MINUTES OF THE ZONING COMMITTEE Thursday, April 13, 2017 - 3:30 p.m. City Council Chambers, 3rd Floor City Hall and Court House 15 West Kellogg Boulevard

PRESENT: STAFF:

DeJoy, Edgerton, Gelgelu, Lindeke, Makarios, McMahon, and Reveal Josh Williams, Cherie Englund, Allan Torstenson, and Peter Warner

The meeting was chaired by Commissioner Makarios.

LeCesse Development - 17-015-513, Rezone from B2 Community Business to T3 Traditional Neighborhood; 17-015-551, Conditional Use Permit for a building height over 55' (62' 4" proposed); and 17-016-413, Site Plan Review for a 5 ½-story mixed residential/commercial development at 246-286 Snelling Ave. S., between St. Clair and Stanford.

Josh Williams presented the staff report with a recommendation of approval for the rezoning and conditional use permit, noting that District 14 recommended approval, that there were 21 letters in support and 28 letters in opposition for the rezoning, and that there were 18 letters in support and 42 letters in opposition for the conditional use permit. Tia Anderson presented the staff report with a recommendation of approval for the site plan, noting that there were 5 letters in support and 38 letters in opposition.

Chair Makarios asked about findings 2 and 3 in the rezoning staff report, regarding consistency with the Comprehensive Plan and the way the area has developed.

Mr. Williams noted the Comprehensive Plan designates Snelling Avenue as a mixed-use corridor where residential density of 30-150 dwelling units per acre can be accommodated, which the proposed zoning would do. The proposed project would have a density of about 100 dwelling units per acre.

Commissioner Lindeke said that floor area ratio (FAR) is a useful tool to think about character, size and scale, and asked about the FAR of other buildings in the area, such as the St. Clair Broiler, Cinema Ballroom, and Marvy buildings.

Mr. Williams said he did not calculate the FAR for those buildings, but noted that the building at the NE corner of Grand and Snelling with a bookstore on the first floor and three floors of apartments above has an FAR of about 3.0. The potential FAR under the proposed zoning for this site at Snelling and St. Clair is greater than what is currently there.

In response to Commissioner Edgerton, Chair Makarios said that at the close of this public hearing the Zoning Committee will no longer accept written comments.

Commissioner McMahon asked how "area" is defined in finding 2 of the rezoning staff report for looking at the way property along Snelling to the north and south has developed.

Mr. Williams said there is no set definition of "area" for this finding, and that for purposes of his staff report he looked at surrounding blocks.

Commissioner McMahon asked when this property was zoned B2.

Zoning Committee Minutes 17-015-513 Page 2 of 11

Mr. Williams said it probably goes back to the adoption of the modern zoning code in 1975.

Commissioner McMahon asked for confirmation that there is no minimum percentage of a building that must be commercial for mixed use building T district dimensional standards to apply to a residential-commercial building. Mr. Williams said that is correct.

Commissioner Reveal noted that this has come up before. She summarized the three separate issues before the committee: a rezoning, a conditional use permit, and site plan review.

Chair Makarios requested that Mr. Williams to move on to the conditional use permit (CUP).

Mr. Williams explained what the CUP is for and said most of the building can be built without a CUP. He summarized building height, design, parking and traffic issues, and noted that a high water table had decreased the underground parking from the original proposal.

Commissioners Reveal and Edgerton asked about the traffic impact study for this project.

Mr. Williams said a preliminary study was completed but not accepted by the Public Works Department because it was not signed by a registered traffic engineer, so they have not commented on it formally. He said the added amount of traffic is within the capacity allowable for Snelling and St. Clair.

Tia Anderson said the Site Plan Review Committee meeting for this project was on March 21. She said an updated traffic impact study (TIS) had not been received at that time. They were also waiting for an updated travel demand management plan to address ways to reduce single occupancy vehicular traffic to and from the site. The staff recommendation for approval of the site plan includes conditions for Public Works and MnDOT review and approval.

In response to Commissioner Lindeke, Mr. Williams said the person who signed the traffic impact study did not have the registration that Public Works staff required.

Chair Makarios asked if we are waiting for the applicant to meet the minimum requirements for the traffic study. Mr. Williams and Ms. Anderson said that was correct. Mr. Williams said this is a recommended condition of approval and if they are unable to provide an acceptable TIS their approval would no longer be valid.

