

ZONING COMMITTEE STAFF REPORT

FILE NAME: 2103 Wabash

FILE #: 18-023-089

APPLICANT: Superior LLC

HEARING DATE: February 15, 2018

TYPE OF APPLICATION: Rezoning

LOCATION: 2103 Wabash Ave, NE corner at Montgomery Street

PIN & LEGAL DESCRIPTION: 32.29.23.14.0002; Hewitt's Out Lots, Lots 118 - 119, and vacated adjacent 7 feet of Wabash Avenue, and vacated adjacent 10 feet of Montgomery Street

PLANNING DISTRICT: 12

EXISTING ZONING: I2

ZONING CODE REFERENCE: § 61.801(b)

STAFF REPORT DATE: February 8, 2018

BY: Bill Dermody

DATE RECEIVED: January 25, 2018

60-DAY DEADLINE FOR ACTION: March 26, 2018

- A. **PURPOSE:** Rezone from I2 General Industrial to IT Transitional Industrial.
- B. **PARCEL SIZE:** 1.6 acres
- C. **EXISTING LAND USE:** Commercial/vacant building
- D. **SURROUNDING LAND USE:**
North: Commercial (I1, IT) (truck sales, cleaning services)
East: Parking lot and service station (I2)
South: Industrial (I2) (warehouse)
West: Industrial (I2) (self-storage, brewery, multi-tenant industrial)
- E. **ZONING CODE CITATION:** § 61.801(b) provides for changes to the zoning of property initiated by the property owner.
- F. **HISTORY/DISCUSSION:** Prior to 1975 the site and the larger surrounding area between I-94 and the BNSF railway to the north was zoned heavy industrial with a strip of light industrial along University Avenue. When the City adopted a new zoning code in 1975 this area was zoned I2 general industrial with a strip of I1 light industrial along University Avenue. In 2011, as part of the Central Corridor (Green Line) zoning study, parcels north of the subject site along University Avenue were rezoned to IT transitional industrial.
- G. **PARKING:** Zoning Code § 63.207 requires a minimum of 1 parking space per studio or 1-bedroom apartment unit and 1.5 spaces per 2- or 3-bedroom dwelling unit. Retail uses would require 1 parking space per 400 square feet. No variance of parking requirements is requested.
- H. **DISTRICT COUNCIL RECOMMENDATION:** As of this writing, the District 12 Council has not provided a recommendation.
- I. **FINDINGS:**
1. The application requests rezoning from I2 General Industrial to IT Transitional Industrial in order to facilitate reuse of the mostly vacant former industrial building for mixed residential and commercial uses. A variance application has been filed in conjunction with this application.
 2. The intent of the I2 General Industrial district is to primarily accommodate manufacturing, assembling and fabrication activities, including large scale or specialized industrial operations whose external effects will be felt in surrounding districts. The I2 district is intended to permit the manufacturing, processing and compounding of semifinished products from raw material and prepared material. The intent of the IT Transitional Industrial district is to provide sites for commercial, office and light industrial uses that are compatible with nearby residential and traditional neighborhood districts, parks, and parkways.

