### ZONING COMMITTEE STAFF REPORT

FILE NAME: 841-857 Grand Avenue Rezoning	FILE #: 24-097-753				
APPLICANT: East Mall Associates & Wengler Family Limited Partnership					
TYPE OF APPLICATION: Rezoning	HEARING DATE: December 19, 2024				
LOCATION: 841-857 Grand Ave, Northeast Corner at Victoria Street					
PIN & LEGAL DESCRIPTION: 02-28-23-42-0126 & 02-28-23-42-0125; Lots 15-19 and west 25					
feet of Lot 20, Block 18, Summit Park Addition					
PLANNING DISTRICT: 16	EXISTING ZONING: B2/BC				
ZONING CODE REFERENCE: § 66.400, § 66.300, § 61.801(b), § 67.600					
STAFF REPORT DATE: December 12, 2024	BY: Spencer Miller-Johnson				
DATE RECEIVED:November 22, 202460-DAY	DEADLINE FOR ACTION: January 21, 2025				

- A. **PURPOSE:** Rezone from B2 community business and BC community business (converted) to T3 traditional neighborhood.
- B. PARCEL SIZE: The corner lot at 857 Grand Avenue has approximately 183 feet of frontage on Grand Avenue, 150 feet of frontage on Victora Street, and a total lot area of 27,443 square feet. The interior lot at 841 Grand Avenue has approximately 64 feet of frontage on Grand Avenue and a total lot area of 9,583 square feet.
- C. **EXISTING LAND USE:** 857 Grand Avenue is occupied by a one-story commercial building with four tenant spaces and a surface parking area to the side of the building with 22 stalls. 841 Grand Avenue is occupied by a two and a half-story house with a ground floor commercial space and two residential units above, an accessory garage with two stalls, and a surface parking area to the side and rear of the building with 20 stalls.
- D. **SURROUNDING LAND USE:** North: single-family houses and a duplex in a H2 zoning district. West: a commercial/office building in a B2 zoning district across Victoria Street. South: a commercial building in a B2 zoning district across Grand Avenue. East: a four-unit multi-family building in a RM2 zoning district.
- E. **ZONING CODE CITATIONS:** § 66.400 provides the standards for Business Districts. § 66.300 provides the standards for Traditional Neighborhood Districts. § 61.801(b) provides for changes to the zoning of property initiated by the property owner. § 67.600 establishes the EG East Grand Avenue Overlay District and its intent and standards.
- F. **HISTORY/DISCUSSION:** 857 Grand Avenue has seen a variety of commercial tenants over the past few decades with no relevant or major zoning applications. 841 Grand Avenue was formerly residential and is currently the location of a ground floor commercial space. In 2009, an applicant proposed to rezone the lot to B2, but the rezoning application was withdrawn based on a staff recommendation of denial due to it being inconsistent with Comprehensive and District Plan policy at the time.
- G. **DISTRICT COUNCIL RECOMMENDATION:** The Summit Hill Association had not taken a position on the rezoning at the time the staff report was drafted.

#### H. FINDINGS:

- 1. The applicant owns the properties on Grand Avenue and requests to rezone them from B2 and BC to T3. The applicant plans to sell the properties for development of a mixed-use project on the site in the future.
- 2. The proposed zoning is consistent with the way this area has developed. This finding is met. The properties are currently used for commercial and residential uses. The site is in a mixed-use area along Grand Avenue that includes a mix of commercial and residential uses with a varying housing types and sizes. Grand Avenue is a high frequency bus corridor (bus route 63), where the commercial and residential uses permitted in the T3 district are appropriate. T3 allows residential and commercial uses, so it is compatible with the

Zoning Committee Staff Report Zoning File #24-097-753 Page 2 of 3

residential uses in the adjacent RM2 district and commercial uses in the adjacent B2 districts.

3. *The proposed zoning is consistent with the Comprehensive Plan.* This finding is met. The future land use designation for this site is Mixed-Use and it is located in the center of a Neighborhood Node. The 2040 Comprehensive Plan states that:

"Mixed-Use areas are primarily along thoroughfares well-served by transit. The main distinguishing characteristic is a balance of jobs and housing within walking distance of one another. Historically, these areas developed in easily accessible locations, and they will continue to be the most dynamic areas of Saint Paul. These areas are vital for the ongoing growth and economic development of the city by providing the highest densities outside of downtown."

