

# Proposed Rezoning Rationale - Near East Side Study Area; Task Force draft

Following is an overview of existing land use, potential land use considerations, and proposed rezoning of certain parcels in the Near East Side study area shown on the “*Rezoning Recommendations*” map of the Near East Side Roadmap (keyed to block #s) on page 25. Community or property owner input that has been received to date is summarized under “Input.”

Proposal as of 7/18/2012

## 1. Reaney-Payne (Blk. 59)

### 1.1 Reaney east of Payne

- Existing land use: mixed residential, commercial parking, and vacant
- Existing zoning: T2 Traditional Neighborhood and R4 One-Family Residential
- Proposed rezoning: rezone 5 small R4 lots to T2 Traditional Neighborhood
- Clean-up parcel on north side of Minnehaha just west of Hamm’s property. PIN 292922430120 (address = 0 Minnehaha Ave). Zoned I2, proposed for T2. Leave I2 (part of Bruce Vento ROW)
- Zoning discussion points:
  - Makes 5 small R4 lots surrounded by T2 and I2 zoning consistent with the surrounding T2 zoning.
  - T2 provides for the existing uses as permitted uses, and also provides for new residential, office and commercial uses, compatible with existing uses in the area, appropriate at this location with good access via Payne.
  - The more flexible uses allowed by T2 may be beneficial to existing owners of the 5 small R4 lots, provide for live-work options and small start-up businesses that would be appropriate in this location (a market niche that needs and often has difficulty finding accessible affordable space), and thus make the lots more attractive in a tight real estate market.
- **Input:** Nothing from property owners, but the Payne-Phalen District 5 Planning Council has alerted us that these properties are located in D. 5; a CPED committee will meet to discuss these changes on Feb. 6. **UPDATE: On Feb. 29, 2012, City staff received a letter from the Payne-Phalen District 5 Planning Council stating that its board of directors had voted to approve the rezonings on Reaney just east of Payne (See attached letter).**
- **PUBLIC HEARING UPDATE:** City staff heard from one of the five property owners, Linda Gear, requesting that her property not be rezoned to T2. City staff also received letters from the District 4 and District 5 Planning Councils withdrawing their support of the rezonings for Reaney just east of Payne. (See attached letters).
- **Staff recommendation: Rezone to T2 per above rationale**

## 2. Minnehaha-Arcade-Weide Area (Blks 51 and 50)

### 2.1 NW corner Arcade and Minnehaha (Blk. 51)

- Existing land use: M & H gas station; vacant half-block
- Existing zoning: I1 Light Industrial
- Proposed rezoning: IR Light Industrial Restricted
- Zoning discussion points:
  - IR provides for an appropriate mix of commercial and industrial uses for this accessible and visible location at the corner of two major streets.

- IR has design standards that would benefit this gateway site.
- **Input:** M & H has no current plans for vacant site, but has considered a car wash (not permitted), a quick lube (P/C), and/or fast food restaurants (P/C). M & H has communicated their opposition to a rezoning to IR. **M & H has emailed City staff stating its plans are uncertain, and the existing zoning provides the most options, so they do not want any rezoning changes to their property (See attached email).**

## 2.2 SW corner Minnehaha and Hope (**Blk. 50 - west**)

- Existing land use: Single family and duplex homes
- Existing zoning: I2 General Industrial
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 provides flexibility for a variety of residential and commercial uses appropriate at this location that is visible and accessible via Minnehaha.
  - The more flexible uses allowed by T2 may be beneficial to existing owners of the 5 small R4 lots, provide for live-work options and small start-up businesses that would be appropriate in this location (a market niche that needs and often has difficulty finding accessible affordable space), and thus make the lots more attractive in a tight real estate market.

## 2.3 South side Minnehaha between Arcade and Hope (**Blk. 50 - east**)

- Existing land use: Single family and duplex homes; 800 Minnehaha office building
- Existing zoning: B2 Community Business and B3 General Business
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 more flexibly provides for mixed commercial-residential development, important for this transition area between industrial, residential and mixed commercial along Arcade and E. 7<sup>th</sup> St.
  - T2 has parking and design standards that would benefit this visible site.

## 3. 7<sup>th</sup> St.-Bates Area (**Blks 47, 46, 44**)

### 3.1 NW corner 7<sup>th</sup> and Bates (**Blk. 47**)

- Existing land use: Burger King; vacant 699 7<sup>th</sup> St (Old Cigar Shop); vacant Budget Tire site
- Existing zoning: B2 Community Business
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 more flexibly provides for mixed commercial-residential development.
  - T2 has parking and design standards that would benefit this visible site.