3. The proposed zoning is not consistent with the way this area has developed. A much larger area in this vicinity used to be dedicated to industrial uses, as is apparent in reviewing pre-1975 zoning that designated the site and its neighbors from I-94 on the south to the BNSF railway on the north as Heavy Industrial. The 2011 Central Corridor (Green Line) zoning study rezoned parcels north of the subject site along University Avenue to I1 Light Industrial and IT Transitional Industrial, and other parcels farther west along University Avenue and the surrounding blocks near the Raymond LRT Station as Traditional Neighborhood (mixed use). The Green Line LRT transportation investment has changed the area's development patterns by adding many multi-family residential and commercial (especially restaurant) uses where formerly there had been industrial uses, and has created a market for additional rezonings away from industrial districts. In a general sense, the proposed rezoning of the subject site is consistent with those trends. However, previous rezonings have been concentrated in predetermined "areas of change" identified in the Central Corridor Development Strategy, focused around Green Line LRT stations and on properties located closer to University Avenue. To rezone an isolated parcel in the heart of an area zoned I2 General Industrial would be inconsistent with the way the area has developed.
 4. The proposed zoning is not consistent with the Comprehensive Plan. The site is designated in Comprehensive Plan Figure LU-B as Industrial, which calls for "(p)rimarily manufacturing and/or the processing of products; could include light or heavy industrial land uses, large warehouse facilities, and/or utilities." The 2007 Central Corridor Development Strategy identifies the site as being outside the Areas of Change adjacent to the Green Line LRT. The West Midway Industrial Area Plan (WMIAP) says in Strategy PI-1 that we should "(r)etain and protect current industrial land from conversions to non-industrial uses." The WMIAP also places great importance on improving buffering between existing "vulnerable land use edges" between residential and industrial uses so as to reduce conflicts and preserve industrial viability. The proposed introduction of IT Transitional Industrial zoning at this location is consistent with the Comprehensive Plan's Industrial designation, but it is inconsistent with the WMIAP by creating a new vulnerable land use edge in the heart of an industrial area that will put surrounding industrial uses at risk rather than protecting them from conversion to non-industrial uses.
 5. The proposed zoning is not compatible with the surrounding general industrial uses such as warehouse and the RockTenn facility.
 6. 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 constitutes spot zoning. Rather than acting as a transition from other zoning districts, IT Transitional Industrial at this location would create an island within a larger area zoned I2 General Industrial, thereby allowing uses such as residential that are inconsistent with surrounding general industrial uses.
- J. **STAFF RECOMMENDATION:** Based on the above findings, staff recommends denial of the proposed rezoning from I2 General Industrial to IT Transitional Industrial at 2103 Wabash Avenue.

Attachments:

1. Application materials
2. Correspondence received
3. Staff photos
4. Maps



PETITION TO AMEND THE ZONING CODE
 Department of Planning and Economic Development
 Zoning Section
 1400 City Hall Annex
 25 West Fourth Street
 Saint Paul, MN 55102-1634
 (651) 266-6589

Zoning Office Use Only
 File #: 18-023089
 Fee: _____
 Tentative Hearing Date: 2-15-18

PD=12

322923140002

APPLICANT

Property Owner The Superior, LLC
 Address 275 E. 4th Street #700
 City St. Paul St. MN Zip 55101 Daytime Phone 612 8052304
 Contact Person (if different) Alissa Gray Phone 612 8052304

PROPERTY LOCATION

Address/Location 2103 Washburn Avenue, St. Paul 55114
 Legal Description PID 32.29.23.14.0002
see attached Current Zoning I2
 (attach additional sheet if necessary)

TO THE HONORABLE MAYOR AND CITY COUNCIL:

Pursuant to Section 61.800 of the Saint Paul Zoning Ordinance and to Section 462.357(5) of Minnesota Statutes;
The Superior LLC, owner of land proposed for rezoning, hereby petitions you to
 rezone the above described property from a I2 - General Industrial zoning district to a IT - Transitional Indust. zoning district, for the purpose of:

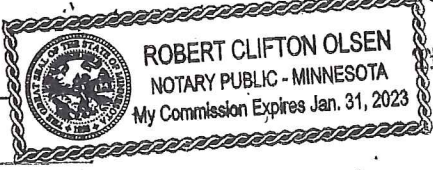
Renovation of an existing structure for reuse as a mixed use commercial / residential facility. Requesting modifications to the requirements in 65.143a for 50% commercial / 50% residential on the first floor to 10% commercial / 90% residential on the first floor. The commercial space will be located on the west side of the building adjacent to Montgomery St. accessible from the building entrance and lobby. Exact location and arrangement of the commercial space is yet to be finalized.

