

## **APPLICATION FOR ZONING VARIANCE**

Department of Safety and Inspections 375 Jackson Street, Suite 220 Saint Paul, MN 55101 General DSI Line: 651-266-9008

#5098 DE 3/5/20
Zoning office use only
File no. 18-035099
Fee \$589-
Tentative hearing date:
MARCH 26,7018

APPLICANT

Name ALANTUR	Company Hupp Howningsuc
Address 10431 HOMEWARD	
City EDEN PRANCE St. M. Zip	55347 Daytime phone 952 - 334 - 2250
Property interest of applicant (owner, contr	act purchaser, etc.)
Name of owner (if different)	

PROPERTY LOCATION

Address 617 LAUREL AVENUE			
Legal description: WEST 40' OF LOT 12, BLOCK 6			
WOODLAND PARK ADDITION, RAMSEY COUNTY			
(attach additional sheet if necessary)			
Lot size 40' 172' Present zoning RM2 Present use VACANT SITE			
Proposed Use MULTI- FAMILY HOUSING			

Variance[s] requested:

**Supporting Information:** Supply the necessary information that is applicable to your variance request, provide details regarding the project, explain why a variance is needed. Attach additional sheet as necessary. Clearly state how each of the required six findings are met (list them).

SEE ATTACHED

Applicant's signature\_-

Date 3 5/18 City agent

J:\zone\Handouts\BZA Application Packet Updated 04/2017

## **BZA Public Hearing Follow-up**

Re: 617 Laurel Ave Submitted by Hupp Holdings LLC April 29, 2018

## Summary

The site at 617 Laurel Avenue, which has been vacant for over 60 years, was purchased by Hupp Holdings over a year ago with a multifamily, rental project in mind. The project design has gone through multiple iterations based on feedback from many stakeholders including three meetings with the BZA. In summary:

- 1. Our proposed project is consistent with the St. Paul's Comprehensive Plan, zoning strategy and the new Mayor's vision for much-needed "smart" housing density in St. Paul.
- 2. The proposed project, designed by award-winning Collage Architects, has the unanimous support of the Summit University District Council as well as Zoning staff and HPC.
- The project is consistent with the site's RM2 zoning: medium-density multiple-family
  residential district. However a single family residence is not desirable for the site given the
  busy, often-congested street and developing anything else requires multiple variances or
  rezoning.
- 4. With the exception of the increase in units, the proposed building is virtually identical in target occupancy, square footage, and footprint to what was approved by the BZA over a year ago. At the same time, the need for a parking variance has been eliminated with the addition of a parking lot that meets 100% of the parking requirement.
- 5. The residential neighbors have had the benefit of a free "park" on this site for many, many years. Now with the possibility of a new building, they have expressed some concerns.
- 6. Times are changing and this site now needs to be put into good, high-value use for the benefit of the city and its growing population. Our project does that in a respectful manner.

#### Background

Over the past year, we have worked with Collage Architects on an exciting design for this challenging site. On February 27, 2017, we presented to the Board of Zoning Appeals and received approval for the variances needed to build a 3-unit row house project with 9 bedrooms and a 3 bay garage. Approved were:

- 1. One density variance allowing 3 or more units on < 9,000 sf lot
- 2. One setback variance for the residence
- 3. One parking space variance
- 4. One setback variance for the garage

Our initial project design was also conditionally approved by HPC. However the Summit-University Planning Council had concerns and felt the units were too large and rents too expensive. Plus the time to get necessary City approvals to start the project dragged on. So based on Planning Council feedback, a fresh review of market conditions and ultimately an appreciation for Mayor Carter's concept of "smart" housing density, the project was reimagined. The new design has three smaller, 2-bedroom row houses and three, one-bedroom flats still with a total of nine bedrooms all in same footprint, volume, and building envelope. The projected rental rates for the three flats are considered "affordable" at the 60-80% AMI level.

This new design was favorably received by the Summit-University Planning Council who supported it with a unanimous vote citing its desirable unit mix and more affordable rents as positive factors. We also secured the support of Zoning staff. However at the BZA meeting on March 26, 2018 concerns were expressed by committee members and the St. Paul attorney regarding our off-site parking strategy. So again we went back to the drawing board. This time we eliminated the garage and added a parking lot with seven spaces, including a handicap accessible loading area. This met 100% of our parking requirements.

#### Variance request

Hupp Holdings is proposing to construct a 6-unit development on a vacant lot in the RM2 multi-family zoning district. This new design now requires BZA approval of the following:

- 1. A lot area of 9,000 square feet is required and 7,180 is available to build:
  - a. three or more dwelling units **NOTE**: This variance was previously approved by BZA on February 27, 2017.
  - b. six dwelling units (1,500 sf each)
- 2. A setback of 9' is required along Dale for the building; 3' is proposed for a variance of 6'. **NOTE:** This variance was previously approved by BZA on February 27, 2017
- 3. No variance for parking spaces is requested
- 4. A setback of 9' is required on the east and west sides of the off-street parking area; 1' is proposed. **NOTE**: A 3' setback on the west side of the garage was approved on February 27, 2017; no residences are in close proximity to the parking lot.