### 3.2 SW corner 7<sup>th</sup> and Bates (**Blk. 46**)

- Existing land use: Metro State University parking lot

- Existing zoning: B2 Community Business and RT1 Two-Family Residential
- Proposed rezoning from RT1 to B2 Community Business
- Zoning discussion points:
  - Makes the small RT1 lot consistent with the surrounding B2 zoning.

### 3.3 East side Bates south of 7<sup>th</sup> (**Blk. 44**)

- Existing land use: Vacant, former Hospital Linen site
- Existing zoning: RT1 Two-Family Residential
- Proposed rezoning: rezone two RT1 lots to T2 Traditional Neighborhood
- Zoning discussion points:
  - Makes zoning of the two lots consistent with the adjacent T2 zoning.
  - T2 has parking and design standards that would benefit this visible site.

## 4. 7<sup>th</sup> St., Maple to Arcade (**Blks 41, 42, 40**)

### 4.1 7<sup>th</sup> St. between Maple and Hope (**Blks. 41, 42 and 40**)

- Existing land use: Cerenity, various mixed commercial properties; duplexes
- Existing zoning: B3 General Business and RM2 Multiple-Family Residential
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 provides for the existing uses as permitted uses and more flexibly provides for mixed commercial-residential development.
  - T2 has parking and design standards that would be appropriate in this area.

## 5. 7<sup>th</sup> St., Arcade to Forest (**Blks. 30, 25**)

### 5.1 SE corner Minnehaha and Mendota (**Blk. 30**)

- Existing land use: 3M Company buildings (2-story office/commercial building; manufacturing/assembly building to the rear)
- Existing zoning: B3 General Business
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 more flexibly provides for mixed commercial-residential development.
  - T2 has parking and design standards that would benefit this visible site.

### 5.2 7<sup>th</sup> and Minnehaha (**Blk. 25**)

- Existing land use: vacant parking lot; part of Port Authority Beacon Bluff development, planned for commercial uses
- Existing zoning: B3 General Business
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 more flexibly provides for mixed commercial-residential development.
  - T2 has parking and design standards that would benefit this visible site.
- **Input:** The Port Authority has been marketing this site for commercial uses, likely to include a drive-through service lane. The Port Authority has provided a letter that requests that the property remain as B3 zoning to minimize the regulatory process for obtaining approval of a commercial use that includes a drive-through use (**See attached letter**).

## 6. Forest Street to Earl Street (Blks. 19, 23, 22, 20, and 18)

### 6.1 Block bounded by 7<sup>th</sup>, Forest and Bush (Blk. 19)

- Existing land use: parking lot, bar/restaurant (Erick's Bar), vacant land
- Existing zoning: I2 General Industrial
- Proposed rezoning: T2 Traditional Neighborhood (or IR Light Industrial Restricted)
- Zoning discussion points:
  - T2 provides for the existing commercial use as a permitted use and a transition from I2 to the north and west, and commercial uses along 7<sup>th</sup>, consistent with both. T2 has parking and design standards that would benefit this visible site.
  - IR also has parking and design standards that would be appropriate for this block, and would be a transition district to the I2 on the remainder of block 19.

### 6.2 South side 7<sup>th</sup> between Forest and Bush (Blks. 22 and 23)

- Existing land use: several vacant properties (all of 23, several in block 22); housing.
- Existing zoning: B3 General Business
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 provides for the existing uses as permitted uses and more flexibly provides for a variety of commercial and residential uses and development options, including stand-alone commercial uses, mixed commercial-residential use, live-work dwellings, and stand-alone residential uses.
  - T2 has parking and design standards that would be appropriate in this area.
  - Previous proposal to T1. However, the edge of the proposed walkable commercial district is at Forest, and these are near that edge. In addition, Blocks 25 and the edge of 19 near Forest St are also proposed for T2.

### 6.3 NE corner Bush and Cypress (Blk. 20)

- Existing land use: vacant parking lot
- Existing zoning: VP Vehicular Parking

- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 provides for a variety of commercial and residential uses and development options that would be appropriate at this site, including stand-alone commercial uses, mixed commercial-residential use, live-work dwellings, and stand-alone residential uses mixed commercial-residential development.
  - T2 has parking and design standards that would benefit this visible site.
  - Previous proposal to T1. However, the edge of the proposed walkable commercial district is at Forest, and these are near that edge. In addition, Blocks 25 and the edge of 19 near Forest St are also proposed for T2.