"Neighborhood Nodes are compact, mixed-use areas that provide shops, services, neighborhood-scale civic and institutional uses, recreational facilities and employment close to residences. They may be neighborhood centers, transit station areas or urban villages, and have often developed adjacent to street car stops... Neighborhood Nodes are denser concentrations of development relative to the adjacent future land use categories."

T3 zoning on a corner lot would allow an appropriate mix of uses and scale, consistent with the walkable context of Grand Avenue. The proposed T3 zoning would allow redevelopment to a mixed-use project, supported by Policies LU-27, LU-30, and LU-31:

"Provide for land use change and rezoning of land adjacent to Mixed-Use areas to allow for commercial redevelopment and/or expansion fronting arterial and collector streets." "Focus growth at Neighborhood Nodes using the following principles: increase density toward the center of the node and transition in scale to surrounding land uses, prioritize pedestrian-friendly urban design and infrastructure that emphasizes pedestrian safety..." "Invest in Neighborhood Nodes to achieve development that enables people to meet their daily needs within walking distance and improves equitable access to amenities, retail and services."

Grand Avenue is a high frequency transit corridor and one of Saint Paul's key pedestrianoriented areas. The Transportation Plan designates the roadway as an arterial street. Transit-supportive density is anticipated along arterial streets, supported by Policy LU-1:

"Encourage transit-supportive density and direct the majority of growth to areas with the highest existing or planned transit capacity."

The existing site could be utilized more efficiently. The site currently has a one-story commercial building, a house with commercial and residential uses, and two surface parking lots. The proposed T3 zoning allows for higher-density, mixed-use development in an area that is highly walkable, bikeable, and well-served by transit, with a more efficient use of the land, supported by 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."

T3 zoning allows for the development of new housing in a mixed-use area to allow more residents to live in the walkable, transit-accessible, urban neighborhood along Grand Avenue, supported by 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."

The proposed T3 zoning is generally consistent with the 2006 Summit Hill/District 16 Neighborhood Plan. Policy G1 Corridor Continuity states, "*Maintain Grand Avenue as a continuous neighborhood retail and residential corridor and contain commercial uses and accessory parking within existing boundaries.*" The proposed zoning allows for Grand Avenue to be maintained as a continuous retail and residential corridor with an active mixed-use commercial and residential building. The proposed development provides continuous street frontage at the corner of Grand Avenue and Victoria Street. One policy (G4 Commercial and Housing Mix) relates to the retention of BC zoning and discouraging rezonings of residential uses to more intensive uses; however, the proposed T3 zoning still allows residential uses mixed with commercial uses.

4. *The proposed zoning is compatible with surrounding uses.* This finding is met. This area of Grand Avenue includes retail, restaurants, service businesses, and a mix of housing types with a range densities. The mix of commercial and residential uses permitted in the T3 district are compatible with the range of uses surrounding the site. T3 zoning includes the same traditional neighborhood design standards that apply to surrounding properties within the EG East Grand Avenue Overlay District.

Sec. 66.314 states that the T3 district is intended for use in higher-density pedestrian- and transit-oriented areas. It is designed for development or redevelopment of land on sites that are large enough to support a mix of uses and housing types with multimodal connections and open spaces. It is also intended for smaller sites in existing mixed-use neighborhood centers where a mix of uses, multimodal connections, and open spaces are within a reasonable walking distance.

- 5. Court rulings have determined that "spot zoning" is illegal in Minnesota. Minnesota courts have stated that this term "applies to zoning changes, typically limited to small plots of land, which establish a use classification inconsistent with the surrounding uses and create an island of nonconforming use within a larger zoned property." The proposed rezoning is not spot zoning. The site is currently zoned B2 and BC, community business districts surrounded by other community business and residential districts. The proposed T3 zoning provides for a mix of uses that are consistent with the mix of commercial and residential uses (at a range of densities) along Grand Avenue in this vicinity.
- I. **STAFF RECOMMENDATION:** Based on the above findings, staff recommends approval of the rezoning from B2 community business and BC community business (converted) to T3 traditional neighborhood at 841-857 Grand Avenue.