Commissioner Reveal asked if cars in the garage will be visible from the street.

Mr. Williams said the T district design standards require a number of windows with either clear or slightly tinted glass, and parking inside the building will be visible through the windows. In T districts, surface parking is not permitted in front yards. In this case the proposed parking is not in front of the building; it is inside the building and the code requires windows.

Commissioner Edgerton noted that the number of parking spaces exceeds the required amount and asked if the applicant is proposing extra parking in response to a desire for more parking by neighboring businesses.

Zoning Committee Minutes 17-015-513 Page 3 of 11

Mr. Williams said the proposed project has 175 residential parking spaces and 29 spaces for use by the retail tenant and neighboring businesses. Tia Anderson added that the required minimum number of parking spaces is 158, 153 for residential and 5 for commercial parking.

In response to Chair Makarios, Mr. Torstenson said it is typical to coordinate a site plan review with other zoning applications. He said that if the site plan review is coming to the Planning Commission and to the Zoning Committee for a public hearing, coordination with other related zoning applications it is encouraged so people can testify at one public hearing.

Chair Makarios noted that the deadline for action on the site plan review is May 2, 2017 and May 22, 2017 for the rezoning and conditional use permit.

Mr. Williams said when the application for the conditional use permit and the rezoning were received they weren't ready to move forward and the applicant agreed to move the deadline for action. That could also be done for the site plan review.

In response to a question from Chair Makarios, Ms. Anderson said the bicycle parking located inside the structure is accessible for tenants of the building, and she can work with the applicant to make public bike parking available.

Chair Makarios asked how wide the sidewalk is on Snelling Avenue. Mr. Williams said it is 10' from curb to property line.

Commissioner Reveal asked where the retail entrance will be. Ms. Anderson said the commercial space has a corner entrance at grade on Snelling and St. Clair. She added that the leasing office and facilities used by the residents will use the same entrance.

In response to Commissioner Reveal, Ms. Anderson said the clubroom and fitness room are exclusive to residents of the building only.

Chair Makarios said he has concerns with pedestrian safety at the garage entrance on Snelling Avenue. Ms. Anderson said that is a concern noted in comments from the public and the Macalester-Groveland Community Council, and that Public Works Transportation and Safety Planning will make recommendations for appropriate site lines and pedestrian safety measures. Commissioner Reveal said she is not 100% comfortable with that.

The applicant, Tom Hayden, 650 S. Northlake Blvd., Altamonte Springs, FL, said this is a complex process that has taken place over the past year. He clarified that there are 17 additional parking spaces above code, not including the 29 shared spaces. He added that the traffic study needs to be revised as it was done based on 180 units and currently there are 128 units. Public Works has asked for this to be signed by a traffic engineer. He said they have had four neighborhood meetings and with each meeting the plans have been revised based upon feedback from the neighborhood, Macalester-Groveland Community Council, and City staff. He said additional changes have been made due to codes and physical conditions at the site. The initial design called for below grade parking, but because of the high water table it was changed to only 3' to 4' below grade, which led to other changes.

Zoning Committee Minutes 17-015-513 Page 4 of 11

Mr. Hayden said they looked at additional retail and less parking. He noted that they have proposed storage for 142 resident bicycles at the rear of the garage, and the bicycle parking that they propose next to the shared 29 parking spaces is for the public and residents. He said a shade study was done to ensure the neighbors to the east and north are not negatively impacted. As they went through this process they were guided by the City of St. Paul's Comprehensive Plan, which targets this area for higher density at 30 to 150 units per acre. They are proposing 92 units per acre. The Macalester-Groveland Community Council's plan also calls for more density and height along the corridor. He said that this project represents change and that doesn't come easily. They are working with the City, the neighborhood and others to create a community environment that's good for all and a project to be proud of.

Gina Berglund, 1516 Lincoln Ave. spoke in favor. She said she has lived in the neighborhood for twenty years and served on the Macalester-Groveland Community Council for six years. She said we need to add higher density in the entire city and Snelling Ave. with BRT is an ideal corridor for this type of development. The added density will improve our tax base. This development would give older residents wishing to downsize a way to stay in the neighborhood and also attract younger residents wanting to live near transit and other conveniences.