#### Neighbors Concerns

The Planning Council, Zoning staff and HPC are in full support, but some neighbors have expressed concerns. These concerns fall into four areas:

- 1. Parking/congestion
- 2. Density
- 3. Variances
- 4. Findings

Parking/congestion: the area is busy and this project will just add to it.

- Yes the area is busy with a combination of retail, restaurants and multi-family housing but the Comprehensive Plan clearly states that this is the kind of transit-oriented site where additional development is appropriate and needed. In fact, we will be one of the few multifamily projects in the area meeting 100% of their parking requirements with a parking lot design completed with input from St. Paul Public Works.
- We anticipate our new unit configuration/pricing will be attractive to Millenials many who
  will be inclined to bike and use mass transit. There is bus stop on the Selby/Dale corner
  and a light rail stop only .7 mi, or 15 minute walk away.
- Tenants will be encouraged to head east on the alley coming out of the parking lot to minimize congestion on Dale.

Density: the 3 unit project previously approved would be ok but 6 units seems too much.

- Our project is consistent with the RM2 zoning for the site "Medium-density multiple-family residential district is intended to provide for more extensive areas of multiple-family residential development and a variety of congregate living arrangements, as well as uses that serve the needs of the multiple-family residential districts. It is intended to provide for comprehensive development of multiple-family uses and a balance of population concentration near major thoroughfares, transit, and related facilities."
- As indicated before, the number of occupants, building size, building footprint all remain the same as the previous project approved by BZA, HPC and Zoning. When this project was proposed last year it did not meet any resistance from neighbors. It meets 100% of parking requirements where the previous met only 75%. What it does offer are more units at lower rents within the same broad project parameters.

Variances: there are too many large variances requested

 We are requesting four variances, which is the same number that was requested and approved last year. Two of the requested variances are related to density and two related to setbacks. The two density variances are virtually identical both referencing the need for

- 9,000 sf when we have 7,180 sf available and this variance was approved last year with little discussion. No variances are requested for parking.
- As noted earlier, the Summit-University Planning Council, which represents a diverse area
  ranging from University to Summit fully supported the project and particularly commended
  the size and rents of the units. The one neighborhood group that spoke against the project
  represents a small area in the SE corner of the District near Summit Avenue which is
  clearly a much less diverse area.
- The size and impact of the variances are relative. For example we previously received approval for a 7' variance for the setback off Dale for the main building. This represented a 78% variance but considering that there is a 3' right of way owned by the county along the Dale property line, and row houses by design "hug" the sidewalk, the practical impact is negligible. As another example, we have 35% lot coverage, which falls within the Code's acceptable range, however the code also says we need 9,000 sf when we only have 7,180. It should be noted that this 20% variance is identical to a recent variance approved by BZA for a duplex project proposed for a similar vacant site at 1048 Dayton. Lastly, it is true that we are requesting minimal setbacks for the parking area of 1' but the parking lot borders an alley, a public sidewalk (with an additional 3' right-of-way), and a neighboring garage. In the end, discretion is needed to make practical interpretations of zoning code.

Findings: the Findings described in the application related to (3) "practical difficulties in complying" and (4) "circumstances unique to the property" are not convincing.

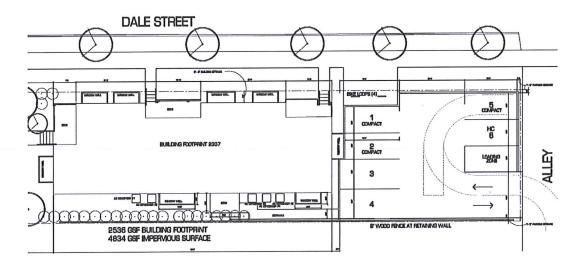
- The rental market and City leadership underscore the need for more, and more affordable, housing for St. Paul residents. The majority of new housing being built is either "Luxury" units i.e. "Vintage" or tax subsidized LIHTC "Affordable" units. Very few developers have been able to "crack the code" on building new, market rate units that are affordable for the average worker. To do this in a viable manner requires optimizing all facets of the project particularly on tight sites like ours.
- As stated in the application, the site is and has been zoned RM2 for some time. If the project had been proposed in 1968, no variances would be required because of the lot size. However the lot was subdivided without the zoning being changed. As a result now only a single family residence which is not appropriate for such a busy location can be built without variances. This is a major factor in why the lot has been vacant for 60 years and stands in the way of development.
- The site is unique in that it is bound by streets on three sides which is a positive situation that provides many options for access to the building and parking. A project such as the one we propose would be very difficult on an interior, infill lot.