#### **REZONING APPLICATION**

Department of Planning and Economic Development Zoning Section 1400 City Hall Annex, 25 West Fourth Street Saint Paul, MN 55102-1634 (651) 266-6583

File # Fee Paid \$

Received By / Date

Tentative Hearing Date

APPLICANT

Property Owner(s) Wengler Family Limited Partnership Address 857 GRAND AVE City St. Paul Zip 55105-3311 State MN Email Phone \_\_\_\_ Contact Person (if different) David Robbins Email drobbins@meyernjus.com Zip 55401 Address 330 Second Ave S, Suite 350 City Minneapolis State MN (Attach additional sheet if necessary to include all of the owners of at least 67% of the area of the property to be rezoned.)

#### PROPERTY INFO

Address/Location 841 and 857 Grand Ave

PIN(s) & Legal Description See attached survey

(Attach additional sheet if necessary.)

Lot Area <sup>37,058</sup> Current Zoning <sup>B2/BC</sup>

TO THE HONORABLE MAYOR AND CITY COUNCIL:

Pursuant to Saint Paul Zoning Code § 61.801 and Minnesota Statues § 462.357, Wengler Family Limited Partnership

owner(s) of land proposed for rezoning, hereby petition(s) to rezone the above described property from a B2 and BC zoning district to a T3 zoning district, for the purpose of:

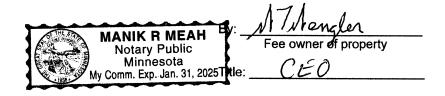
Aligning the zoning designation on this corner with its designation as a neighborhood node in the Comprehensive Plan.

The Comprehensive Plan emphasizes creating walkable, mixed-use neighborhoods with housing options close to transit and local businesses. T3 zoning supports these goals by enabling higher-density, pedestrian-friendly developments that reduce parking requirements and foster a more vibrant community. Rezoning would help meet the city's long-term vision for sustainable growth and inclusive neighborhoods, supporting both economic vitality and quality of life for residents in line with the 2040 plan's objectives for sustainable urban development.

Attach additional sheets if necessary. Attachments as required: 🗌 Site Plan 🗌 Consent Petition 🗌 Affidavit If you are a religious institution you may have certain rights under RLUIPA. Please check this box if you identify as a religious institution.

Subscribed and sworn to before me

Date





#### Rezoning Application Supplement for 841 and 857 Grand Ave

November 2024

#### 1. Current Site

- 37,000 SF / .85 acres
- 857 Grand
  - Victoria Crossing East building is occupied by Juut Salon and Paper Source
  - Gather Eatery and Bar (this building was added on to the original Victoria East building in 1936)
  - o Surface parking serving both 857 and 841 on the east and west sides of 841
- 841 Grand
  - Home built in 1891 that is occupied by residential and commercial uses
- Site is in a mixed use area of Grand that contains a variety of housing options, retail shops, surface and structured parking, and transportation options
- In Historic Hill District, but not believed to be contributing to the historic character of the district
  - Site study conducted by Pigeon Historic Consulting in November 2024 confirmed non contributing status. Submitted to State Historic Preservation Office for review.

#### 2. Current Zoning

- B2 Community Business District allows a maximum height of 30ft and a 2.0 FAR
- BC Community Business (Converted) allows a maximum height of 30ft, a 2.25 FAR, but contains a maximum lot coverage of 35%
  - This district is designed for existing residential structures in commercial areas. To redevelop this pair of lots, BC would no longer be compatible with a new mixed use development – such as that guided in the Comprehensive Plan on this neighborhood node.

#### 3. Proposed Zoning

• T3 Traditional Neighborhood allows a maximum height of 55 ft plus additional height (up to 90 feet) through a Conditional Use Permit, and a maximum FAR of 3.0.

#### 4. Proposed T3 zoning is consistent with the land use chapter of the comprehensive plan

- The intersection of Victoria and Grand is classified as a neighborhood node
- The Comprehensive Plan establishes priorities for where the city guides privately funded development to occur, consistent with public investments in housing, transportation, public utilities, and parks. High-density multi-family construction should be concentrated at Neighborhood Nodes.