Tom Welna, 2152 Carroll Ave., said that he has been involved in community development for the past 15 years and was President of the Grand Snelling Business Association for eight years. He said he met with the broker representing the property owners during the early stages of the process to find an appropriate developer. He said LeCesse has done their part in listening to the needs of the community. He worked to advocate for the A-line BRT on Snelling and this is the kind of development, good for our population and tax base, that they were hoping for.

Eric Hudson, 1560 St. Clair Ave., said he co-owns Cinema Ballroom and is in favor of the project, with conditions. He said that they have a parking lease agreement with Sweeney's Cleaners and spent hundreds of thousands of dollars to be in compliance with City parking requirements. He said that the most difficult issue they have had is parking, and that this development would adversely affect his business if parking is not accommodated. He said they would like to have permanent parking for local businesses and would like the language of any approvals changed to reflect this.

Imad Libbus, 1726 Stanford Ave., said he submitted a letter and supports the mixed use development of this property but not the proposed design, which is out of character for the neighborhood as the proposed building rises up from the sidewalk with no setbacks. He would favor a design with stepbacks such as the Vintage or the Oxford Hill Development.

John Osen, 1545 Goodrich Ave., said he lives next to Emanuel Lutheran Church, a 2 ½ story building that shades his property. The proposed 5 ½ story building would have greater impact. He said that T2 may be more appropriate than T3 for height, and the quality of life for people living on Brimhall and Saratoga will be affected by 3 stories of people looking into their yards. Regarding taxes, he said their blocks pay about \$100,000 in taxes and the curbs are still not fixed after 27 years. He asked if there was an EPA study because this has been the site of a dry cleaning business, and who is responsible if there is an issue.

Zoning Committee Minutes 17-015-513 Page 5 of 11

Kate Hebel, 1301 Fairmount Ave., said she has attended Macalester-Groveland Community Council meetings on this since last August, and was at the meeting in March where all of the board members voted in favor of the rezoning, conditional use permit and site plan, which was not representative of the most of the people. She said the height of the proposed building in relation to buildings on the other three corners is the major issue, and it will block afternoon sun for homes on Brimhall. She said many of the comments were about the size, design and the finishes, and as a designer for the past 36 years she thinks the design is suburban and uncomplimentary to the area. She said people want to see this area developed as a value to the neighbors, that the out of state developers are only proposing temporary housing, and if they need this size of project to turn a profit this is not the right corner. She said the notion that a neighborhood retiree would sell their home to pay \$3,000.00 per month is far-fetched. She said this area has a huge amount of pedestrian and bicycle traffic and noted the no turn on red sign at the corner of St. Clair and Snelling and traffic hazards with the added vehicles at Whole Foods. She does not want this neighborhood to become Uptown in Minneapolis.

Anne Yuska, 1249 Osceola Ave., said she sent a letter, that five stories is too tall, the proposed development would divide Macalester-Groveland in two, and at the Macalester-Groveland Land Use meeting Mr. Hayden said a smaller development would not be profitable. She thinks profit is more a function of management than volume. If they can lower the building height to 45 feet it may be worth eliminating the mixed use.

Jessica Burke, 289 Brimhall St., said she submitted a letter with photos. She addressed her concerns regarding the bullet points that the Macalester-Groveland Community Council used at their March 22, 2017 meeting, noting that 1,800 sq. ft. of commercial space is not mixed use, the streetscape with above ground parking is not pedestrian oriented, the 62 foot wall is not human scale, and this project does nothing to provide affordable housing. She said the development would be inconsistent with the "small-town feel" called for in the Macalester-Groveland plan, and would take away valuable retail space.

Clayton Burke, 289 Brimhall St., said the nonexistent retail is a huge concern for many. With the A-line transit system that supports increased utilization and density, it seems contrary to have \$1,500.00 to \$3,000.00 market rate apartments with no retail. He said the step backs from the alley were appreciated, but now there is a proposed patio at the same height as the top of his garage and they will lose their privacy. Zoning and design standards should provide appropriate scale and mass for the future of the area and residents. This will be precedent setting and taller than any building in the area.