#### 6.4 7<sup>th</sup> between Cypress and Ross (**Blk. 18**)

- Existing land use: Triplex, repair/machine shop; duplex, single family homes, small apartment buildings; St. Paul Fire station #7; used car lot
- Existing zoning: B3 General Business
- Proposed rezoning: Leave zoned B3. Previously proposed for T1.
- Zoning discussion points:
  - T1 would provide for some of the existing uses as permitted uses and more flexibly provides for mixed commercial-residential development. However, at least two of the uses on this block would become nonconforming.
  - **Input** – The owners of tri-plex building at 998 7th St. E. and a commercial machine shop building at 1000 7th St. E. They object to the proposed rezoning to T1, out of concern that many permitted uses in B3 district would be nonconforming uses in a T1 zoning district (or a T2 district). These owners propose a rezoning to B5, which would allow for multiple-family housing and keep almost all of the approved uses of buildings of a B3 district. In addition, the owners of 803 Earl St, on the corner of Earl and Ross, object to the proposed T1 rezoning given that they've operated a used car lot for 25 years. They would like to sell the property for a more intense commercial use than would be allowed in T1. Both property owners point to the existing B3 zoning on adjacent blocks 17 and 21. (**See attached email and comment card**).
  - Previously proposed for T1, but keeping the block B3 would recognize current commercial uses, and allow certain commercial uses of a similar intensity to continue (particularly given that blocks 17 and 21 are proposed to remain B3). In addition, there is some logic in maintaining some B3 at a critical juncture (Earl and E. 7<sup>th</sup>). The Fire Station also may change uses, and a more intense commercial use may be appropriate.

### 7. 7<sup>th</sup> St., Earl Street to Duluth Street (**Blks. 16 and 15**)

#### 7.1 South side 7<sup>th</sup> between Earl and Frank (**Blk. 16**)

- Existing land uses: vacant lots; single family homes; auto service station
- Existing zoning: B3 General Business
- Proposed rezoning: IR zoning (1066 through 1090 7th St E) **and** T2 Traditional Neighborhood (except for lot at 7<sup>th</sup> and Frank) (1092 through 1114 7th St E).
- Zoning discussion points:
  - IR permits a range of industrial and commercial uses, mixed commercial-residential uses, but not stand-alone residential uses. Some permitted industrial uses include finishing shop; limited

production and processing; printing and publishing; warehousing and storage; wholesale establishment; light manufacturing, and includes a set of design standards for new developments.

- T2 permits the existing residential uses and more flexibly provides for a variety of commercial and residential uses and development options, including stand-alone commercial uses, mixed commercial-residential use, live-work dwellings, and stand-alone residential uses.
- IR and T2 have parking and design standards that would be appropriate for this block.
- Previously proposed for T1. New proposal for the western half of block to IR (1066 through 1090 7th St E). IR would conform to the idea of “re-positioning” E. 7th St East of Earl St, allowing for smaller-scale, neighborhood-compatible commercial-industrial uses on the vacant redevelopment parcels on the western end of the block (proximity to Earl St bridge). IR is also consistent with the Globe site across the street. Alternatively, leaving this western half of the block B3 would be consistent with the B3 immediately to the west.
- Previously proposed for T1. A second new proposal is to rezone the middle portion of the block on the eastern side to T2 (1092 through 1114 7th St E), consistent with the “re-positioning” idea. The eastern end is residential, with the exception of the auto service station on the corner (1118 7th St E). T2 would accommodate it the existing residential, and leaving the auto service station B3 would keep it a conforming use.

## 7.2 South side 7<sup>th</sup> between Frank and Duluth (**Blk. 15**)

- Existing land use: Vacant parcels; single family home; commercial warehouses; multifamily residential and mixed commercial-residential use
- Existing zoning: B3 General Business
- Proposed rezoning: IR (or leave B3) the western to middle portion of this block (1120 through 1160 7th St E), **and** T2 Traditional Neighborhood on the remaining eastern side of the block (1164 through 1174 7th St E)
- Zoning discussion points:
  - IR permits a range of industrial and commercial uses, mixed commercial-residential uses, but not stand-alone residential uses. Some permitted industrial uses include finishing shop; limited production and processing; printing and publishing; warehousing and storage; wholesale establishment; light manufacturing, and includes a set of design standards for new developments.
  - T2 provides for the existing uses on the east half of the block as permitted uses and more flexibly provides for a variety of commercial and residential uses and development options, including stand-alone commercial uses, mixed commercial-residential use, live-work dwellings, and stand-alone residential uses.
  - IR and T2 have parking and design standards that would be appropriate for this block.
  - Previously proposed for T1. However, IR (or B3) are consistent with the existing commercial-industrial use on the west to middle portions of this block (1120 through 1160 7th St E), consistent with the IR zoning on the north side of 7<sup>th</sup>, and consistent with the B3 zoning at the SW corner of 7<sup>th</sup> and Frank. IR would conform to the idea of “re-positioning” E. 7th St east of Earl St.
  - Previously proposed for T1. T2 supports the existing businesses on this block and permits a broad enough range of commercial uses that existing commercial buildings would have reasonable reuse options. T2 would also be consistent with the “re-positioning” idea.
  - **Input** – The owner of 1144 7<sup>th</sup> St E, a vacant property on the western-middle portion of the block, has verbally communicated his plans to redevelop the site for a mixed use property, including a small-scale commercial use, with a residential unit above it. IR would allow him more flexibility in terms of commercial uses, while T1 would be fairly limited in terms of commercial uses.

