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August 30, 2021

VIA ELECTRONIC MAIL

Saint Paul City Council City Hall 15 Kellogg Blvd. West Saint Paul, MN 55102

Re: 695 Grand - Applicant's Response to Appeal of Planning Commission of CUP and Variances

Dear President Brendmoen and Members of the City Council:

This letter is submitted on behalf of Reuter Walton Development, the applicant for zoning approvals for the proposed redevelopment of 695 Grand Avenue (the "Project"), in response to the appeal of the Planning Commission's approval of a conditional use permit ("CUP") and variances for the project. After an extensive engagement process with the Summit Hill Association (the "SHA") and community members, the SHA strongly endorsed the Project and voted to support the required zoning applications. Planning staff recommended approval of the applications and the Planning Commission, after thorough and thoughtful deliberation, voted by an overwhelming majority to approve the CUP and variances. The arguments raised in the appeal were all raised and considered during the Planning Commission's review. The recommendations of the SHA and Planning staff, and the decisions of the Planning Commission, should be respected and the appeal should be denied.

The Project is Consistent with City Planning Policies

Requests for a CUP must be in "substantial compliance" with the comprehensive plan and applicable subarea plans and a variance must be "consistent" with the comprehensive plan. The Project, including the height and size of the building, substantially complies and is consistent with multiple plan policies, as extensively discussed in the Planning report and Reuter Walton's application and including the following from the 2040 Comprehensive Plan:

- the future land use designation of the site for Mixed Use development;
- Policy LU-1, encourage transit-supportive density and direct the majority of growth to areas with the highest existing or planned transit capacity;

Comment: the site is well-served by transit. Route 63 provides 15-minute service most of the day on weekdays and Saturdays (just below the Metro Transit definition of High Frequency). Route 63 connects the site to downtown St Paul, the A-Line and the Green Line LRT. Route 65 runs along Dale and connects the site to the Green Line LRT and Rosedale Mall. Additional transit service will be provided by the planned Metro B Line on nearby Selby Avenue.

- Policy LU-5, encourage flexible building design to ensure ongoing functionality and viability, and to respond to new market opportunities;
- Policy LU-6, foster equitable and sustainable economic growth by: 1) facilitating business creation, attraction, retention and expansion; . . . 3) growing Saint Paul's tax base in order to maintain and expand City services, amenities and infrastructure; *Comment: the Project will create new tenant spaces for two, longtime Grand Avenue businesses and space for a third.*
- Policy LU-7, use land use and zoning flexibility to respond to social, economic, technological, market and environmental changes, conditions and opportunities;
- Policy LU-14, reduce the amount of land devoted to off-street parking in order to use land more efficiently, accommodate increases in density on valuable urban land, and promote the use of transit and other non-car mobility modes;
- Policy LU-29, ensure that building massing, height, scale and design transition to those permitted in adjoining districts; *Comment: the design of the building and how it incorporates setbacks, stepbacks and materials to provide appropriate transitions is discussed below.*
- Policy LU-35, provide for multi-family housing along arterial and collector streets, and in employment centers to facilitate walking and leverage the use of public transportation; and
- Policy H-46, support the development of new housing, particularly in areas identified as Mixed Use, Urban Neighborhoods, and/or in areas with the highest existing or planned transit service, to meet market demand for living in walkable, transit-accessible, urban neighborhoods.

Comment: the Project will not eliminate any existing housing or displace any residents. The Comprehensive Plan supports growth of both affordable and market rate housing. Reuter Walton is building housing at a range of affordability levels throughout the City.

The Planning report also details the many policies from the 2006 Summit Hill/District 16 Neighborhood Plan with which the Project and its design are consistent. While the project as designed is not technically consistent with that part of the 2006 Summit Hill/District 16 plan explicitly related to the height and massing limits of the East Grand Overlay, the Summit Hill Association did explicitly examine this conflict and voted overwhelmingly to support the CUP and variances necessary to grant the project relief from the Overlay standards, such that it could be built as designed.

The Project is Compatible with the Existing Character of the Area and does not Endanger Public Health, Safety or Welfare

At 59'10", the Project will not be the tallest building in the area; the six-story condo building a block away at Grand and Grotto is approximately 65' tall. Nor will the Project be significantly taller than several other nearby buildings that range from 39' to 50' tall, as

illustrated on the attached context plan exhibit. The building has been designed with multiple setbacks and stepbacks to help minimize the perception of height and bulk, and to reduce shadowing on adjacent buildings. In particular, setbacks are employed to reduce the perception and impact of building height and mass on the nearest neighbors. On the west, the first floor is set back 7' from the west property line and the upper floors are setback 11'. On the north, the first floor is set back 8' from the alley (the alley provides another 20' of separation from the property to the north) and much of the length of the upper floors are set back 18' from the alley. In addition, 39.5' of the northeast façade along St. Albans steps back 15' to correspond to the setback of the residential property north of the alley. The entire fifth story is set back at least 18' from both Grand Avenue and the alley. This particular stepback was added to the project in May based on feedback from the immediate neighbors and the SHA. The setbacks and stepbacks of the building design work together to provide appropriate transition between the height of the Project at its tallest point to the buildings on neighboring lots and in the general area.

