 full-time employees. Of this group 38% live in St Paul, with a combined total of 92% residing in nearby Minnesota communities. Roughly 26% of the employees are first generation immigrants, several of which who have worked at Pier Foundry for over 15 years.

Awards:

American Foundry Society (AFS) – Industry recognized advocate and leader

2010 - AFS Casting of the Year “Honorable Mention”

2012 - AFS Casting of the Year “Best in Class”

2013 - Sustainable Saint Paul Awards “Energy Efficiency or Conservation”

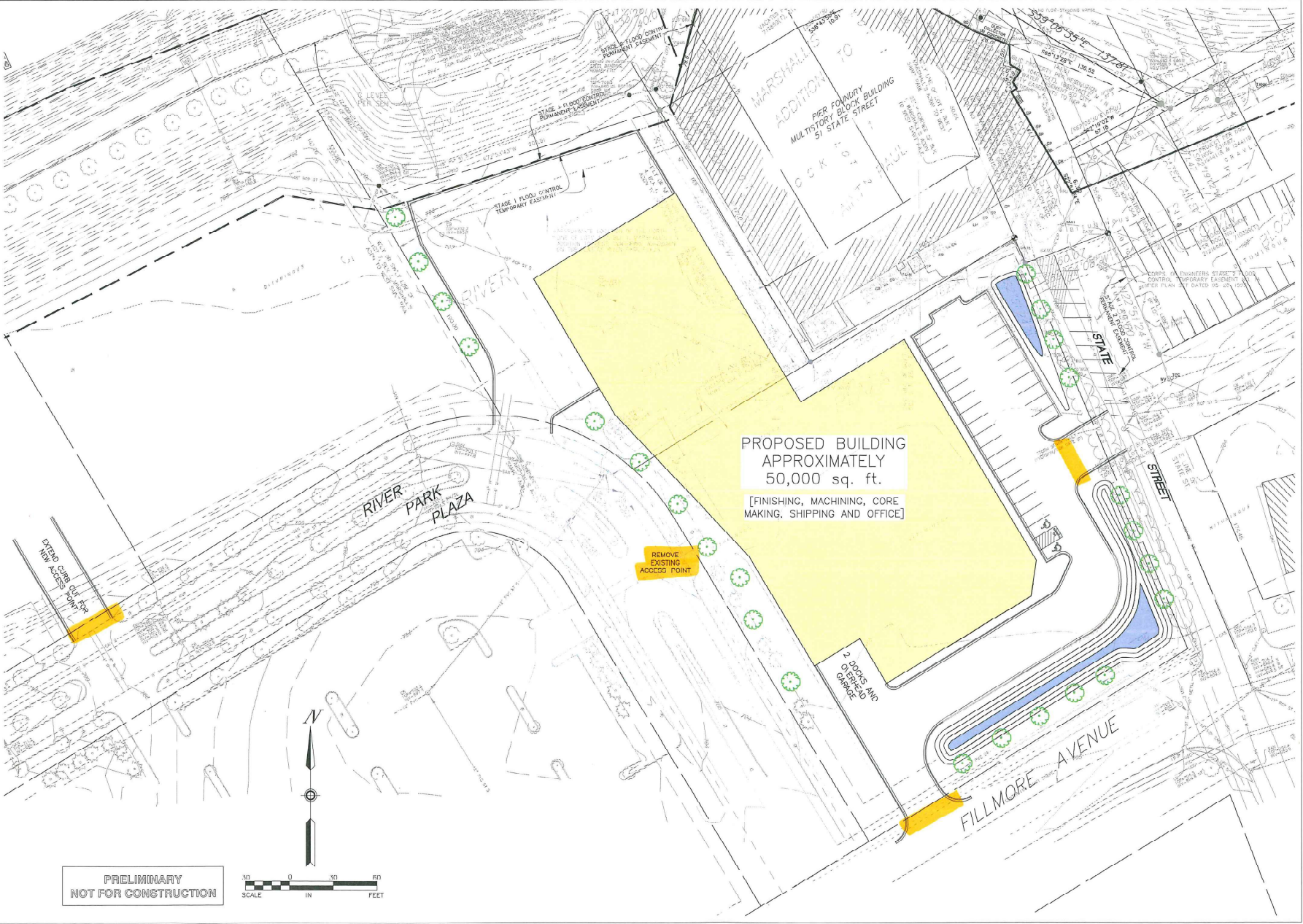
2014 – AFS Casting of the Year “Best in Class”