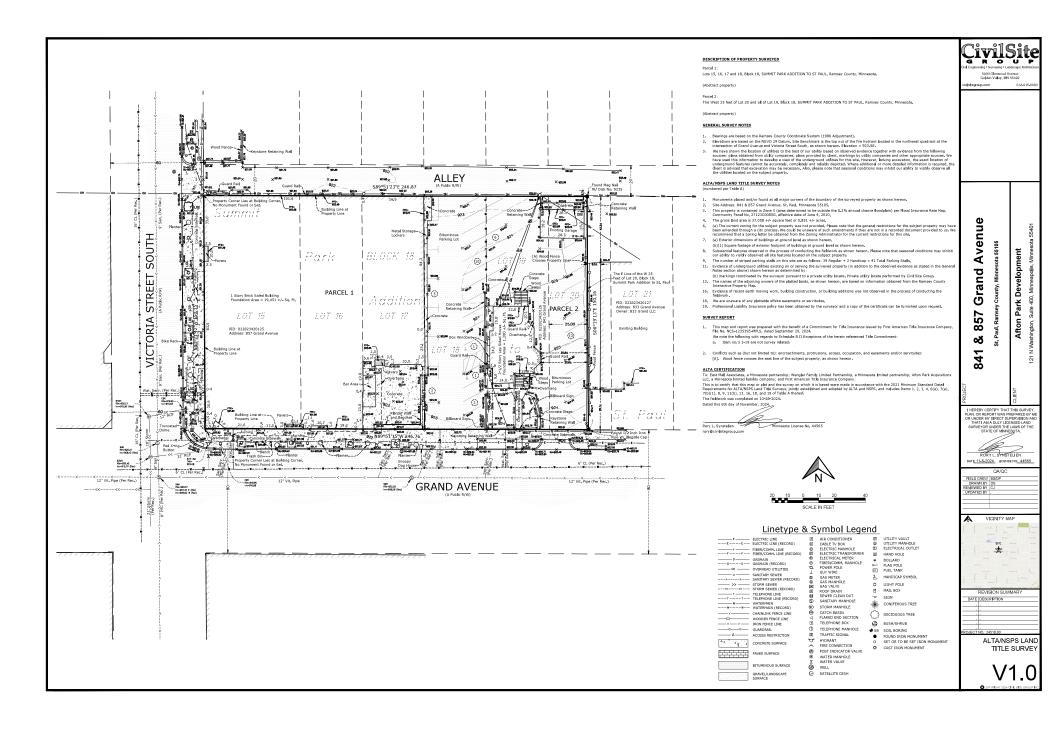
- Policy LU-27. Provide for land use change and rezoning of land adjacent to Mixed-Use areas to allow for commercial redevelopment and/or expansion fronting arterial and collector streets.
- Policy LU-28. Support pedestrian-friendly streetscapes and visual interest through commercial building design.
- Policy LU-29. Ensure that building massing, height, scale and design transition to those permitted in adjoining districts.
- 5. Proposed T3 zoning is consistent with the housing chapter of the comprehensive plan
  - 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
    - $\circ$  ~ Victoria and Grand is classified as a mixed-use urban neighborhood
- 6. Proposed T3 zoning is consistent with the transportation chapter of the comprehensive plan
  - Policy T-27: Improve public transit mode share and support quality public transit in all parts of the city through strategic establishment of transit supportive land use intensity and design, increased traffic signal optimization for transit, working with transit providers to improve their service offerings and supporting transit facilities
  - The Grand and Victoria intersection is highlighted in Map T-5 of Appendix A as a concentrated area for transit and jobs
  - Grand Ave is identified as a future potential high frequency transit line in Map T-8
  - These priorities also support the important regional themes of livability, equity, and sustainability

#### 7. Proposed T3 zoning is consistent with area development patterns

- High intensity intersection sites around the city of St. Paul are commonly rezoned to a "T" district to facilitate redevelopment, and specifically to T3. Examples include:
  - St. Clair and Snelling (April 2017)
  - Selby and Dale (June 2020)
  - St. Clair and Griggs (April 2021)
  - Grand and St. Albans (August 2021)

#### 8. Proposed T3 zoning is compatible with surrounding uses

• T3 zoning is compatible with surrounding uses (retail, restaurants, service businesses, and medium density residential) that are permitted in the T3 district and is compatible with Grand's transit corridor.



## Application of Wengler Family Limited Partnership

Zoning map

application number: 24-097753 • type: Rezone • date: 12/02/2024 • planning district:16



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# Application of Wengler Family Limited Partnership

Aerial map

application number: 24-097753 • type: Rezone • date: 12/02/2024 • planning district:16



Subject parcel(s) are outlined in blue

Other parcels are outlined in pink



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## Application of Wengler Family Limited Partnership

Land use map

application number: 24-097753 • type: Rezone • date: 12/02/2024 • planning district:16



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