



**CITY OF SAINT PAUL**  
Christopher B. Coleman, Mayor

25 West Fourth Street  
Saint Paul, MN 55102

Telephone: 651-266-6565  
Facsimile: 651-228-3261

**DATE:** May 25, 2011  
**TO:** Neighborhood Planning Committee  
**FROM:** Lucy Thompson, Principal City Planner  
**SUBJECT:** District 9 Commercial Zoning Study Recommendations

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### **BACKGROUND**

The *District 9 Area Plan*, adopted by the City Council on July 7, 2010, contains strategies in the areas of housing, jobs and economic development, community development, land use, historic preservation and aesthetics. Shortly after the Plan was adopted, it was rumored that one of the parcels near the intersection of W. 7<sup>th</sup> and Grand Avenue/Ramsey Street was going to change hands, raising community concern about the future land use and zoning at this important gateway to the neighborhood. In addition, a large auto repair business vacated a building at 414 W. 7<sup>th</sup>, and the community saw it as an opportunity to redevelop the site with a mixed-use residential/commercial building that would be in scale with the adjacent residential fabric.

On October 27, 2010, the City Council passed a resolution requesting the Planning Commission "to undertake a zoning study to assess whether the B3 zoning classification of said gateway parcel and the parcels specified herein which are adjacent to the gateway parcel within District 9 would further the District 9 Area Plan's Jobs and Economic Development Strategies calling for the preservation of businesses and jobs in the District while at the same time complementing the District's Housing Objectives." At the same time, a one-year moratorium was placed on the issuance of zoning and building permits or approvals in the study area. The study area boundaries were identified as Grand Avenue on the north, Leech Street on the east, Goodrich Street on the south, and W. 7<sup>th</sup> and Smith on the west. The zoning study and moratorium exempt parcels zoned RT1, RT2, RM1 and RM2 within the larger study area.

On May 13, 2011, the Planning Commission initiated the District 9 Commercial Zoning Study, consistent with the parameters laid out in the October 2010 City Council resolution.

### **EXISTING CONDITIONS**

The study area is centered on W. 7<sup>th</sup> Street between Grand/Ramsey and Goodrich streets, and contains 27 parcels that are zoned non-residential (residentially-zoned parcels were expressly excluded from both the moratorium and study area). Most of these parcels (20) are zoned B3 General Business. Three parcels are zoned B2 Community Business, two parcels are zoned T2 Traditional Neighborhood, and two parcels are zoned VP Vehicular Parking. The non-residential parcels are generally

bordered by RT2 Townhouse zoning on the north side of W. 7<sup>th</sup>, and a combination of RM1 Multiple-Family and RT1 Two-Family on the south side of W. 7<sup>th</sup>, while the parcels abutting Grand/Ramsey across from the study area are a mixture of B5 Central Business Service (United/Children's Hospitals) and TN2 (medical office buildings along W. 7<sup>th</sup>).

Auto body and auto repair uses predominate along both sides of this section of W. 7<sup>th</sup>. Surface parking for Kraus Anderson, Bonfe's and the Salvation Army takes up a fair amount of the land on the north side of W. 7<sup>th</sup>. On the south side of W. 7<sup>th</sup>, a large building that appears to have been some sort of auto body or auto repair business sits vacant. Residential uses sit just behind the commercial uses along W. 7<sup>th</sup>, with a range of multi-family, duplex and single-family housing just across the street or alley from commercial zoning and land uses. The residential fabric south and east of W. 7<sup>th</sup> is some of the oldest housing in the city, and is the location of a potential Uppertown historic or neighborhood conservation district.

#### **DISTRICT 9 AREA PLAN**

The purpose of the zoning study and moratorium is to assess whether existing commercial zoning furthers the *District 9 Area Plan's* Jobs and Economic Development Strategies while at the same time complementing the District's Housing Objectives.

#### **Jobs and Economic Development Strategies**

The *District 9 Area Plan* promotes the retention of a thriving W. 7<sup>th</sup> Street as the neighborhood's major commercial corridor. The Plan notes that, while there may be satellite commercial areas (e.g., at the Randolph, Shepard and Chestnut intersections), they should not compete with businesses on W. 7<sup>th</sup>.