2018 - AFS Marketing “Outstanding Organization Award”

2018 - AFS Safe Year Award (365 Days without a loss time injury)

2020 - AFS Safe Year Award (365 Days without a loss time injury)

2022 - AFS “Safety Innovation & Insight Award”



**PRELIMINARY
NOT FOR CONSTRUCTION**



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ENGINEERING SERVICES
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(612) 881-2444 TELEPHONE
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www.sundecl.com

RMG INVESTMENTS

ST. PAUL, MN

DATE	REVISION
1/16/24	ORIGINAL PLAN DATE
9/13/24	OWNER REVIEW

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

Mike R. Ketter
DATE: 7/24/24 REG. NO.: 40425

INFORMATION:

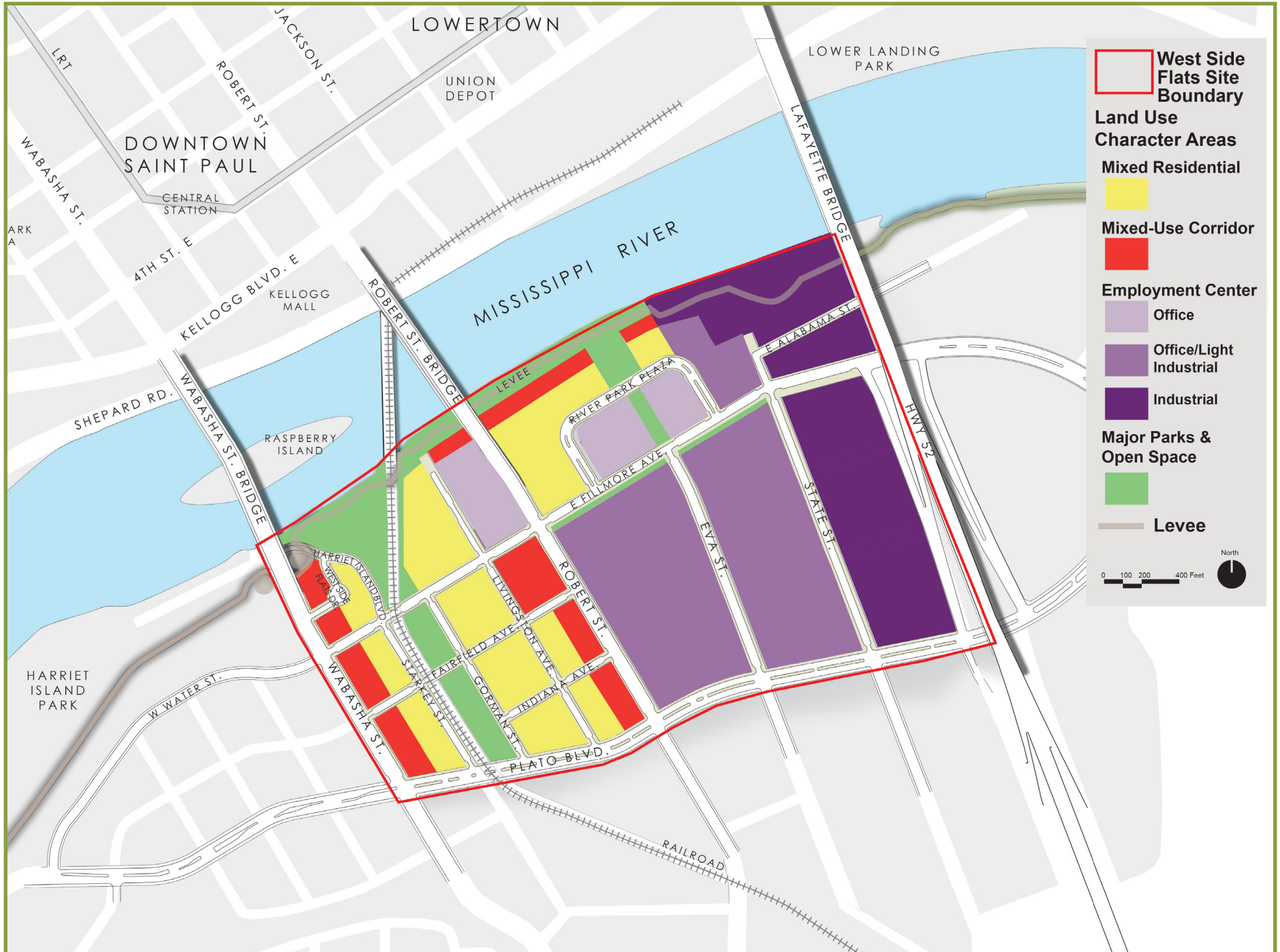
PROJECT NO.:	19-029
DRAWN BY:	MK
CHECKED BY:	MK
APPROVED BY:	MK
SCALE:	GRAPHIC
DATE:	DATE