The shadows cast by the building will not be out of character with shadows cast by other multi-story buildings in the area. The rear and side setbacks of the Project are greater than those of its immediate neighbors and greater than those required in B2, T2 or T3 Districts. These setbacks, particularly the 18' setback of the fifth story, along with the public right-of-way that borders the project site on two sides, mitigate the impact of shadows on adjacent properties. The resultant shadowing will be reasonable and typical in degree for a developed, urban area.

Height is not the only defining feature of the "character" of a building or area. The ground level setbacks of the Project fall within the range of existing setbacks of other buildings in the vicinity. The U-shaped massing of the building sets 95' of the center of the façade of the upper floors at least 58' back from Grand Avenue, with two "bookends" of 65' in width on each side. From the pedestrian level, the bookends appear as separate, smaller buildings, similar in width to many other apartment buildings on the block and beyond on Grand Avenue. The building materials of stone, brick and decorative metal were selected to fit in with the surrounding historic neighborhood character, as were other traditional design characteristics, including a clear base/middle/top design. The base of the building will be clad in stone and feature large storefront windows, multiple entrances, decorative canopies and a recessed corner entrance, in keeping with the character of traditional Grand Avenue commercial architecture. Large, deeply recessed balconies emulate neighboring multistory apartment buildings.

Recognizing the variety of elements that contribute to the character of an area, the Summit Hill/District 16 Neighborhood Plan includes the following policy related to design:

G3 Design Standards. Adopt TN2 design standards for East Grand in an overlay district. These design standards reinforce human-scale building characteristics, promote quality in architectural materials, reinforce a pedestrian-focused streetscape, promote underground parking for mixed use developments, and visually-screened surface parking for smaller, single-use developments, and promote signage that is consistent with building architecture and business function, and complements the eclectic nature of the avenue.

The Project will achieve the pedestrian-focused character sought by this policy by replacing an existing one-story commercial building and a surface parking lot with a mixed-use building with

underground parking. The streetscape will be greatly enhanced with an outdoor patio and public plaza facing Grand Avenue, reconstructed sidewalks and curb ramps, and an expanded planted boulevard along Grand Avenue with canopy trees and perennial plantings. Along Grand Avenue, the building incorporates "human scale" design with storefront windows, setbacks for restaurant seating and a residential amenity area that mitigate the impact of building height and scale on the pedestrian realm, while activating and bringing "eyes to the street." As illustrated on the attached renderings of the building and site as experienced from street level, the Project will be an attractive and vital addition to East Grand Avenue.

<u>The Variance Requests are Based on Practical Difficulties and Unique Circumstances and are</u> <u>Consistent with the Intent of the Overlay District Ordinance</u>

Our understanding of the overarching intent of the East Grand Avenue Overlay District and the restrictions it imposes on building size and height is that the Overlay standards seek to ensure that development along East Grand creates and enhances the pedestrian character and experience, fosters local businesses, and discourages big box chain stores. As discussed above, the Project achieves those goals. However, the Overlay standards were created based on the typical size of parcels fronting on the Avenue and, at 0.83 acres, the Project site is one of the largest parcels in the Overlay District; the vast majority of Grand Avenue lots in the Overlay are less than 0.25 acres. The Overlay standards do not account for different lot sizes and, when those restrictions are imposed on a very large lot, the relative development capacity of the large lot is significantly impaired.

The policies of the 2040 Comprehensive Plan cited above overwhelmingly support increased housing density and development of mixed-use buildings that support businesses and the use and expansion of transit along commercial corridors like Grand Avenue. The severe restrictions of the Overlay standards on building size create practical difficulties in developing the Project site in a manner that achieves the City's land use, housing and transportation goals, particularly when applied to an unusually large lot like the Project site. Minnesota courts have recognized that such an incongruity between city comprehensive plan goals and policies that seek increased density with generally applicable zoning restrictions that restrict building size as applied to a unique site is a practical difficulty that justifies the granting of a variance. *See, State of Minnesota ex. rel., Neighbors for East Bank Livability et al. v. City of Minneapolis,* 915 N.W.2d 505 (Minn. Ct. App. 2018) (upholding FAR variance for site guided in the comprehensive plan for high density).

Saint Paul has previously found that inconsistencies between comprehensive plan goals and ordinance restrictions as applied to a particular site can justify granting of a variance. For example, in 2020 the Planning Commission approved an FAR variance for a development on West 7th. The Commission found that there was a practical difficulty based on unique circumstances in complying with the FAR limit of the T3 District because the Comprehensive Plan and the District 9 plan called for mixed-use, high density development on that site and because mixed-use development requires more floor area than a single-use building. Those same policy factors apply to 695 Grand and are the reason why we are requesting variances to allow a larger, taller building than the Overlay standards allow.

