

DRAFT
MINUTES OF THE ZONING COMMITTEE
Thursday, July 16, 2020 - 3:30 p.m.

PRESENT: Baker, DeJoy, Edgerton, Grill, Hood, Lindeke, and Rangel Morales
EXCUSED: Ochs
STAFF: Mike Richardson, Samantha Langer, Allan Torstenson, and Peter Warner

The meeting was chaired by Commissioner Edgerton. He stated that the chair of the Planning Commission had determined that due to the COVID-19 pandemic it is neither practical nor prudent for the Zoning Committee to meet in person, and therefore the meeting was being conducted remotely, with all members of the Zoning Committee attending the meeting remotely and the public able to submit comments by noon on the day before the meeting and monitor the meeting remotely.

1428 E 7th Rezoning - 20-046-742 - Rezone from split RM1/RM2 zoning to all RM2 medium-density multiple-family residential, 1428 7th St E, SE corner E 7th & Birmingham Streets

1428 E 7th Variances - 20-046-757 - Variance for building height (50 ' max allowed, 60' proposed), parking (86 stalls required, 60 stalls proposed), and number of units (48 units max. allowed, 60 proposed)., 1428 7th St E, SE corner W 7th & Birmingham Streets

Mike Richardson presented the staff report with a recommendation of approval for the rezoning. He said District 2 had not made a recommendation by the comment deadline, and there were no letters in support or opposition.

In response to Commissioner Lindeke, Mr. Richardson said that he was unable to find any evidence of prior development on this property. He said that an area immediately to the east had been used for dumping construction materials in the past. The area was also the subject of a study the City requested to look at general housing redevelopment. The applicant said that there is probably some stigma associated with this site because of the activities that happened to the east but based on investigations nothing had happened on this site. Mr. Richardson said that the inclusion of industrial zoning in the 2030 Comprehensive Plan for this site was likely related to the Cemstone site and related to the fact that much of the area between that site and the BNSF railroad corridor to the northwest was undeveloped. He said that the industrial zoning designation for this area has been removed in the pending 2040 Comprehensive Plan.

Mr. Torstenson provided an update on the RM2 zoning study. He said the Committee is recommending approval of the study with a number of changes including a provision to include a bonus incentive to include affordable housing in multi-family development.

Commissioner Grill added that it will be coming to the Planning Commission at the next regularly scheduled meeting. She said that changes were proposed, and she would urge that Committee members should review the updates before the Planning Commission meeting.

Commissioner Rangel Morales said that the RM2 study has changed significantly. The RM2 study that had originally been proposed had no inclusion about the affordable housing

component and the new one approved by the Comp Plan Committee incorporates an incentive for the RM zoned properties in the City.

In response to Commissioner Edgerton, Mr. Richardson said that this site design addresses pedestrian needs by the parking reduction and making it less vehicle dependent. Pedestrians also benefit by the way that they designed the connection between the building and the street.

Mr. Richardson said that all 60 units will be affordable at 60% AMI. The affordable housing component along with the typography issues that exist at the site contribute to the practical difficulties in complying with the maximum number of dwelling units allowed.

Justin Fincher, JB Vang Partners, 1335 Pierce Butler Route, Saint Paul, said they are acting as the developer for the project. Mr. Fincher said The Parkway will be a 60-unit apartment project with four stories over one level of parking. All the units will be affordable, and the rents will range between 50% and 60% AMI. They have 10 units that are set aside for Section 8 vouchers, which were awarded through Saint Paul PHA earlier this year. He also Planning and Economic Development housing staff will also be assisting with the allocation of 1.5 million dollars in HOME funds that will help with affordability in those units. They will also be applying for 4% Bonds later this year. They plan to be on the Housing and Redevelopment Authority agenda in September and their intent is to break ground in October 2020, though the dates are subject to change. Mr. Fincher clarified some of the variances. Regarding the height variance, there is a drastic grade change from the east side of the property down to the west side at around 14 feet and given how narrow the site is that pitch is fairly steep. The way that the City calculates height is by taking the average of the grade around the building. If it were a flat site, the parking would be proposed to be completely underground, and the height variance would not be required. Regarding the unit count, he said they are proposing 60 units and that is higher than the RM2 zoning code. This is an affordable housing project and 100% of the units will be affordable. With the reduced revenue on the site it lowers their construction budget, but then in addition to that there are a large amount of fixed costs with this site including the earthwork and utilities. In terms of parking, they are at a one to one ratio which they feel is feasible for this type of development. They have had several conversations with their property management team and affordable housing consultant and feel that will perform well on this site. Mr. Fincher said that they met with the District Community 2 Council the night before and they voted in support of the project including the rezoning and variances. They said that they would be working on a letter to submit, but it would not be in time for today's Zoning Committee meeting. Regarding the environmental concerns at the site, Mr. Fincher said they were awarded a TBRA grant for site investigation late last year through Met Council. They hired an environmental engineer and did Phase 1 and Phase 2 environmental assessment reports. The Phase 2 assessment they conducted soil borings and test pits on the site and given the concerns of the Cemstone site to the east of their site, they did do a very large number of soil borings and test pits. They did not come across any foreign debris or contaminants that are known on the Cemstone site located on this site. The soil contamination levels were below the regulation limits, so they are able to keep the soil onsite. They may discover issues once they start tearing out the soil, but from what they know today, they are okay to build on the site. Mr. Fincher said that they are addressing pedestrian needs by promoting safety and security. The site has been blighted and vacant for a long time. That invites nuisance and by promoting activity and a well-managed property with tenants that will increase the safety and security along W. Seventh Street and on their site.

In response to Commissioner Lindeke, Mr. Fincher said that he believes that they will be following the current RM2 zoning guidelines. The RM2 amendment that is being proposed would essentially remove the density variance and possibly the parking variance. He said that Kyle Skar from UrbanWorks may have more information.

Kyle Skar, UrbanWorks, 901 N. 3rd Street, Minneapolis, said if the new RM2 passes the parking would still be in place, the height could be handled by a conditional use permit instead of a variance request, and regarding the density, they would be well under the new FAR requirement calculation for the project.

The public hearing was closed.

Commissioner Grill moved approval of the rezoning. Commissioner DeJoy seconded the motion.

The motion passed by a vote of 7-0-0.

Adopted Yeas - 7 Nays - 0 Abstained - 0

Commissioner Grill moved approval with conditions of the variances for building height, parking, and number of units. Commissioner DeJoy seconded the motion.

The motion passed by a vote of 7-0-0.

Adopted Yeas - 7 Nays - 0 Abstained - 0

Drafted by:

Submitted by:

Approved by:

Samantha Langer
Recording Secretary

Mike Richardson
City Planner

Dan Edgerton
Chair