DESCRIPTION:
**CONCEPTUAL
SITE LAYOUT
PLAN**

SHEET NO.:

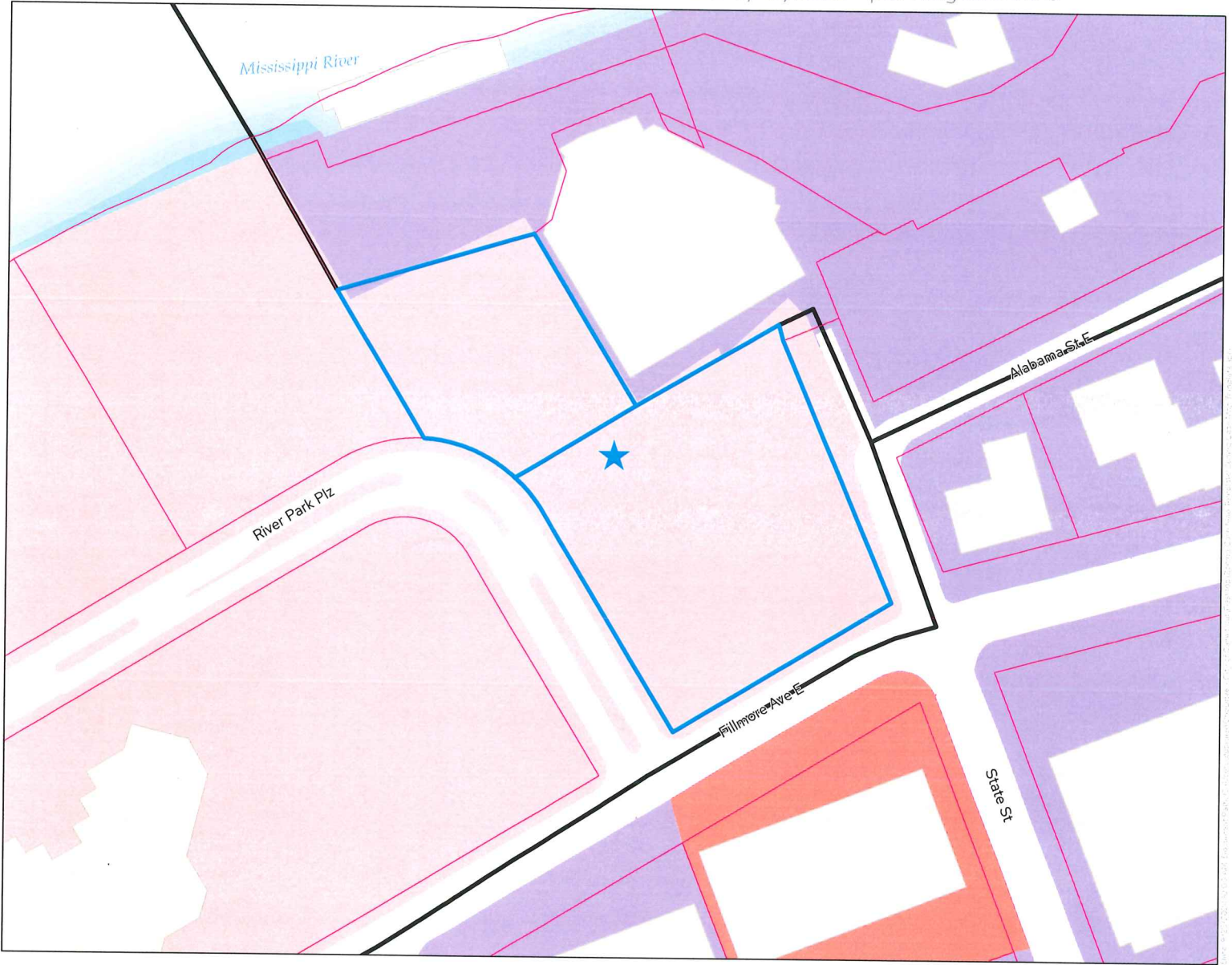
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Figure 5.1. Land Use Plan