Margaret Flannagan, 275 S. Warwick, said the approval vote by the Macalester-Groveland Community Council Land Use Committee on March 22 was done without a traffic study or a final plan and did not reflect the values of the neighbors. She said that 128 units and 206 parking spaces will create a garage for human beings and that traffic congestion, noise, pedestrian safety, and public health have not been addressed. She would like to see the City and Community Council work with a developer in a creative and responsible manner to address the unique possibilities of this property.

Todd Pisek, 380 Saratoga St. S., said he sent a letter via email and noted a map of the proposed rezoning as a part of the Snelling Rezoning Study.

Zoning Committee Minutes 17-015-513 Page 6 of 11

Chair Makarios noted that Planning Commission and has not yet had a public hearing on the zoning study.

Winston Kaehler, 1712 Palace Ave., noted a school that was demolished and a few years later they used temporary classrooms. He said higher density has many benefits for transit use and general urban desirability, but that density needs to be diffused, not concentrated on one site.

Gaius Nelson, 206 Wheeler St. S., said this proposal makes him want form based zoning. He said T3 would allow a 90' building with a conditional use permit, and the prosed building would create a wall along Snelling. He said that Macalester-Groveland Community Plan Land Use policy LU1.2 calling for higher density at corners and lower mid-block is important and not met.

Ben Miyo, 1311 Grand Ave., said he is not opposed to development on this site, but is opposed to this development. He said he feels neighbors have been misrepresented by the Macalester-Groveland Community Council, with an unwarranted seal of approval for the proposal. He said the building is too tall for the neighborhood and noted that there have been many changes in materials and design. He said the traffic impact has not been studied. He said the development will set a precedent for the neighborhood, will set a tone for the Snelling study, and be a reference for redevelopment of the Ford site.

Kathryn McGuire, 2203 Fairmount Ave., said the she is not opposed to a development, but the City is pushing high density to an extreme and she is concerned there aren't enough jobs for so many people. This development would add people and eliminate five businesses and jobs. She thinks the proposal is incompatible with Community Plan standards for pedestrian-friendly human scale. She would like to preserve this quiet neighborhood.

James Horn, 1666 Stanford, said T3 would allow development that is too big and too tall for this loction. This is a parking ramp with an apartment building on top with no effective retail to keep neighbors in the community compared to development at Victoria Crossing.

Amanda Nippoldt, 304 Saratoga St. S., said she sent a letter saying they relocated from near the Vintage on Selby to this residential area. She said the Vintage on Selby is the closest comparison (aside from the lack of retail in the proposed development) and that site was already zoned T3. She said the Snelling bridge over I-94 is dangerous and there are other developments going up that will increase traffic making it unsafe for pedestrians to cross Snelling. She said this neighborhood is not offering enough retail establishments. She said at the Macalester-Groveland Community Council Land Use meeting they were advised that if they were not happy with the decision they should sell their property to a developer.

Chad Lauber, 274 Brimhall St., said he thinks everyone supports sensible development, but the proposed design does not work with the constraints of the site, and T3 zoning, the conditional use permit, and the site plan are probably not appropriate.

The applicant, Tom Hayden noted that a personal concern for him was the comment about selling homes to a developer, which was not him. The need for successful developers to make a profit was not discussed at the neighborhood meeting. In response to comments at neighborhood meetings they have added facade articulation and stepbacks on the west side of

Zoning Committee Minutes 17-015-513 Page 7 of 11

the building along Snelling he described as similar to the Vintage on Selby, which was also rezoned to T3. He said the residential levels begin at about 18', with an additional setback of 4' to 5', and in some cases there are patios on the residential level. The architectural feature at the top of the building has been removed and the roof features only the parapets that people wanted. They are working with the MPCA to remediate pollution on the site. They explored adding more retail back into the building, but that created a need for more parking and they couldn't develop a design that was workable. Mr. Hayden noted that the five business owners chose to sell their businesses and property.

Commissioner Reveal said the additional height that would be permitted with the conditional use permit (CUP) is not very much, and asked if they had tried to design the building without the need for a CUP.

Mr. Hayden said they attempted to do that but the high water table prevented them from putting the parking below grade, which made that difficult.

The public hearing was closed.

Chair Makarios asked if this qualifies as a mixed use building and, if not, what would be allowed under the proposed T3 zoning.