(attach additional sheets if necessary)

Attachments as required: Site Plan Consent Petition Affidavit

Subscribed and sworn to before me

this 25 day
 of JANUARY, 2018



[Signature]
 Notary Public

By: [Signature]
 Fee owner of property
 Title: MEMBER

Rev. 11/21/13

add 1-25-18
 OK 10/2
 1523

Rezone

EXHIBIT "A"

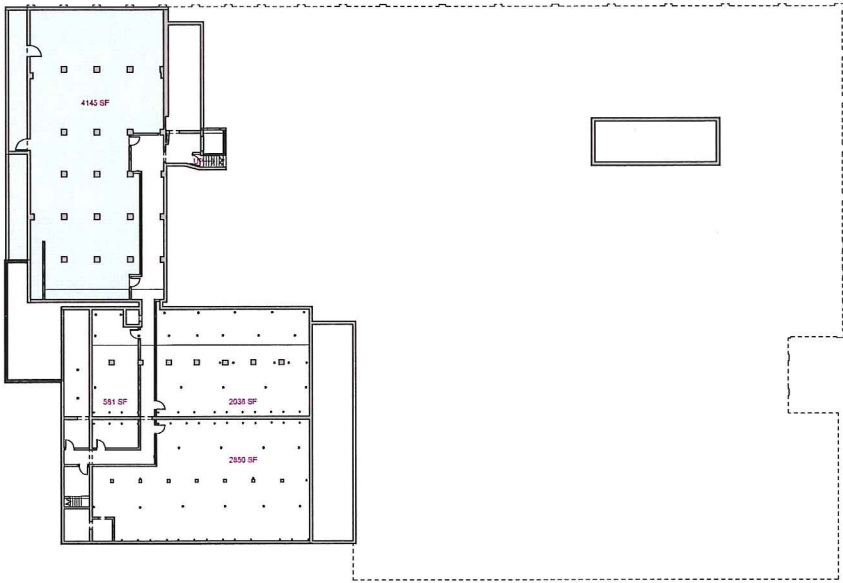
**Lot 118, Hewitt's Out Lots 1st & 2nd Division
Lot 119, Hewitt's Out Lots 1st & 2nd Division**

and

That part of the Southeasterly 10 feet of Montgomery Street, formerly Havanna Street, vacated, lying between the Northwesterly extension across said street of the Northeasterly and Southwesterly lines of Lot 118, Hewitt Out Lots First & Second Division, according to the recorded plat thereof, Ramsey County, Minnesota.

Being Registered land as is evidenced by Certificate of Title No. 364874.

EXHIBIT E



□ COMMERCIAL SPACE

SUBLEVEL



□ COMMERCIAL SPACE

LEVEL 1

EXHIBIT F

CREATIVE ENTERPRISE ZONE



- Landmarks, key structures
- Significant housing structures
- R Restaurant, bar, tap room



January 19, 2018

Rich Pakonen
Clint Blaiser
PAK Properties / HBG Group
275 4th Street East, Suite 720
St Paul, MN 55101

Dear Rich and Clint,

Thank you for your time to share information about your Wabash Avenue redevelopment project with our organization. It is exciting to see new ideas, energy, and investment happening in the Midway. We believe your work to redevelop the closed meat packing plant at 2103 Wabash Avenue will bring the site back to life, connect with the community, and support other future development projects.

On behalf of the Midway Chamber of Commerce, we are pleased to inform you that our Board of Directors has passed a resolution supporting your project and your efforts to secure a change in the property's zoning from I2 – General Industrial District to IT Industrial Transitional. We also support your effort to seek a Conditional Use Permit to accommodate the residential uses that are part of the plan.

We believe your proposed plan would actively contribute to the momentum from Vandalia Tower, Lake Monster Brewing, and the new facilities for American Engineering and Testing. Your work on other recent St. Paul developments that include the Osborn 370 and Pioneer Endicott buildings demonstrate your team's ability to create successful projects and impact.

The Midway Chamber has been an important voice to bring the community together in our area and we believe your project will help build on the momentum we are seeing throughout the area. We wish you luck as your project moves forward and are proud to be able to add our support.

Sincerely,

Midway Chamber of Commerce Board of Directors



Saint Paul
PORT AUTHORITY

January 16, 2018

Rich Pakonen
Clint Blaiser
PAK Properties / HBG Group
275 4th Street East, Suite 720
St Paul, MN 55101

RE: Zoning Change and Conditional Use Permit for 2103 Wabash Avenue

Dear Rich and Clint,

Thank you for the recent opportunity to learn more about your proposed redevelopment of the closed meat packing facility that is located at 2103 Wabash Avenue. We appreciate your work on this project and are excited to see new ideas, energy, and investment happening in St. Paul. We believe your plans to redevelop the building will bring the site back to life and connect it with other surrounding properties.