Application of St. Paul Property Gro Land use map

application number: 24-078480 ▪ type: Rezone ▪ date:9/25/2024 ▪ planning district: 3



Subject parcel(s) are outlined in blue

Other parcels are outlined in pink

Single Family Residential

- Farmstead
- Seasonal/Vacation
- Single Family Detached
- Manufactured Housing Park

Multifamily Residential

- Single Family Attached
- Multifamily

Commercial

- Office
- Retail and Other Commercial

Mixed Use

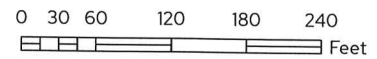
- Mixed Use Residential
- Mixed Use Industrial
- Mixed Use Commercial and Other

Other Uses

- Industrial and Utility
- Extractive
- Institutional

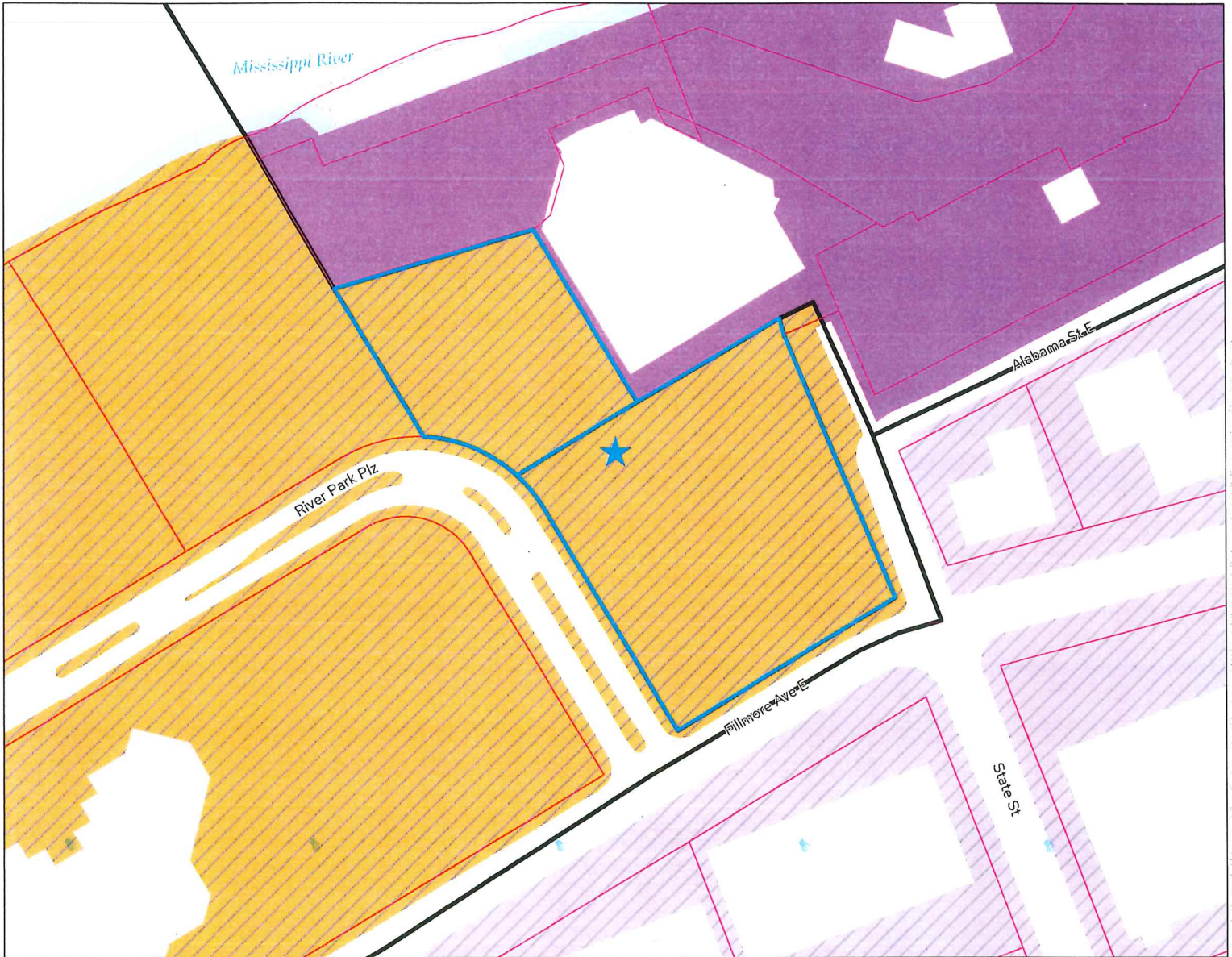
- Park, Recreational or Preserve
- Golf Course
- Major Highway
- Railway
- Airport
- Agricultural
- Undeveloped
- Water

This map is a representation of the information provided in the application and is not a guarantee of the accuracy of the information. The City of Saint Paul Planning and Economic Development is not responsible for any errors or omissions. The information is provided for informational purposes only. The information is not intended to be used for any other purpose. The information is not intended to be used for any other purpose. The information is not intended to be used for any other purpose.



Application of
St. Paul Property Gro
 Zoning map

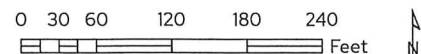
application number: 24-078480 • type: Rezone • date: 9/25/2024 • planning district: 3