The key Plan strategies for Jobs and Economic Development that pertain to this zoning study are:

1. Support "nodes" of retail businesses at the intersections of W. 7<sup>th</sup> and Kellogg, Smith, St. Clair, Jefferson, Randolph, and Montreal/Lexington, rather than a continuous strip of retail throughout the length of W. 7<sup>th</sup>.
2. Investigate ways to incorporate the Fort Road Design Guidelines for commercial areas into City code, including as a city-wide requirement or as an overlay district.

#### **Housing Strategies**

The key strategies for Housing that pertain to this zoning study are:

1. Maintain the character of existing residential areas by keeping zoning appropriate to residential neighborhoods.
2. Promote those stretches of W. 7<sup>th</sup> between key nodes as the appropriate location for higher-density residential use, in order to add diversity to the housing stock while preserving the traditional neighborhood fabric and supporting existing and future transit investment.
3. Identify strategic areas to incorporate mixed-use and higher-density development in context with existing structures.

### **PROPOSED ZONING**

Staff recommends rezoning the B3 General Business, B2 Community Business and VP Vehicular Parking parcels to T2 Traditional Neighborhood, as T2 is most consistent with the strategies noted above. (As per the City Council's direction, the residentially-zoned parcels within the study area will remain as they are.) For this stretch of W. 7<sup>th</sup> and Grand/Ramsey, T2 zoning will allow for both a concentration of retail businesses at key nodes and higher-density residential use between nodes, and it will provide design guidelines that address the key design goals of the Fort Road Design Guidelines.

Because of the significant presence of auto repair and auto body uses in the study area, a closer look at the impact of the proposed T2 zoning on these uses is warranted. Bonfe's has two licenses. At 380 W. 7<sup>th</sup>, it has an auto body shop license; at 337 W. 7<sup>th</sup>, it has an auto repair license. Both are currently zoned B3. Currently, the auto body business is legally nonconforming, while the auto repair business is conforming. If zoned to T2, both would be legally nonconforming.

The recent Central Corridor/TN zoning amendments, effective 6-4-11, included the following:

#### **Sec. 62.106. Nonconforming uses of structures, or structures and land in combination.**

- (o) Existing auto body shops located in zones other than industrial zones shall be considered, for purposes of changes in nonconforming uses, as B3 uses. Auto body shops that are legally nonconforming in T2-T4 and B3 zoning districts may expand even though they are not permitted uses in these zoning districts. Auto service stations in T2, T3 and B2 zoning districts which remove their gas tanks and pumps will be regarded as legal nonconforming auto repair stations. Auto repair stations and auto specialty stores that are legally nonconforming in T2-T4 zoning districts may expand even though they are not permitted uses in these zoning districts.

Under this change, legally nonconforming body shops, auto repair stations and auto specialty stores are allowed to expand in the T2 zone. This would be no change for Bonfe's auto body shop, but it would be a change for the auto repair shop. As such, they'd be allowed to rebuild under State law (462.357 Subd. 1e.) and expand under City law. The only difference the rezoning would make for the auto repair shop is, if the nonconforming auto repair shop ceases to exist for more than 365 days, the use could not be re-established without getting a re-establishment of nonconforming use permit from the Planning Commission (which is already the case for the nonconforming auto body shop).

For the parcels across Grand/Ramsey from United/Children's Hospitals, T2 would allow medical or dental clinics and labs, but would require a Conditional Use Permit for a hospital. This would allow for appropriate consideration of neighborhood impact, and consistency with the District 9 Plan and other chapters of the Comprehensive Plan should expansion of United/Children's Hospitals be proposed at some point in the future.

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**STAFF RECOMMENDATION**

Staff recommends that the Neighborhood Planning Committee recommend the Planning Commission release the recommendation to rezone the B3, B2 and VP parcels within the District 9 Commercial Zoning Study area to T2, in order to ensure consistency with the strategies of the *District 9 Area Plan*, and set a public hearing for July 22, 2011.

Attachments:

- Existing Zoning Map
- Parcel Chart
- Proposed Zoning Map