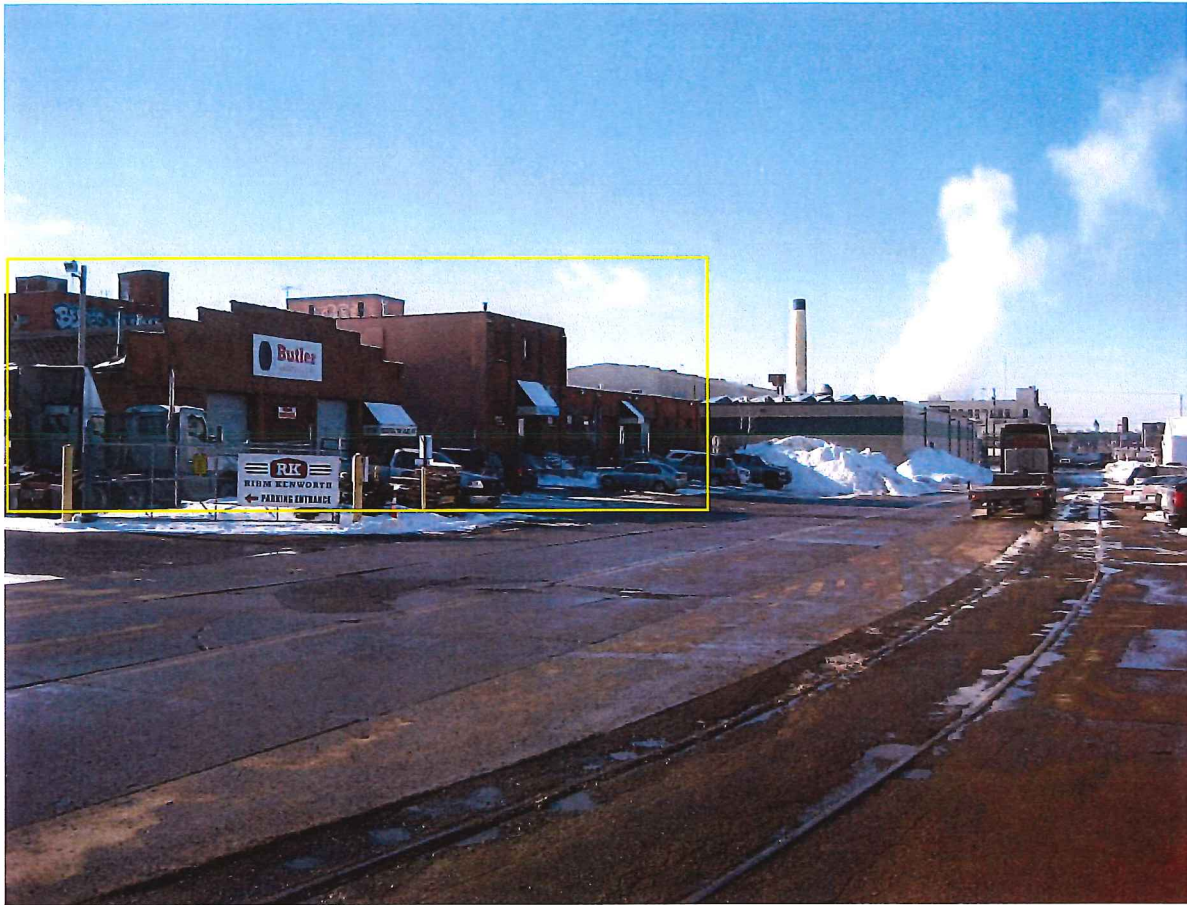
As you know, one of the Port Authority's strategic goals is to preserve industrially zoned land. We are excited that this project will return to the site to an active use and protect its industrial zoning. Please consider this letter as our organization's formal support for your project and your efforts to secure a change in the property's zoning from I2 – General Industrial District to IT Industrial Transitional. We also support your effort to seek a Conditional Use Permit to accommodate some of the uses that are part of the plan.