Application for Zoning Variance Modification Re: 617 Laurel Avenue St. Paul, MN Submitted April 13, 2018 Hupp Holdings LLC

## **BACKGROUND**

Based on feedback we received at the BZA meeting on March 26, 2018, we have revised our parking strategy. Now instead of negotiating lease agreements for off site parking, we are building a surface parking lot on the north side of our site that will handle the majority of our parking requirements. This lot will provide six parking spaces including a handicap space and adjacent loading space, as illustrated in the diagram below. Access and egress from the lot will be off the alley not requiring a curb cut on Dale Street. Given that our parking requirement is seven spaces, we are requesting a variance of one parking space in addition to setbacks.



On February 27, 2017, Hupp Holdings LLC received BZA approval for four variances associated with a new, three-unit, row house development at 617 Laurel Ave.

- 1. A lot size of at least 9,000 square feet is required to create three (3) or more dwelling units (table 66.231, c); a lot size of 7,204 square feet exists for a variance of 1,796 square feet.
- 2. Four off-street parking spaces are required; three spaces are proposed for a variance of one parking space.
- 3. A side yard setback of nine feet is required along Dale Street for the apartment building; a setback of two feet is proposed for a variance of seven feet
- 4. A side yard setback of nine feet is required along Dale Street for the garage; a setback of three feet is proposed for a variance of six feet.



The proposed development is consistent with St. Paul's Comprehensive Plan, Heritage Preservation Commission guidelines and the new Mayor's housing priorities. In addition, the project reinforces the growing vitality of the Selby/Dale neighborhood node, provides new housing options for both young and old, and puts a valuable asset back on the tax roll after 60 years of dormancy. It's interesting to note that a century ago there were six buildings, comprised of houses and businesses, on this relatively small lot. Yes, it was truly dense. We are proposing to (re)develop the site for residential housing in a similar spirit.

The original project was put on hold last September to provide time to reevaluate the design in relation to St. Paul's housing priorities and overall market conditions. At the same time, we wanted to ensure we were achieving the highest and best use for this unique site. With the ongoing assistance of Collage Architects, the project has now been reconfigured to **decrease** the size of the three, original row houses by 33% while adding three - highly sought after - units, Affordable at the 60-80% AMI level. Although the unit count increases, the building size (volume, footprint, envelope) stays virtually the same as what was approved by the BZA last year. And even with the additional units, projected occupancy should not change. These project changes are summarized in the table below:

	Original design	New design
Total units	3	6
Avg unit size	2,436	1,218
Parking spaces req.	4	7
Unit Type	100% Market rate	50% Market rate 50% Affordable
Bedrooms/occupants	9	9
Building footprint	Minimal change	Minimal change
Building volume	Minimal change	Minimal change
Building envelope	Minimal change	Minimal change
Building exterior design	Minimal change	Minimal change



#### **VARIANCE REQUEST**

Hupp Holdings LLC is proposing to construct a 6-unit row house development on a vacant lot in the RM2, multi-family residential zoning district and is requesting the following variances:

## Density:

- The zoning code states that no multi-family dwellings can be built to create three or more dwelling units on a lot that is less than 9,000 square feet in area; the applicant is requesting a variance from this requirement. (approved 2/27/17)
- This zoning district requires 1,500 square feet of lot area per unit. Based on the number of proposed units, a minimum lot area of 9,000 square feet is required; a lot area of 7,204 square feet is available resulting in a variance request of 1,796 square feet.

## Setbacks:

- A side yard setback of nine feet is required along Dale Street for the apartment building;
   a setback of two feet is proposed for a requested variance of seven feet. (approved 2/27/17)
- Side yard setbacks of nine feet are required along the east and west side (Dale St) of the proposed parking lot; setbacks of one foot are proposed for both east and west sides with requested variances of eight feet.

#### Parking:

• Seven off-street parking spaces are required; six spaces are proposed (along with a required handicap loading area) therefore a variance of one parking space is requested.



#### **FINDINGS**

## 1. The variance is in harmony with the general purposes and intent of the zoning code.

The RM2, medium-density multi-family residential district is intended to provide more extensive areas of multi-family residential developments and a variety of congregate living arrangements. The RM2 is intended to provide a balance of population concentration near major thoroughfares, transit, and related facilities. We are proposing to construct a development with 3 row houses (2-bedroom), 3 flats (1 bedroom) with a 3-stall garage located off of the alley on the north side of the subject property. Two of the row houses will front Dale Street facing west, while the other unit will front Laurel Avenue facing south. The first floor of the units will be comprised of a kitchen, dining and living rooms, and a bathroom, and the garden level of the units will have two bedrooms. The flats will be on the third floor accessible by stairs off Dale.