## 8. Duluth Street to Johnson Parkway (Blks. 11, 12; 6, 4, 2, 3; 8, 10, 13; 1; and 5)

### 8.1 7<sup>th</sup> between Duluth and Newcombe, and NE corner 7<sup>th</sup> and Newcombe (**Blocks 11 - 12**)

- Existing land use: Blk 12: Bar/restaurant, retail carpet store; house; Blk 11: vacant bar, duplex, commercial business, vacant lot, and vacant commercial building.
- Existing zoning: B3 General Business
- Proposed rezoning: Entire block of 12: T2 Traditional Neighborhood; and on block 11, from 1180 7th St through 1210 7th St) **and** T1 Traditional Neighborhood on the eastern half of the block 11 (1212 7th St through 1236 7th St)
- Zoning discussion points:
  - T2 supports the existing businesses on block 12 and would permit a broad enough range of commercial uses that existing commercial buildings would have reasonable reuse options.
  - Previously proposed for T1; now western half of block 11 proposed for T2. T2 more flexibly provides for a variety of commercial and residential uses and redevelopment options, including stand-alone commercial uses, mixed commercial-residential use, live-work dwellings, and stand-alone residential uses.
  - The more flexible uses allowed by T1 on the eastern half of block 11 may be beneficial to the existing residential property owners, provide for live-work options and small start-up businesses that would be appropriate in this location (a market niche that needs and often has difficulty finding accessible affordable space). T1 is appropriate on these blocks along a busy collector street.
  - T2 and T1 have parking and design standards that would be appropriate for these blocks.

### 8.2 7<sup>th</sup> between Newcombe and Ocean (except NE corner 7<sup>th</sup> and Newcombe) (**most of block 6, 4, 2, & western half of 3**)

- Existing land use: Mainly single family homes, a duplex, two small apartment buildings.
- Existing zoning: RT1 Two-Family Residential
- Proposed rezoning: T1 Traditional Neighborhood
- Zoning discussion points:
  - T1 provides for the existing residential uses as permitted uses, and also provides for new residential, office and very limited commercial uses, compatible with existing uses in the area, appropriate on these blocks along a busy collector street.
  - Previously proposed to remain unchanged; the more flexible uses allowed by T1 on these blocks (2, 4, most of 6, and western half of 3) may be beneficial to the existing residential property owners, provide for live-work options and small start-up businesses that would be appropriate in this location (a market niche that needs and often has difficulty finding accessible affordable space). T1 is appropriate on these blocks along a busy collector street.
    - West end of 3: 1271, 1273, 1277 7th St E
    - Block 2 – 1242-1266 7th St E
    - Block 4 – 1239 – 1261 7th St E
    - Block 6 (except for 1211 7th St)– 1215-1237 7th St E

- T1 has parking and design standards that would be appropriate for these blocks.

### 8.3 Blocks north of 7<sup>th</sup> along Duluth and Newcombe (**Blocks 8, 10, and 13**)

- Existing land use: Residential
- Existing zoning: I1 Light Industrial
- Proposed rezoning: rezone small residential lots to T1 Traditional Neighborhood
- Zoning discussion points:
  - T1 would support the existing residential uses by making them permitted uses, and also provides for new residential, office and very limited commercial uses, compatible with existing uses in the area, appropriate on these blocks surrounded by industrial uses and zoning, with good access via 7<sup>th</sup> Street.
  - Previously proposed for R4 Single Family zoning. However, the flexible uses allowed by T1 may be beneficial to the existing property owners, provide for stand-alone residential as well as live-work options and small start-up businesses that would be appropriate in this location (a market niche that needs and often has difficulty finding accessible affordable space), and thus make the lots more attractive in a tight real estate market. T1 doesn't limit options for use of the lots to the extent that it would harm property values.