Mr. Williams said the maximum height for a multifamily residential building in a T3 zone is 45 ft. with additional height allowed with increased setbacks or a conditional use permit.

Chair Makarios asked what percentage of the first floor is commercial.

Ms. Anderson noted that in addition to a different height standard, the front setback requirement for a multifamily residential building (10-25 feet) is different than that for a mixed use or commercial building (0-10 feet).

Commissioner Edgerton asked about the maximum height with a CUP for residential building.

Mr. Williams explained that the maximum height with a CUP is the same and the purpose of the conditional use permit provision to evaluate the context.

Commissioner Reveal asked about past use of a variance rather than a conditional use permit for additional height do to a physical issue with a site.

Mr. Williams said there was an application for a variance of the river corridor overlay 40 foot height limit in the Shepard-Davern area.

In response to the previous question by Commissioner Makarios, Mr. Williams said the bottom two levels include the fitness center, clubroom, leased space, management office, and a mechanical room. Retail space makes up 3% of the footprint of the building and 10% of the frontage on Snelling.

Chair Makarios said it may be precedent setting to consider that mixed use.

Zoning Committee Minutes 17-015-513 Page 8 of 11

Commissioner Edgerton said he disagrees. The applicant has invested a lot of money based on the City ordinance about mixed use which does not define a minimum for commercial space. He added that he is uncomfortable with arbitrarily defining mixed use requirements. If we want to study this and then set a minimum, that would work.

Commissioner DeJoy said it's often hard to fill retail space, asked if there had been a market study for this location, and said she thinks there could be design improvements to make this more pedestrian friendly.

Mr. Williams said the applicant did a market study, but was unsure if it looked at retail uses.

Commissioner McMahon said she agrees that it's hard to view this as mixed use, but is also uncomfortable with making it an arbitrary percentage. Mr. Warner said the committee can ask staff to study the issue. Mr. Torstenson said a building that is mostly residential with just a little commercial space is a mixed-use building not permitted in a residential zoning district.

Commissioner Lindeke said the site plan does not improve the streetscape under the design standards in a mixed use traditional neighborhood district.

Ms. Anderson said the T3 design standards would apply if the site is rezoned and that the site plan meets those design standard. The parking is within the principle structure and underground. The vehicle entrances are minimized to not dominate the street frontage.

Commissioner Edgerton asked if the current parking requirement would be met if more retail were added.

Ms. Anderson discussed the parking requirements and the provision for 17 additional residential spaces and 29 spaces for neighborhood use. They could provide additional commercial space and decrease their parking spaces since they are above the required minimum; 1 parking space would be required for every 400 sq. ft. of additional commercial space.

Chair Makarios noted the requirement for a mixed residential-commercial building in B1-B3 business districts that at least 50% of the first floor be commercial, and asked and why there is not a similar requirement for T districts.

Mr. Torstenson said residential uses are substantially limited B districts, which are intended to primarily provide for business needs. The 50% commercial requirement does not define mixed use; it just limits residential use in B districts. T districts are intended to provide for both business and residential uses; buildings can be entirely residential, entirely commercial, or a mix.

Chair Makarios said that his only question about the rezoning is whether it is consistent with the way the area developed.

Commissioner Lindeke said he is bothered that the deadline for action date is different for the site plan review, conditional use permit and rezoning application.

Zoning Committee Minutes 17-015-513 Page 9 of 11

Mr. Williams said the applicant had agreed to extend the deadline for action on the conditional use permit and rezoning applications, and that could also be done for the site plan review.

Mr. Warner explained Minnesota Statute 15.99 under which a zoning application is automatically approved by rule of law if it is not acted on within a certain period of time.

Commissioner Reveal moved approval of the rezoning. Commissioner Gelgelu seconded the motion.

Chair Makarios said he is not sure the proposed zoning is consistent in the way the area has developed and does not agree with finding 2 of the staff report.

Commissioner Edgerton noted that if the rezoning is not approved, then the site plan review and conditional use permit would not be approved. If the rezoning were to be approved and the other applications were not, the rezoning would apply to other development proposals.

Chair Makarios agreed and noted that T3 provides for a CUP for a building height up to 90'.

