Industrial Zoning Study – Executive Summary: Planning Commission Public Hearing Testimony & 1-25-13 Recommendation

Zoning Code amendments pertaining to industrial districts and uses were drafted to reflect policies in the *Saint Paul Comprehensive Plan*, support the purpose of industrial districts for employment and economic activities, provide for efficient land use and aesthetic quality, and bring the code upto-date, incorporating Planning Commission determinations of similar use in recent years. Public hearing testimony was in 4 main topic areas:

1. Amendments to "Principal Uses in Industrial Districts" Table.

<u>Public hearing draft amendments.</u> Draft amendments to Table 66.521, Principal Uses in Industrial Districts, considered at the public hearing included deleting churches, grades K-12 schools, theaters and assembly halls from the list of uses permitted in industrial districts.

Testimony. While there was general agreement on the goal of protecting industrial functions and employment in industrial districts, most of the testimony was against this change. Testimony from district councils (7 and 12), South St. Anthony Park Creative Enterprise Zone, churches, schools, attorneys, developers, an architect, and a business owner was that the proposed amendments are too restrictive, and that churches, schools, theaters, assembly halls, and residential uses can be supportive of and compatible with industrial functions and employment in industrial districts. Attorneys from Fagre Baker Daniels said that deleting churches from the list of uses permitted in industrial districts where nonreligious assemblies and institutions are allowed would violate the federal Religious Land Use and Institutional Persons Act (RLUIPA). The District 1 Community Council said concerns about churches, schools, and residential uses can be addressed through conditional use permits, which provide for case-by-case consideration in the context of a particular area.

Recommendation. Continue to include churches, schools, theaters, assembly halls, and certain limited residential uses in the list of uses in Table 66.521, Principal Uses in Industrial Districts, as they are currently permitted in the IT (currently IR) and I1 districts. Add a conditional use permit requirement for mixed residential and commercial use, churches, schools, theaters, and similar institutions and places of assembly in the I2 General Industrial District. Avoid separation requirements for industrial uses from residential uses in industrial districts.

2. Amendments to Standards for Residential Uses in Industrial Districts.

Public hearing draft amendments. Draft amendments considered at the public hearing included amendments to § 65.143, *Mixed residential and commercial use*, that would require a conditional use permit for mixed residential and commercial use with more than 6 dwelling units in the I1 Light Industrial and I2 General Industrial Districts, and not allow dwelling units in the basement or first floor of buildings in these districts, to provide greater protection for primary commercial and industrial functions and uses in these districts.

Testimony. While there was some support for this, most testimony (District 12, South Saint Anthony Park Creative Enterprise Zone, and others noted above) opposed the draft amendments to further narrow and restrict residential uses in industrial districts. They testified about the importance of a broad mix of uses, including residential uses, to create community and the kind of lively, vibrant, flexible industrial districts that many residents, artists, incubator business owners, and innovative business and industry find productive and attractive, and that zoning regulations for industrial districts should be designed to welcome and encourage.

<u>Recommendation</u>. Revise the draft amendments to § 65.143 to apply the addition of a requirement for a conditional use permit for mixed residential and commercial use with more than 6 dwelling units only to the I2 General Industrial District.

3. Elimination of the I3 Restricted Industrial District.

<u>Public hearing draft amendments.</u> Draft amendments considered at the public hearing included elimination of the I3 Restricted Industrial District, and incorporating three I3 uses into the I2 General Industrial District as conditional uses.

Testimony. There was a lot of testimony against this change, from district councils (1, 2, 6, 7, and 12) and Brown & Bigelow. They expressed concern that providing for conditional use permits in the I2 district for three uses currently permitted solely in the I3 district may be inadequate to protect nearby property.

Recommendation. Retain the I3 district (currently I3 Restricted Industrial District) as the I3 Heavy Industrial District. Continue to permit the uses currently permitted only in the I3 district as they are currently permitted only in the I3 district, and do not incorporate them into the I2 General Industrial District.

4. Dimensional, Density, and Design Standards.

<u>Public hearing draft amendments.</u> Draft amendments included providing design standards specifically tailored to the IT Transitional Industrial District (there is now simply a reference to some traditional neighborhood district design standards), and adding some basic design standards for the I1 Light Industrial and I2 General Industrial Districts.

Testimony.

District 1, 2, and 12 community councils generally support the proposed design standards, except District 12 doesn't support specific language providing zoning administrator discretion to permit up to two rows of parking between a building and the street. District 6 supports some design standards as long as they aren't cost prohibitive and don't make it difficult to attract new businesses to St. Paul. District 13 encourages pedestrian-friendly amenities (sidewalks, streetscaping and pedestrian access), especially in the IT Transitional Industrial District.

The Midway and Saint Paul Area Chambers of Commerce and the Port Authority generally support the draft design standards for the IT district, which is specifically intended to be compatible with nearby residential and T districts. They oppose the draft design standards for the I2 district, and oppose most of the draft design standards for the I1 district. They noted the importance of industrial and manufacturing development for creating good jobs, reducing poverty, increasing employment, and improving St. Paul's tax base. They expressed concern about the effect of the draft design standards on attracting new industrial development and jobs, which is very cost sensitive and competitive with other cities. Industrial buildings, parking and site layout must meet functional needs. While aesthetic concerns are important, the need for industrial development, jobs and tax base is more important in I1 and I2 districts.

University United suggested removing FAR and height limits from industrial districts to increase job density, employment, and tax base as called for in the Comprehensive Plan.

Recommendation. Remove the floor area ratio (FAR) limits from Table 66.531, Industrial District Dimensional Standards, and remove the 3 story height limit for the IT Transitional Industrial District. (With height limits in feet, the 3 story height limit in the IT district and FAR limits are unnecessary. The traditional neighborhood districts and the other industrial districts do not limit the number of stories, but rather only limit the height in feet.) Revise draft new *I1 light industrial design standards*, to subject development in the I1 district only to draft design standards (4) *door and window openings*, (6) *landscaping and street trees*, and (7) *sidewalks*, not to design standards (2) *building facade articulation* and (3) *materials and detailing*. Delete draft new *I2 general industrial district design standards*.