Subject parcel(s) are outlined in blue Other parcels are outlined in pink

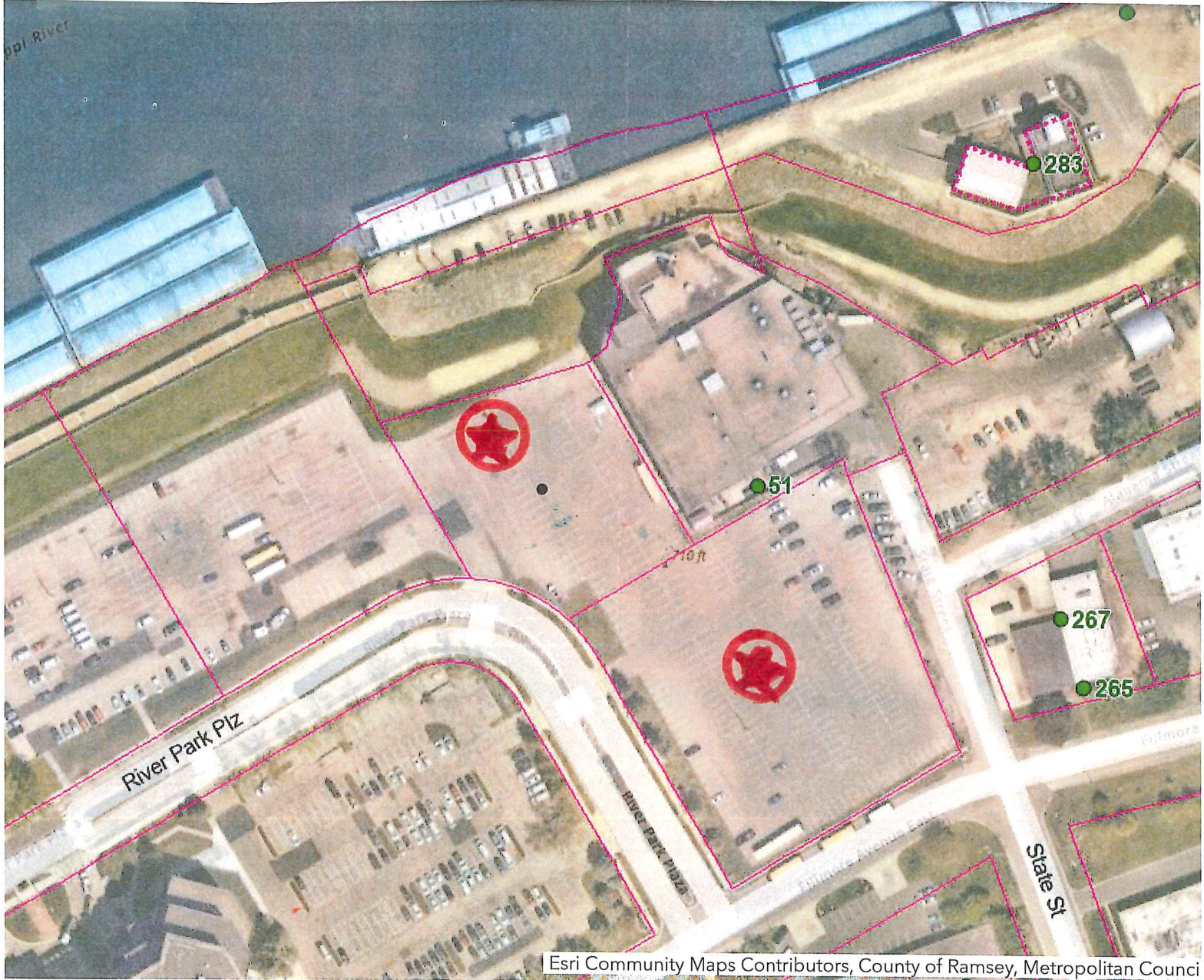
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|--------------------------------|--|------------------------------------|-------------------------------------|
| RL One-Family Large Lot | T1 Traditional Neighborhood | B3 General Business | F1 River Residential |
| H1 Residential | T2 Traditional Neighborhood | B4 Central Business | F2 Residential Low |
| H2 Residential | T3 Traditional Neighborhood | B5 Central Business Service | F3 Residential Mid |
| RM1 Multiple-Family | T3M T3 with Master Plan | IT Transitional Industrial | F4 Residential High |
| RM2 Multiple-Family | T4 Traditional Neighborhood | ITM IT with Master Plan | F5 Business |
| RM3 Multiple-Family | T4M T4 with Master Plan | I1 Light Industrial | F6 Gateway |
| | OS Office-Service | I2 General Industrial | VP Vehicular Parking |
| | B1 Local Business | I3 Restricted Industrial | PD Planned Development |
| | BC Community Business (converted) | | CA Capitol Area Jurisdiction |
| | B2 Community Business | | |

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Application of
St. Paul Property Gro
Aerial map

application number: 24-078480 • type: Rezone • date:9/25/2024 • planning district: 3



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