Commissioner McMahon asked about maximum building height under T2. She said she is comfortable with T3 zoning on this corner and that density makes sense here as Snelling is a main arterial road, but not this particular building.

In responded to Commissioner McMahon's question, Mr. Torstenson said T2 has a 35 foot maximum height limit with a provision for up to 45' with a conditional use permit and additional height with additional setbacks.

The motion passed by a vote of 5-2-0.

Adopted Yeas - 5 Nays - 2 (DeJoy and Makarios) Abstained - 0

Commissioner McMahon moved denial of the conditional use permit based on required finding 3(c) not being met. Commission Reveal seconded the motion.

Chair Makarios said he also thinks required finding 3(d) is not met.

Commissioner Lindeke said the condition can be met and the committee should decide whether a condition is met or not.

Chair Makarios discussed the reasons for saying a condition can be met, and it may be subject to more detail in working with other City departments such as Public Works.

Mr. Williams agreed and said that it sets up the attachment of a condition to make sure the finding is met.

Chair Makarios said the committee does not have to give final review authority to the zoning administrator and can require that plans come back to the committee for final review.

Zoning Committee Minutes 17-015-513 Page 10 of 11

Mr. Warner said that the because the staff recommendation is to approve the application and the Zoning Committee has made a motion to deny, under Minnesota statute 15.99 he advised a roll call vote and that each person state their reasons for approval or denial.

Commissioner Makarios said that find 3(d) is not met as this proposal does not provide for a pedestrian friendly public realm, the 19' of parking ramp is too much, and the window and door openings in the parking ramp do not meet the spirit of the T3 design guidelines.

Commissioner McMahon voted yea for the reasons she stated when making the motion. Commission Lindeke voted yea, concurring with Commissioner McMahon and Chair Makarios regarding findings 3(c) and 3(d). Commission Gelgelu voted yea for the same reasons. Commissioner DeJoy voted yea because it does not provide for a pedestrian friendly or safe environment. Commissioner Edgerton voted nay. Commissioner Reveal voted yea for the reasons stated by the maker of the motion. Chair Makarios voted yea for the reasons stated by the maker of the motion and for the reasons he stated.

The motion passed by a vote of 6-1-0 for denial of the conditional use permit.

Adopted Yeas - 6 Nays - 1 (Edgerton) Abstained – 0

Ms. Anderson noted that the 2nd condition in the staff recommendation for approval of the site plan is that a conditional use permit for height above 55' be obtained or the proposed building be redesigned to meet T3 density and dimensional standards without a conditional use permit.

Chair Makarios said that he would recommend denial of the site plan.

Commissioner DeJoy asked if they can make a motion asking the developer to revise the site plan. Chair Makarios said the developer can always come back with another proposal that would meet the new zoning.

Commissioner McMahon moved denial of the site plan for the reasons stated previously. Commission DeJoy seconded the motion.

Commissioner Edgerton said that findings for the site plan are different from those for the conditional use permit, and the reasons for denying the conditional use permit may not apply to the site plan and thus an appropriate rationale that applies to the site plan findings is required.

Commissioner Lindeke said he does not agree with staff Finding 4, bullet point 5, on page 4. He said that this finding in not met.

Chair Makarios noted bullet point 2 in the same finding, and said he also does not agree with Finding 7.

Commissioner Edgerton said he is uncomfortable with the aspects of the findings regarding articulation and relationship to the human scale as they are subjective and allow for too much discretion.

Zoning Committee Minutes 17-015-513 Page 11 of 11

Commissioner McMahon voted yea for the stated reasons given based on Findings 4 and 7. Commissioner Lindeke vote yea for previously stated reasons. Commissioner Gelgelu voted yea based on Finding 7. Commissioner DeJoy voted yea because it does not fit the building facade articulation requirement language. Commission Edgerton voted nay. Commissioner Reveal voted yea based on traffic issues in Finding 7. Chair Makarios voted yea based on Findings 4 and 7.

The motion passed by a vote of 6-1-0.

Adopted

Yeas - 6

Nays - 1 (Edgerton) Abstained - 0

Commissioner Reveal said she hopes there can be a wonderful development on this site that is more suitable and appropriate for this/location.

Drafted by:

Sưbmittechby:

Approved by:

Cherie Englund

Recording Secretary

Josh Williams Zoning Section

Chair