

June 1, 2020

Saint Paul City Council
Room 310, City Hall
15 Kellogg Boulevard West
Saint Paul, MN 55102

**RE: 337 West 7th Street/366-372 Smith Avenue
Applicant's Response to Appeal of Planning Commission Approvals**

Dear Council Members:

On behalf of the development team, Northland Real Estate Group and The Ackerberg Group, we want to first express our appreciation for the work staff has done in these challenging times to shepherd the 337 West 7th Street Project through the City's development review processes and the productive input they have provided to ensure that the Project promotes City goals for increased housing density while enhancing the urban character, commercial vitality and pedestrian experience of West 7th Street. We also appreciate the input and support of the Fort Road Federation and the strong endorsement of the Planning Commission in its vote to approve the zoning applications.

Project Goals

The Project site, which contains a single-story, automobile repair use and surface parking, is ideally situated for high-density, transit-oriented, multiple-family housing due to its location in a mixed-use commercial area on and near high-frequency transit routes and its proximity to downtown and hospital employment centers. We see this as an opportunity to create something extraordinary rather than just "another" apartment building. We designed it to be affordable for entry-level workers at the hospital and other nearby employers while maintaining a high standard of design and amenities. It is our intention to integrate art throughout the building, both inside and out, in a way that enhances the building's design and positions West 7th Street as an art corridor. We are utilizing highly innovative and efficient parking systems and construction methods that we believe will become a model for other developers. This will be Ackerberg's fifth project in Saint Paul and second partnership with Northland in Saint Paul, and we are excited to continue investing in the City.

Originally-Approved Project

The project originally received zoning approval from the Planning Commission as a 7-story / 75-foot, 153-unit project in December 2019, with City Council approval of the rezoning to the T3 District in February 2020. The original project design included two, above-grade parking levels and stormwater management facilities were intended to be constructed under the building.

However, based on the results of a geotechnical study completed after the original Planning Commission approvals, it was determined that the bedrock level was too shallow to allow for construction of the stormwater facilities as planned.

Project Revisions

Reconfiguring the stormwater plan triggered a series of interrelated revisions to the project plans that resulted in the requests to modify the prior zoning approvals to now allow for a 7-story / 85-foot building with 192 dwelling units:

- the building footprint was narrowed to allow for stormwater detention in open yards on the north and south sides of the building;
- the building width then became too narrow to accommodate ramping between garage levels, making a second level of parking infeasible;
- an innovative, semi-automatic, stacked parking system was incorporated in the ground-level parking garage - although there is now only one level of parking, the number of parking stalls provided in the Project has increased from 94 to 110;
- the new parking system requires about 5 feet of additional ceiling height for the first level of the building;
- the second level of the building, which could no longer be used for parking, was converted to housing, increasing the number of units in the building from 153 to 192.

Separate from the changes resulting from the need to redesign the stormwater facilities, the project team also determined it would be possible to reduce the length of the construction period - and the consequent impacts on the surrounding community and traffic - by utilizing a modular construction method in which building modules are constructed elsewhere and assembled on site. The typical floor to floor height of modular construction is taller than conventional framing because each module contains floor and ceiling framing, increasing the height of the floor assembly.

Conditional Use Permit

Thus, the height of the proposed building has increased from 75 feet to 85 feet to accommodate the parking system and modular construction. As detailed in both our application and the staff report, the proposed 7 story / 85-foot height of the Project meets the required findings for a CUP. In particular, the City's land use guidance strongly supports development of high-density housing in this location on West 7th Street, near downtown and near extensive transit resources. Staff also found that the proposed height is compatible with the existing and planned character of the area, noting that area contains buildings that vary greatly in height and scale, including some that are substantially taller than 85 feet.

Parking Variance

Consolidating all parking to a single garage level allows the second floor of the building to be devoted to housing more residents instead of cars. Increasing the number of homes in the building is a positive outcome, though it also means an increase in the minimum parking requirement. The proposed parking variance from 136 to 110 stalls meets the required findings

for a variance. The long, narrow dimension of the lot and the shallow layer of bedrock are unique circumstances that create practical difficulty in constructing underground parking or more than one level of above-grade parking. In light of the highly transit-oriented character of the area and the proximity of the project site to employment and services, the Project will attract residents that do not want or need to own a car. As set forth in the staff report, the proposed variance is consistent with the purposes of the zoning code and the City's land use policies that promote housing affordability and encourage creation of "places to live, work, play, and conduct business that do not depend principally on the automobile for access" and, in particular, the following policy from the 2040 Comprehensive Plan:

Policy LU-14. Reduce the amount of land devoted to off-street parking in order to use land more efficiently, accommodate increases in density on valuable urban land, and promote the use of transit and other non-car mobility modes.

Conclusion

Thank you for this opportunity to summarize and supplement the extensive record that has been created through the Project applications, the Planning staff report, and the minutes of the discussion of the members of the Zoning Committee, all of which support the decisions of the Planning Commission approving the CUP and parking variance. We respectfully request that you uphold the Commission's decisions and deny the appeal.

Best regards,

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Northland Real Estate Group

Stuart Ackerberg
The Ackerberg Group