Saint Paul Planning Commission
City Hall Conference Center
15 Kellogg Boulevard West

Minutes October 4, 2013

A meeting of the Planning Commission of the City of Saint Paul was held Friday, October 4, 2013, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners Present:	Mmes. Merrigan, Noecker, Porter, Reveal, Shively, Thao, Wang, Wencl; and Messrs. Connolly, Edgerton, Gelgelu, Makarios, Nelson, Ochs, Oliver, Schertler, Ward and Wickiser.
Commissioners Absent:	Ms. *Perrus, and Messrs. *Lindeke, and *Spaulding. *Excused
Also Present:	Donna Drummond, Planning Director; Bill Dermody, Scott Tempel, Merritt Clapp-Smith, Lucy Thompson, Jamie Radel and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes September 20, 2013.

MOTION: ***Commissioner Reveal moved approval of the minutes of September 20, 2013. Commissioner Thao seconded the motion. The motion carried unanimously on a voice vote.***

II. Chair's Announcements

Chair Wencl had no announcements.

III. Planning Director's Announcements

Donna Drummond announced that the surveys received from the Planning Commissioners will be tallied and discussed at the next Steering Committee meeting.

PED has hired a new city planner, Jamie Radel, filling a vacancy created by the retirement of Patricia James. Jamie started on September 23rd; she recently worked as a city planner in the City of Roseville and has also worked with a consulting firm.

IV. PUBLIC HEARING: Alcohol Production Zoning Study – Item from the Neighborhood Planning Committee. *(Bill Dermody, 651/266-6617)*

Chair Wencl announced that the Saint Paul Planning Commission was holding a public hearing on the Alcohol Production Zoning Study. Notice of the public hearing was published in the Legal Ledger on August 29, 2013, and was emailed to the citywide Early Notification System list and other interested parties.

Bill Dermody, PED staff person briefly summarized the proposed changes to the Zoning Code and pointed out a typographical error on the ENS notice regarding craft distilleries in the Business Districts, which was corrected for the Planning Commission packet.

No written testimony has been received.

Chair Wencl read the rules of procedure for the public hearing.

The following people spoke.

1. Mr. Dane Breimhorst spoke about the need for a conditional use permit to expand from 5,000 barrels per year maximum up to 20,000 barrels per year. As craft brewers they are just opening their doors and 5,000 barrels per year is a lot for a new brewery starting up to achieve. But once they do achieve that, they would like to expand larger than the 5,000 barrel mark. What that means for them and the community is that there will not be more foot traffic into the brewery, because their public tap room is not going to expand, it would be what's going out the back door and into local bars and restaurants.

   Chair Wencl asked if after reaching the 5,000 barrels in their current location would they be able to continue?

   Mr. Breimhorst replied if they completely max out their capacity in their current space they might be able to hit 20,000 barrels, however it might be very difficult to do that. So even reaching up to that point they would have to find a new location or expand to the other side of the building.

   Commissioner Ochs asked what the name of their company is and the location. And what is the current zoning there?

   Mr. Breimhorst said the name of their company is Burning Brothers Brewery located at 1750 Thomas Avenue in Saint Paul and the current zoning is T2.

   Commissioner Ochs asked whether the access to their loading facilities is adequate to grow the business should they exceed the 5,000 barrels and increase distribution. Mr. Breimhorst said yes.

MOTION: ***Commissioner Oliver moved to close the public hearing, leave the record open for written testimony until 4:30 p.m. on Monday, October 7, 2013 and to refer the matter back to the Neighborhood Planning Committee for review and recommendation. Commissioner Ward seconded the motion. The motion carried unanimously on a voice vote.***

V. Zoning Committee

SITE PLAN REVIEW – List of current applications. *(Tom Beach, 651/266-9086)*

One item to come before the Site Plan Review Committee on Tuesday, October 15, 2013:

- First Concrete, contractor's shop/storage building at 902 Atlantic Street.

NEW BUSINESS

#13-230-602 Steven Virkus and Jennifer Virkus – Rezone from B2 Community Business to T2 Traditional Neighborhood. 814 Grand Avenue between Avon and Victoria.
(Scott Tempel, 651/266-6621)

MOTION: ***Commissioner Nelson moved the Zoning Committee's recommendation to approve the rezoning. The motion carried unanimously on a voice vote.***

Commissioner Nelson announced the items on the agenda at the next Zoning Committee meeting on Thursday, October 10, 2013.

VI. PED Development Update – Informational presentation by Cecile Bedor, Director of the Department of Planning and Economic Development.

Cecile Bedor, PED Director, gave an informational update about the department's recent and future developments. She started with Mayor Coleman's vision, his three priorities, and the department's mission. PED has four teams; administrative/finance, economic development, housing, and planning, which includes heritage preservation and zoning. She talked about PED's operating budget funding sources and the 2014 proposed budget.

