

April 6, 2011

Saint Paul Mayor Chris Coleman Members of the Saint Paul City Council 15 W. Kellogg Blvd. Saint Paul, MN 55102

RE: Central Corridor/Traditional Neighborhood Zoning Amendments

Dear Mr. Mayor and members the City Council:

The Saint Paul Area Chamber of Commerce ("Chamber") appreciates the opportunity to submit these comments on the City of Saint Paul's ("City") proposal to rezone a significant portion of land along University Avenue (the "Corridor").

The City's proposed zoning changes grow out of the Central Corridor Development Strategy ("CCDS"), which envisions a Corridor that has "stronger businesses, more vibrant neighborhoods, and more beautiful places." We support the vision for increased density in the Corridor. In 2007, the City promulgated the Central Corridor Overlay District ("Overlay") to provide a temporary regulatory framework governing property use and development along the Corridor. The purpose of the Overlay was to provide the City with additional time to study permanent zoning changes in the Corridor consistent with the CCDS and the City's vision for higher density development, a reduced demand for parking, and more of a pedestrian and transit-oriented environment.

The Overlay will expire June 20, 2011. Our comments below should be considered in relation to the expiration of the regulations codified under the Overlay and the proposed zoning changes currently before the Saint Paul City Council.

The Chamber is a strong supporter of Central Corridor LRT ("CCLRT"). We understand that construction will impose increased burdens on businesses and property owners, but we remain confident that transparent planning, increased coordination, and use of effective mitigation strategies will reduce the adverse impacts of construction. The Chamber is excited about this once-in-a-lifetime investment in Saint Paul.

The Chamber believes that the proposed zoning changes represent a reasonable balance between an appropriate level of public regulation and allowing the market to freely attract private investment. We believe that the proposed changes are generally less restrictive than the



Overlay and therefore provide increased development capacity in the Corridor. It is important to remember that private investment in the Corridor will occur over a long period of time.

We would like to highlight several provisions in the proposal that we believe represent a balanced framework:

# 1. Scope of Zoning Changes and Nonconforming Uses

When planning and economic development staff of the City released their initial recommended permanent zoning changes to the Saint Paul Planning Commission ("Commission"), the Chamber was significantly concerned about the number of structures and uses that would become nonconforming and the loss of industrial land as a result of the changes. The original proposal would have resulted in 104 of 726 properties becoming nonconforming. The Chamber encouraged members of the Commission to narrow the scope of the proposed changes so that the number of nonconforming uses would be reduced. The Chamber is pleased that the scope of the project has been narrowed. This change has reduced the number of properties that will become nonconforming to 63 and preserved some of the land zoned industrial. We believe the scope can be narrowed further to reduce the number of nonconformities.

#### 2. Allowance of Auto-Related Uses

The current proposal will allow existing auto repair, auto specialty, and auto body shops in the Corridor that become nonconforming to expand without an expansion of a nonconforming use permit. This provision was not included in the original proposal. We are pleased with the City's recognition of the value of these businesses and the inclusion of this provision. Without this provision, expansion of these businesses would be difficult, if not impossible, given the burdens associated with obtaining an expansion of a nonconforming use permit. We encourage the City to consider extending this provision to industrial uses that will become nonconforming under the plan. Industrial businesses provide high-paying jobs in our community. Extending this provision to industrial uses will reduce the burdens on expanding and creating additional employment opportunities in our community.

### 3. Elimination of Parking Requirements

The proposal calls for the elimination of minimum parking requirements in traditional neighborhood districts when fifty percent of both the building and the parcel are within one-quarter mile from University Avenue. The Chamber supports this provision. We believe this will allow the market to determine the appropriate supply of parking in the Corridor. We support policies that allow the free market to determine the appropriate supply of a good or service.



## 4. Lowering Floor Area Ratio Requirements

The proposal reduces the floor area ratio ("FAR") requirements that exist under the Overlay. The Chamber supports these reductions because they will prevent the City from losing private investment opportunities due to overly restrictive requirements.

# 5. Traditional Neighborhood District Dimensional Standards

The Chamber is pleased that "where an existing building does not conform to the traditional neighborhood district dimensional standards, the building may be expanded without fully meeting the requirements as long as the expansion does not increase the nonconformity." Allowing properties that do not comply with density and dimensional standards to expand without fully meeting the new requirements is an example of how the zoning code can be flexible so that private investment in the Corridor is encouraged.

### CONCLUSION

In summary, we believe the proposed zoning changes are reasonably balanced. The Chamber is committed to building on University Avenue's rich history as a commercial center and we look forward to working with the City to create zoning that will foster greater investment in Saint Paul.

Thank you for your time and consideration on this matter.

Sincerely,

Mått Kramer President