The Port Authority has supported projects that redevelop and re-invest in complex sites in St. Paul that will create new tax base that is important to the broader community. Your proposed mixed-use project will accomplish this by finding a way to bring back to this valuable piece of historic property back to life after decades of limited or little use.

This is a time of positive change in the Midway area and we believe your project will help St. Paul and this part of the community build on the momentum we are seeing throughout the area. We wish you luck as your project moves forward and are proud to be able to add our support.

Sincerely,

Lee Krueger
President, CEO
Saint Paul Port Authority



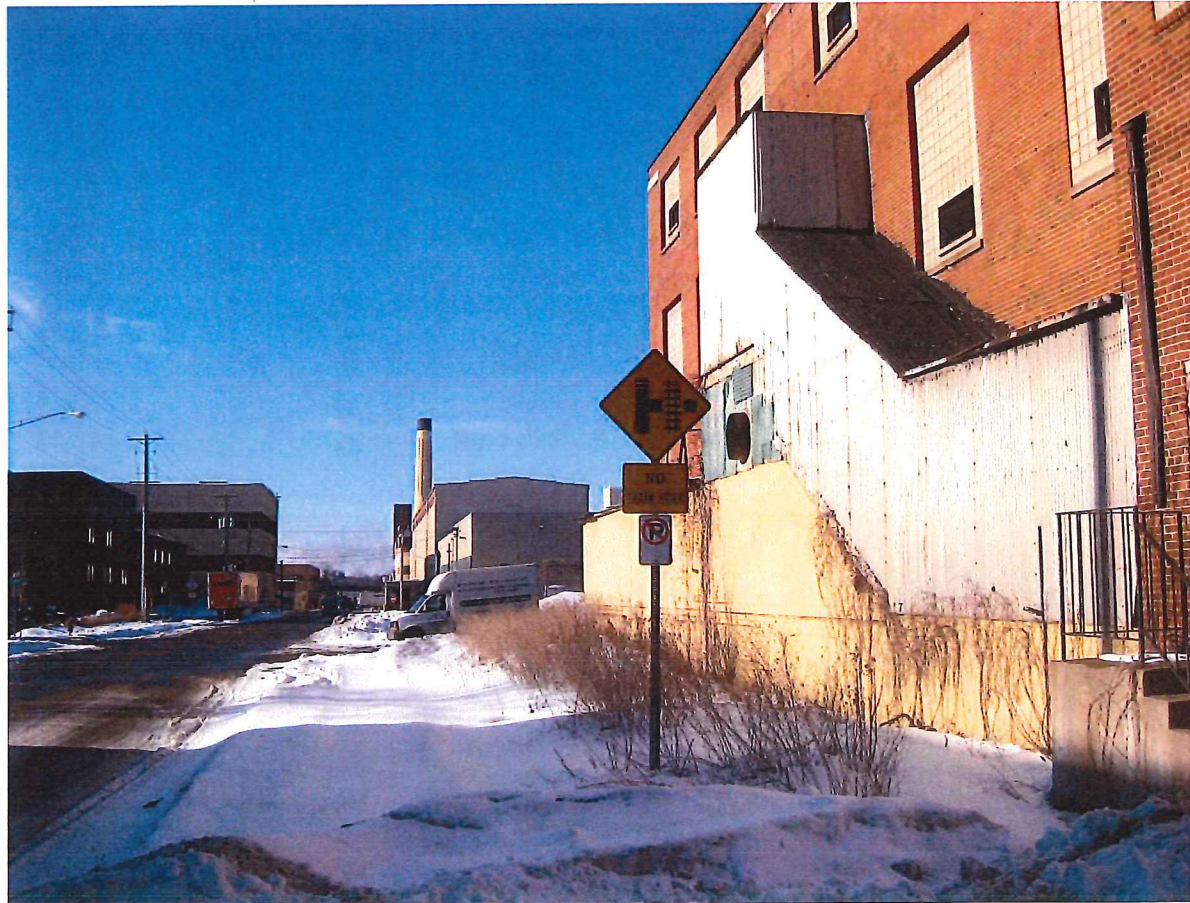
Looking west along Myrtle, subject site in yellow outline