The conflicts between Saint Paul's 2040 Plan policies and the Overlay standards apply uniquely to this site because it is substantially larger than the majority of lots along Grand Avenue and, as the staff report notes, is on a prominent corner for which redevelopment is particularly important. While the large size of the lot makes it unique and exacerbates the restrictive effects of the Overlay standards, that size also allows the Project to incorporate the design features discussed above that result in a building that is compatible in proportion with the height, footprint and floor area of other buildings along East Grand Avenue.

Conclusion

We urge the City Council to deny the appeal and uphold the unified recommendations of the Summit Hill Association, Planning staff and the Planning Commission.

Respectfully submitted,

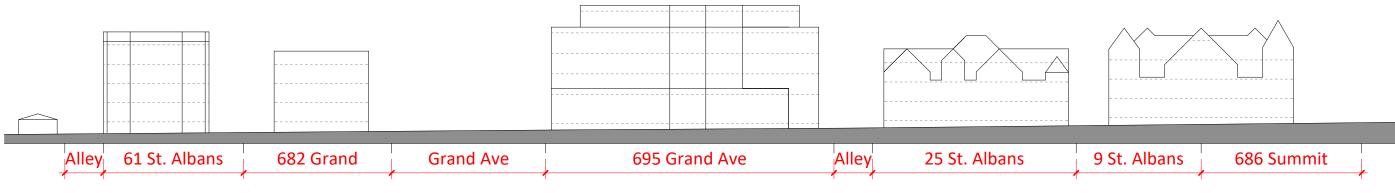
Caral Jansmy

Carol Lansing

Attachments

cc: Emma Siegworth Luis Pereira

US.134367393.02



ELEVATION ALONG ST ALBANS LOOKING WEST



8/30/2021

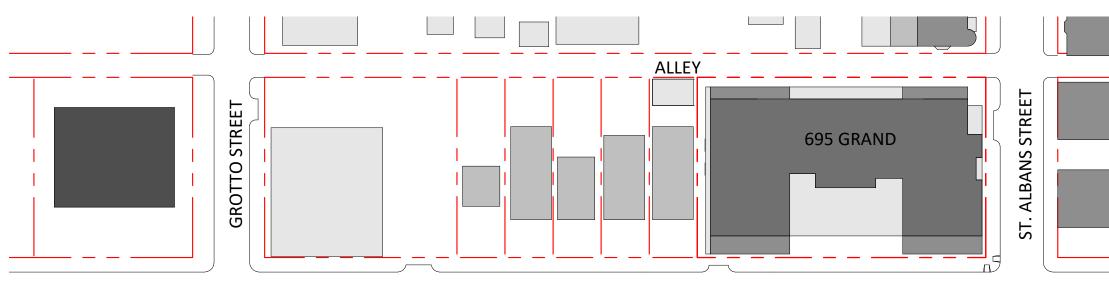
esg

ST. ALBANS SITE CONTEXT PLAN DIAGRAM Z1.4

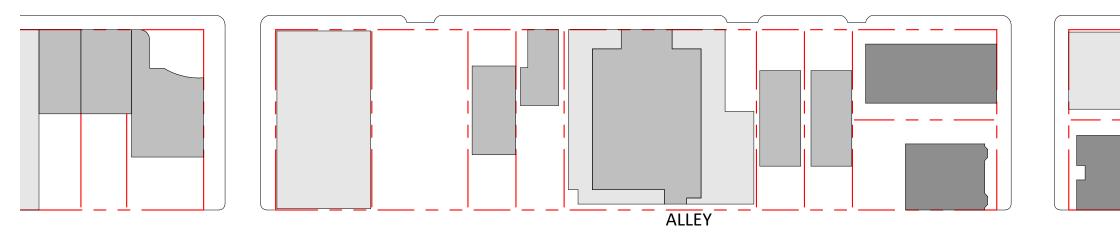
		······				
745 Grand Ave	e Grotto	733 Grand Ave	707-723 Grand Ave	695 Grand Ave	42 St. Albans	657-669 Grand Ave

St. Albans

ELEVATION ALONG GRAND LOOKING NORTH



GRAND AVENUE



SITE CONTEXT PLAN

8/30/2021







SE CORNER RETAIL ENTRANCE



PATIO ALONG GRAND AVENUE



VIEW FROM NE CORNER



VIEW ALONG ST ALBANS STREET



VIEW ALONG GRAND AVENUE



VIEW FROM SE CORNER



Saint Paul, MN



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I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly licensed architect under the laws of the State of Minnesota

Signature

Typed or Printed Name

License # Date



LAND USE APPLICATION 6/2/2021						
ORIGINAL ISSUE: 05/27/21						
REVISIONS: No. Description Date						
221520 PROJECT NUMBER						
JH BL DRAWN BY CHECKED BY						
695 GRAND AVE						
DESIGN PERSPECTIVES A14						