Ms. Bedor then highlighted major development projects. Downtown projects like the demolition of the former Diamond Products building for the Lowertown Ballpark is underway, and the Penfield apartments are opening by the end of 2013. Other projects include West Side Flats opening in the summer of 2014, the Rayette Lofts completion Fall 2014, and the Custom House which is the plan to renovate the former post office building into apartments, parking spaces and other uses. Union Depot reopened in December 2012 after a massive renovation, with Metro Transit bus service and Jefferson bus lines and Amtrak added by the end of 2013. She also noted several projects underway along the Green Line LRT. Other neighborhood projects include the Schmidt Brewery artist lofts renovation, renovation of the former Hamm's brewery site with space for three companies including: Urban Organics, Flat Earth Brewery and Mill City Distillery. For the Ford site the City has conducted numerous studies and plans to prepare for the future sale of the site by Ford Land to a master developer in 2015. Ms. Bedor also mentioned the various housing programs that PED has underway, including the City Living home purchase lending program, home improvement lending, mortgage foreclosure prevention and Neighborhood Stabilization Program.

Commissioner Merrigan asked about the flexibility to direct funds to different activities. For example, the NSP grant does something very specific.

Ms. Bedor clarified that the numbers she showed from these various programs were for PED operations for administration of the programs, not the amounts spent on the various programs. However, use of the funds for all these types of funding sources, such as CDBG, HOME, NSP and TIF is very restrictive. There is a real depth of understanding in the staff of exactly what the requirements are, what the money can be spent on, and where there is flexibility to meet program goals. PED regularly communicates with HUD, which is the federal department that oversees much of the federal money PED administers.

Commissioner Schertler said the general fund support for PED has been declining and noted that PED staff people who are doing City functions like planning and zoning are paid with sources other than the general fund, such as the HRA levy and bond fees. This is money that could go toward development activity. He said it has been this way in the past and was it still the situation?

Ms. Bedor replied yes that is still the case, and she'd like to get general funding because it would loosen up some of the levy for other uses. But there are a lot of priorities in the city and all the work done across the city is all important. She said the Mayor's office and HRA board are very aware of the fact that PED doesn't get any general fund money.

Commissioner Thao said that all of the Penfield apartments are high end market rate apartments, so there are no affordable units.

Ms. Bedor confirmed there are no affordable unit in the Penfield and noted that was controversial. Given her background as an affordable housing developer she is passionate about that, but her role as PED Director is to make sure that we have a thriving downtown and a distribution of different types of housing at different price points. We also need people downtown with buying power to support the retail that is left and if we're going to attract more. However PED has financed a lot of affordable housing downtown.

Commissioner Reveal asked if there has been any analysis of the downtown market for rental housing, particularly high end rental housing and how much be absorbed?

Ms. Bedor said they did a market study for the Penfield project and the numbers are significant. There isn't much of this product in downtown. The Penfield and the Lofts at Farmers Market are the first new housing projects that have been built in the last 15-20 years.

Commissioner Porter asked for an update on the angled site area on Cedar between 4th and 5th Streets.

Ms. Bedor said that they are working with the Met Council on an MOU on that block. On the eastern half of that block the Met Council owns about 65 or 70% of the land and the HRA owns the other piece of it. It's a prime development spot, and the plan is to work with the Met Council on redevelopment.

Commissioner Ward noted the reduction of PED staff over the past few years. What is she doing to make sure PED is sustainable into the future? He has heard that it is very difficult and hard to work with PED, partly due to staff reductions and turnover. He asked what could be done and is she open to suggestions?

Ms. Bedor said that it's unfortunate that he is hearing that because she does not get those calls. She noted that she reads notes and emails at quarterly department staff meetings with good news and thanks she has received about different staff which demonstrate the department's values. Ms. Bedor asked Commissioner Ward if he ever hears from someone who is having an issue with PED to give them her direct number (651) 266-6628. Because PED won't make changes unless she knows what the issue is. PED's culture has changed considerably from 2006 to today in the office. And that is due to the fact that PED is smaller, has a committed leadership team and a lot of new young staff people who work really hard and work in new ways. Developers would say to

her that in the past they would ask for $200,000 and PED would just find it for them. Now PED is trying to be more transparent. She noted PED is hiring for a new position called Transit Oriented Developer Manager, which is being funded solely through philanthropic partners for two years, because PED does not have the funding in its budget to do so. PED used to have enough staff to be out on the street, knocking on doors trying to understand what's going on and making developments happen. PED does not have the capacity to do anything like that anymore. The TOD manager's goal will be to make sure that's exactly what happens along Central Corridor.

Commissioner Ward asked what is being done to tell PED's story to the public - what the director does, what staff does and what the City is currently doing.