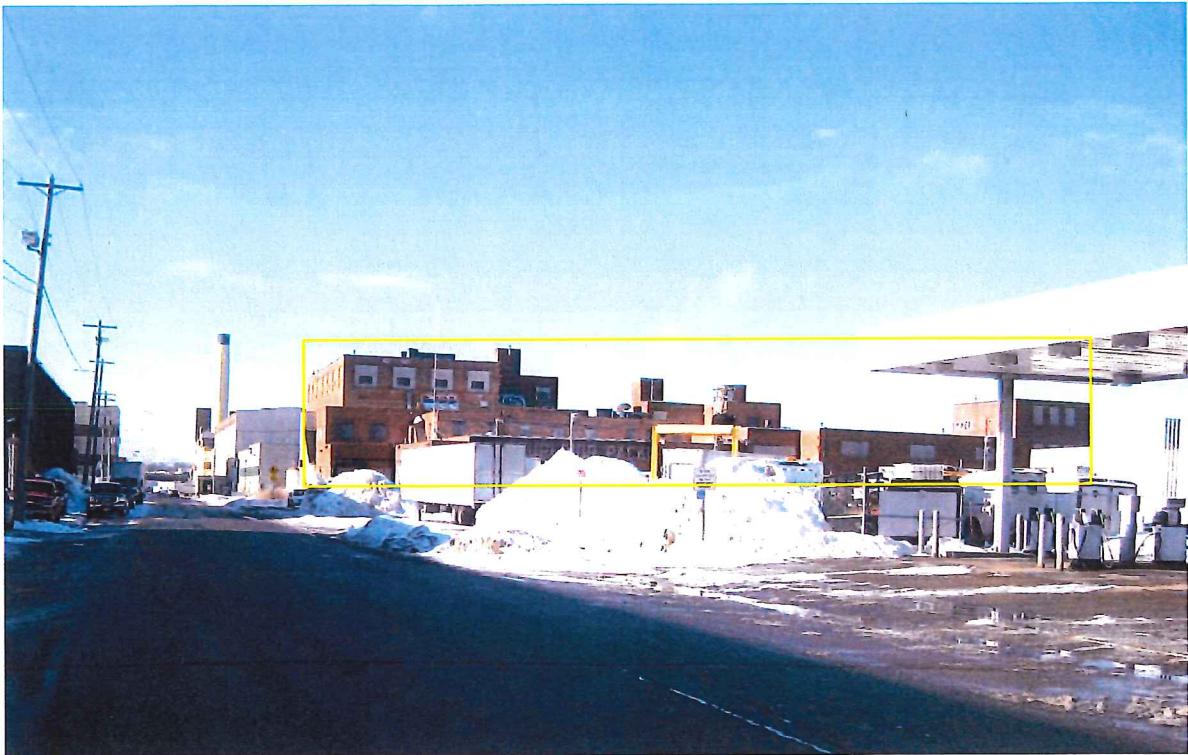
Looking north/northeast along Montgomery, subject site is the entire building and parking on right



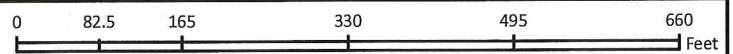
Looking east along Wabash, subject site on the left



Looking west along Wabash, subject site on the right



Looking west/northwest along Wabash, subject site is the brick building in yellow outline