### 8.4 NW corner 7<sup>th</sup> and English (**eastern part of Blk. 3**)

- Existing land use: Storefronts on 7th and warehouse to the rear (old Martin Lumber site) at 1289 and 1291 7th St E)
- Existing zoning: I1 light industrial
- Proposed rezoning: unchanged
- Zoning discussion points:
  - IR provides reasonable reuse options for the existing industrial buildings on this site, and IR has parking and design standards that would be appropriate for this block.
  - Previously proposed for T2. However, given the two, large pole barn buildings measuring 30,000 square feet, T2 appeared to be inappropriate for the use. Now proposed for IR, which would allow warehousing and storage and a wholesale business, but **not** a rental storage facility.
  - **Input** – The property owner of 1289 and 1291 7th St E recently purchased this property. The property has two very large “pole construction” buildings that were used to store lumber and other materials when this property was a lumber yard; these buildings are in excellent condition and provide over 30,000 square feet of indoor storage capacity. Although not heated, these building do have electrical service and lighting. The property owner is currently developing a business plan that includes operating these buildings as storage facilities and leasing space to local business who need additional storage space. T2 would not permit warehousing and storage, and if they are unable to establish the use before the zoning is changed, they would not be able to effectively use these large buildings on the property. **UPDATE: The property owner has submitted a letter** reiterating the organization's opposition to the rezoning to IR because it **would not allow a retail storage service [rental storage facility]. The revenue stream associated with the use of the property as a rental storage facility is estimated to be \$70,000/year, and this was considered a source of revenue for ongoing maintenance and operation of the property when they recently purchased it. (See attached letter).**
  - **PUBLIC HEARING UPDATE 06/11/2012** – staff recommends retaining the existing zoning **due to undue hardship being created for the owner for legal use of the property.**

#### 8.5 SW corner 7<sup>th</sup> and Johnson Parkway (**Blk. 1**)

- Existing land use: Funeral home and associated surface parking.
- Existing zoning: B3 General Business
- Proposed rezoning: T2 Traditional Neighborhood
- Zoning discussion points:
  - T2 allows many of the same commercial uses as B3, but also would allow housing redevelopment in the future. In addition, T2 would make sense for the Martin Lumber showroom building across the street, as this intersection with Johnson Parkway has quite a bit of traffic.
  - Previously proposed to remain unchanged. However, T2 flexibly provides for a variety of commercial and residential uses appropriate at this site, including stand-alone commercial uses, mixed commercial-residential use, and stand-alone residential uses. T2 has parking and design standards that would be appropriate at this visible location along Johnson Parkway.
    - 835 Johnson Parkway; \_ 7th St E; \_ 7th St E; 1270 7th St E; PINs 282922440001; 282922440002; 28.29.22.44.0003; 28.29.22.44.0004.

#### 8.6 NW corner 7<sup>th</sup> and Johnson Parkway (**Blk. 5**)

- Existing land use: old Martin Lumber showroom; now renovated and re-occupied by 180 Degrees (1301 7<sup>th</sup> St E)
- Existing zoning: B3 General Business
- Proposed rezoning: unchanged
- Zoning discussion points:
  - T2 allows many of the same commercial uses as B3, but also would allow housing redevelopment in the future. In addition, T2 would make sense for the funeral home site across the street, as this intersection with Johnson Parkway has quite a bit of traffic.
  - T2 flexibly provides for a variety of commercial and residential uses appropriate at this site, including stand-alone commercial uses, mixed commercial-residential use, and stand-alone residential uses. T2 has parking and design standards that would be appropriate at this visible location along Johnson Parkway.
  - **Input** - The property owner of 1301 7th St E recently purchased this property and renovated the existing showroom. If rezoned to T2, the owner states that they will be completely surrounded by B Business zoning and light industrial zoning, which appears to single them out and make an arbitrary change. They bought the property with a B3 zoning district and they hope it will remain the same. **UPDATE: The property owner has submitted a letter reiterating the organization's opposition to the rezoning to T2 because it would not allow the un-paved area at 1301 E. 7<sup>th</sup> St to be improved as a parking lot; this is because §66.341(b)(2) of the Zoning Code states that parking and entrance drives located in an interior side yard must occupy no more than 50 percent of the total lot frontage. [Note that staff analyzed this, and the proposed parking area would be 92' wide, of the 137'-wide frontage of the lot, i.e., representing 67% of the total lot frontage]. In addition, off-street parking cannot be within 30 feet of a street intersection as per §63.310(d) and §66.343(b)(18)(b) of the Zoning Code. (See attached letter).**
  - New proposals near this site include IR next door and T2 across the street.
  - **PUBLIC HEARING UPDATE 06/11/2012** – staff recommendation is to leave this property B3, **due to undue hardship being created for the property owner for legal use of the property if changed to T2.**