The proposed development directly reflects the intended use of a property that is zoned RM2 because of its proximity near commercial nodes and related facilities. The proposed variances requested for the development will allow us to create a dense development and preserve the remaining green space on the east side of the lot, staying in keeping with the intent of the RM2 zoning district. The 3-stall garage off of the alley combined with off-site leased spaces will provide parking for each of the dwelling units which supports the city's goal to reduce the number of parking spaces needed within areas well-served by public transportation and mitigates parking congestion on the street that suffers from a lack of on-street parking due to the proximity to commercial uses. This finding is met for all variances.

#### 2. The variance is consistent with the comprehensive plan.

This request would allow for a residential housing development on a vacant lot. According to the Saint Paul Comprehensive Plan, the city recognizes a need for infill development and to create greater housing density choices. The type of development that is being proposed for this property aligns with the city's goal of providing medium-density housing along corridors located in high amenity areas at both market and affordable rates. This property is just south of the Dale and Selby commercial node which has mixed-use developments on each corner ranging from a variety of retail, offices, and medium-high density apartments.

As stated in the zoning code, "the RM2 medium-density, multiple-family residential district is intended to provide for more extensive areas of multiple-family residential development and a variety of congregate living arrangements, as well as uses that serve the needs of the multiple-family residential districts. It is intended to provide for comprehensive development of multiple-family uses and a balance of population concentration near major thoroughfares, transit, and related facilities." Our project directly supports this code.

The City of St Paul, under the new leadership of Mayor Melvin Carter, is making housing a priority. His vision includes thoughtful re/development of sub-optimized sites within the city as



well as the addition of affordable housing for those wanting to make St Paul their home. One way to accomplish this, in an efficient, cost-effective manner, is by selectively increasing density. There are discussions underway within the community and planning that sites like ours that front major corridors should be rezoned to support the increased density needed by the city. The recent rezoning along Snelling Avenue is a good example of the rationale for such as change. In the meantime while we wait for theses changes, there is an opportunity to take sites such as this and selectively allow more units than the RM2 zoning code currently supports. That is our request.

One of the strategies for promoting housing found in the Plan also supports creativity in the construction of neighborhood infill housing. The proposed development would stay in keeping with the above referenced strategy and continue to create housing options on properties that would more than likely remain vacant. This finding is met for all variances.

3. There are practical difficulties in complying with the provision that we propose to use the property in a reasonable manner not permitted by the provision. Economic considerations alone do not constitute practical difficulties.

This property is located in a RM2 zoning district where multi-family developments are allowed. Given the size of this lot, the only residential building that could be constructed without a variance would be a single family dwelling. However, because this property is located near a commercial node with moderate to high levels of pedestrian and vehicular activity, and it fronts County Road 53 locally known as Dale Street, this property would not be an ideal location for a traditional single family dwelling. The proposed use is more in keeping with the intent of the RM2 zoning district given its density and its proximity to high a amenity area.

The parking required for this development is 7 spaces. We are proposing to construct a parking lot with six parking spaces and a required handicap loading area that will be accessible off the alley. The development previously received approval for side yard setbacks of 2 feet from the west side property line for the main structure and 3 feet off of the west property line for the garage. We are requesting variances that would allow 1' setbacks off the east and west side of the parking lot. This finding is met for all variances.

4. Our plight is due to circumstances unique to the property not created by us.

This lot has been subdivided several times since 1968, which was the last time there were any structures on the property. On March 11, 2002 there was a variance approved to allow a lot split from the subject property in order to construct a new single family dwelling at what is now 613 Laurel Avenue. This variance from 2002 put the lot size at odds with its designated zoning making it virtually impossible to do a viable duplex or multi-family development that meets all zoning requirements. This finding is met for all variances.



# 5. The variance will not permit any use that is not allowed in the zoning district where the affected land is located.

The proposed development is permitted in the RM2 zoning district. Lot coverage is 35%, which does not exceed the lot coverage threshold. If granted, the variance request would not change the zoning classification of this property. We did consider rezoning the site to T1, which would remove any concerns regarding density and setbacks. A majority of neighbors within 100' agreed to the rezoning but since a few neighbors had concerns about their ability to control future commercial development, we elected to seek variances tied to a specific project as a reasonable alternative. This finding is met for all variances.

## 6. The variance will not alter the essential character of the surrounding area.

There are several multi-family developments located within close proximity of the subject property, including a 17-unit apartment building located just west of this site. If this was a typical interior, infill site the number of units could be an issue. However given that this is a corner lot with streets on three sides and with units facing Dale, there is not a practical concern with regard to unit or garage access/egress. This finding is met for all variances.