FILE NAME: 2103 Wabash

APPLICATION TYPE: Rezone

FILE #: 18-023089 DATE: 1/26/2018

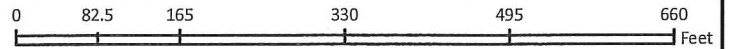
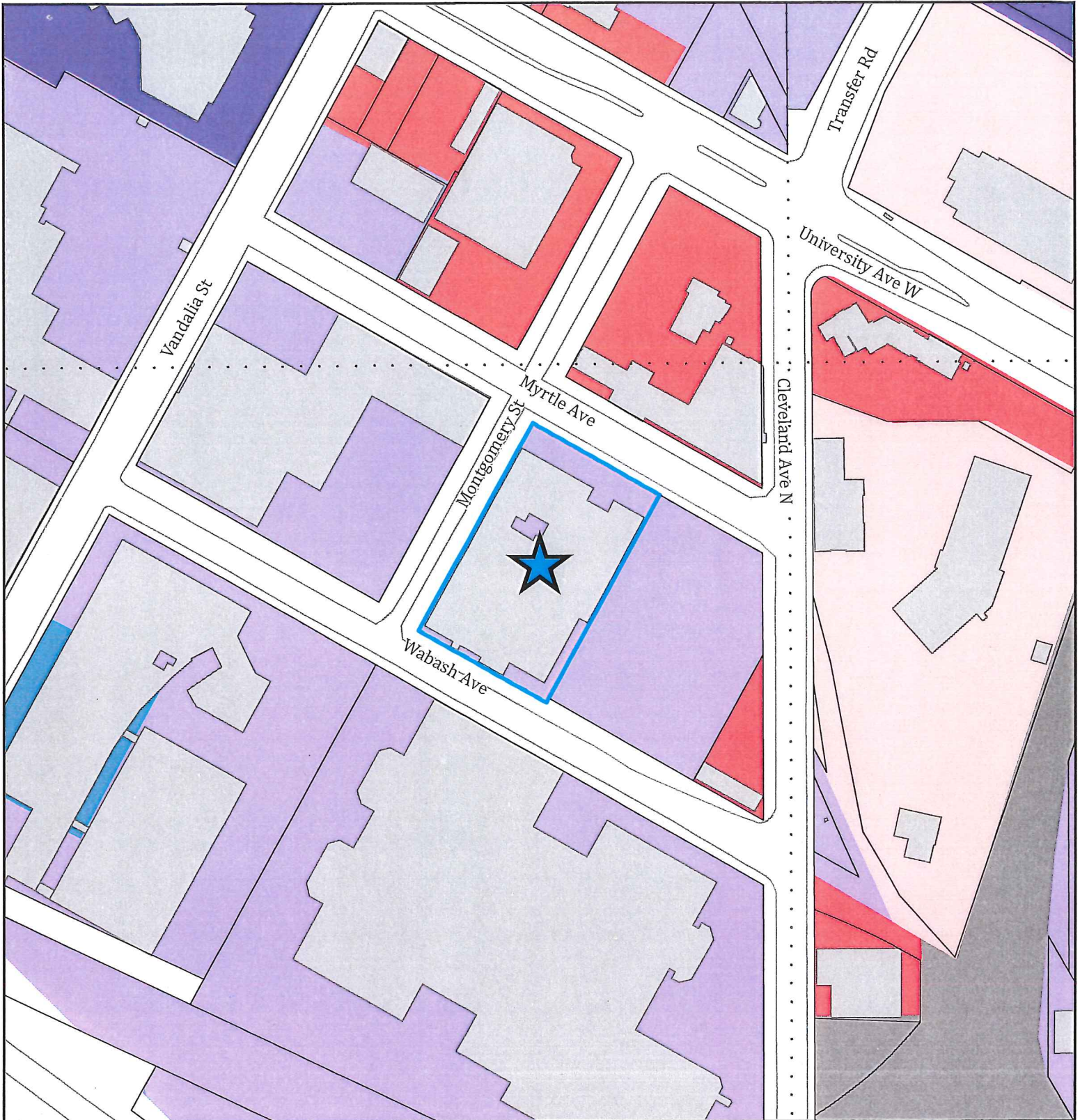
PLANNING DISTRICT: 12