Ms. Bedor said that is why PED has Sara Swenson, our Public Relations manager. That position was cut out of the budget previously so there was no public relations person for about 2 years, but was added back in about a year ago. The Mayor's Office has instituted a whole blogging system; PED is the number one contributor to that. Sara writes tweets on a regular basis so that the Mayor tweets about what is going on in PED. Ms. Bedor has also given this presentation for the fifth time in two months about what they're doing in Saint Paul. Sara comes up with articles that she and Joe Campbell from the Mayor's Office pitch to reporters. There are a number of ways and we can always do better.

Commissioner Ochs said with respect to the TOD manager position is that person focused directly on transit corridors for development or are they going to be working with others to seek development in other parts of the city as well, and is there some kind of cross region collaboration aspect too?

Ms. Bedor said the focus of this position will primarily first be Central Corridor, however the way that they have written the job description is that that work will extend into the other major transit corridors. This position is being funded for two years and after the two years we hope to really understand what the impact of a position like this can be and have a lot of lessons learned from University Avenue that they can take to other corridors as well.

Commissioner Edgerton said that it is great to see all of the downtown development and new housing, but in Lowertown there is worry about parking. With all these new units coming in is parking being provided? Where are people going to park?

Ms. Bedor said that for example the Penfield and the Lofts projects do have parking, but it varies by building. However going forward they do recognize the need for a parking management plan. What is the real need now downtown and what do we project it to be? She is actually attending a meeting today at 11:00 to talk about that.

Commissioner Thao saw someone from Sparc, the CDC on Rice Street, and they said that they were closing. She is excited about the focus on denser, more developed areas of the city but she is still concerned about what happens in the neighborhoods. So are there any strategies in place because when she hears about a CDC closing that is disconcerting because there is still a lot of work to be done in our neighborhoods.

Ms. Bedor agreed. There is a lot of work also going on in the neighborhoods but it is tougher, as buying power and market conditions are different there. But for example: they are going to be

talking with Kathy Lantry about doing a retail market study on East 7th Street to really understand what the market is. She then explained more about the Sparc situation and a property they were trying to develop on Maryland. So the question is do you wait for the market to come or are there other things you can do to stimulate the market so that that development will eventually come or do you take what you can get and make sure that the design is beautiful and well managed. Those are the conversations that staff has with councilmembers and the community on regular basis.

Commissioner Thao encouraged everyone to think more about how we grow the local businesses as opposed to always getting other people to come in, that there may be small businesses there who could expand.

Ms. Bedor said that the technical assistance that PED provides and a lot of the STAR loans and grants go to existing businesses for that reason. And we know that the vast majority of job growth is going to come from people who are already here.

Chair Wencl said that she would like to see some of the near east side and other parts of the city be included because there has been a lot of things happening there, the development, the programs and the businesses that have started up. She also asked for material they could use to get information out to the general public about all the good work going on.

Ms. Bedor said that she will talk with Sara Swenson because maybe they can get something like this on the web site.

Commissioner Noecker suggested that the slide which shows the downtown sites with the flags could be used with dots and there would be no need for words because you could see all of the dots.

Ms. Bedor asked for suggestions anytime.

VII. Comprehensive Planning Committee

Commissioner Merrigan announced that their next meeting will be on Tuesday, October 15, 2013.

VIII. Neighborhood Planning Committee

Commissioner Oliver announced that they will be meeting on Wednesday, October 9, 2013.

IX. Transportation Committee

Commissioner Ochs gave the agenda for the next Transportation Committee meeting on Monday, October 7, 2013.

X. Communications Committee

Commissioner Thao had no report.

XI. Task Force/Liaison Reports

Commissioner Nelson announced the items on the agenda for the next Shepard Davern Area

Planning Task Force meeting on Wednesday, October 9, 2013 at the Saint Paul Jewish Community Center from 4:00-6:00 p.m.

Commissioner Schertler asked if there was any scheduling for the Ford Task Force.

Merritt Clapp-Smith, PED staff said that the Ford Task Force is on hiatus currently. The Task Force met a couple of times last year to hear about the Ford Zoning Framework Study, which the consultants are finalizing in a report now. The consultants were given final edits by city staff last month and will be bring a presentation to the Planning Commission next time. The presentation will summarize the findings from that study and the Planning Commission will discuss the potential of proceeding with interim zoning on the site. If interim zoning proceeds, the Task Force will be reconvened to track that process.

XII. Old Business

None.

XIII. New Business

None.

XIV. Adjournment

Meeting adjourned at 10:02 a.m.

Recorded and prepared by
Sonja Butler, Planning Commission Secretary
Planning and Economic Development Department,
City of Saint Paul

Respectfully submitted,

Donna Drummond
Planning Director

Approved October 18, 2013
(Date)

Daniel Ward II
Secretary of the Planning Commission

PED\Butler\planning commission\minutes\October 4, 2013.