ZONING PANEL: 7

Aerial

 Subject Parcels





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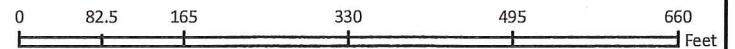
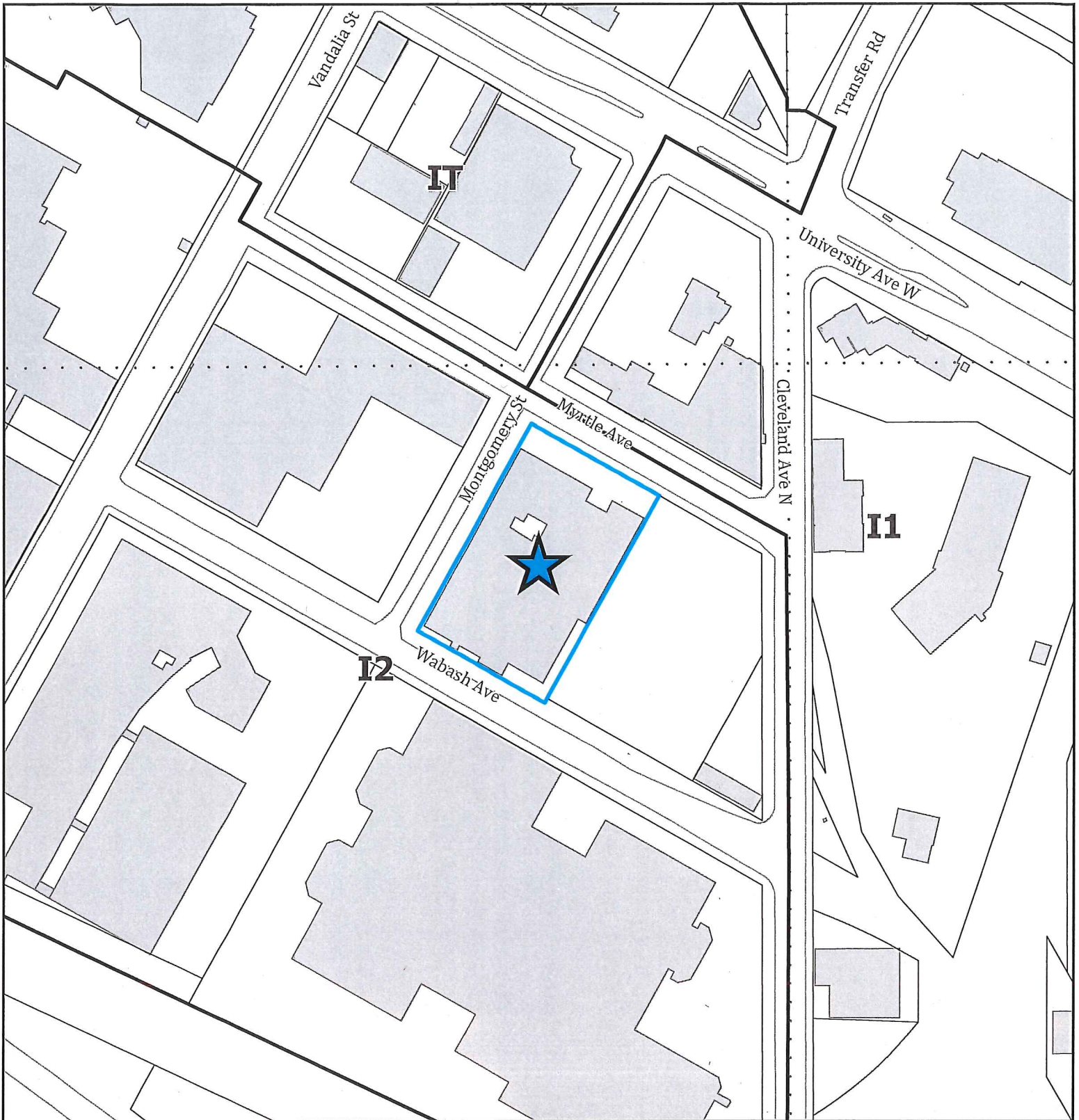
PLANNING DISTRICT: 12

ZONING PANEL: 7

Land Use

- Office
- Retail and Other Commercial
- Mixed Use Industrial
- Industrial and Utility
- Institutional
- Railway
- Subject Parcels
- Section Lines





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ZONING PANEL: 7

Zoning

 Subject Parcels

 Section Lines

