### **ZONING COMMITTEE STAFF REPORT**

1. **FILE NAME:** Rice Street Flats

- **FILE #:** 19-073-652
- 2. APPLICANT: Rice Street Partners LP: Phoenix Development HEARING DATE: August 29, 2019
- 3. TYPE OF APPLICATION: Conditional Use Permit and Variances
- 4. LOCATION: 782-804 Rice and 129 Sycamore, east side of Rice between Sycamore and Lyton
- 5. **PIN & LEGAL DESCRIPTION:** 30.29.22.33.0080, 30.29.22.33.0079, 30.29.22.33.0268, 30.29.22.33.0267, 30.29.22.33.0266, 30.29.22.33.0265, 30.29.22.33.0263; see file for legal descriptions
- 6. PLANNING DISTRICT: 6

PRESENT ZONING: T2

- 7. **ZONING CODE REFERENCE:** § 66.331(f), § 61.501; §61.601; § 61.202(b); §66.343(b)(12)
- 8. STAFF REPORT DATE: August 22, 2019

BY: Kady Dadlez

9. **DATE RECEIVED:** August 8, 2019

60 DAY DEADLINE FOR ACTION: October 6, 2019

- A. **PURPOSE:** Conditional use permit for a building height of 45'; setback variance for balconies (7' proposed/10' required west side; 5'6" proposed/ 6' required north side), and variance to allow no primary pedestrian building entrance from Sycamore Street.
- B. **PARCEL SIZE:** The slightly irregular-shaped rectangular parcel has about 243 feet of frontage along Rice Street and is about 135 feet in depth for a lot area of about 32,800 square feet.
- C. **EXISTING LAND USE:** The property is vacant except for a neighborhood gateway sign at the southern end of the site.
- D. SURROUNDING LAND USE:
  - North: Office space and surface parking in T2 and I1 zones.
  - East: One and two-family homes in an RT1 zone.
  - South: Auto sales use and auto parts store in B3 and I1 zones.
  - West: Auto sales use and outdoor storage in I1 and I2 zones.
- E. **ZONING CODE CITATION:** § 66.331 regulates required setbacks and § 66.331(f) allows a maximum height of 45 feet with a conditional use permit; § 61.501 lists general requirements for all conditional uses; § 61.202(b) authorizes the planning commission to grant variances when related to permits and § 61.601 lists the findings for all variances. § 66.343(b)(12) requires a primary pedestrian building entrance on all arterial or collector streets.
- F. PARKING: Zoning Code § 63.207 requires a minimum of 57 spaces for the proposed use. However, in a traditional neighborhood zoning district for multifamily residential buildings the minimum amount of required off-street parking may be reduced by 25 percent (14 fewer spaces) and bicycle parking may be substituted for up to 10 percent of minimum off-street parking requirements. The project will provide 52 off-street parking spaces (16 surface and 36 underground) and indoor space for 24 bicycles.
- G. **HISTORY/DISCUSSION:** In 2018 the property at 119 Lyton Place, just north of the development site, was rezoned from RT1 to T2 to allow the property to be used for parking for the housing development (ZF #18-067-776). However, contaminated soils were discovered on the site and plans to use the site for parking were abandoned for cost reasons in favor of surface and underground parking on the Rice Street property. The north-south alley at the rear of the development site was vacated, except for a portion needed to create a hammerhead turn around for homes served by the remaining east-west alley. There are a variety of previous zoning cases for the site from the 1950s to the 1990s for filling stations, auto uses, and parking lots.
- H. **DISTRICT COUNCIL RECOMMENDATION:** The North End Neighborhood Organization, District 6, supports the housing development, see statement attached to the staff report.

#### I. FINDINGS:

- 1. The Saint Paul Housing and Redevelopment Authority owns the property. The applicant intends to purchase it and develop a four story 41-unit apartment building with a mix of 1, 2, and 3-bedroom units. The proposed building height is up to 45 feet. All units will be affordable at 60 percent of area median income. Vehicle access will be from Lyton Place. Sixteen surface spaces and 36 underground parking spaces are planned; space to park 24 bicycles indoors is also planned. The primary pedestrian entrance will be on Rice Street; an overhang at the corner of Rice and Lyton is planned. Balconies are planned on all sides of the building. A patio and play area are planned for the southern end of the site and a lawn area planned along the eastern property line at the southern end of the site. The applicant states that a primary concern for the design team was to ensure as much setback as possible from neighboring residential properties to the east. The proposed building is 63 feet from the nearest residential property line. The neighborhood gateway sign at the southern end of the site will remain and be refurbished.
- 2. The applicant requests a conditional use permit to allow a building height up to 45 feet. The projected height is 43 feet; the applicant requests a maximum height of 45 feet to provide some flexibility for minor adjustments as plans proceed. T2 dimensional standards allow the height of multifamily buildings to 35 feet by right and up to 45 feet with a conditional use permit. The applicant states the additional 10 feet of height, and especially the additional fourth level of apartments allows, the project to meet the need for affordable housing more effectively and is critical to the financial viability of construction and the long-term success of the project.
- 3. §61.501 lists five standards that all conditional uses must satisfy:
  - (a) The extent, location and intensity of the use will be in substantial compliance with the Saint Paul Comprehensive Plan and any applicable subarea plans which were approved by the city council. This condition is met. The development site is located along a mixeduse corridor where densities of 30 to 150 units per acre is appropriate; 37 units per acre is proposed. Rice Street is an existing transit corridor serving several bus routes. Land use strategy 1 in the Comprehensive Plan calls for targeting growth in unique neighborhoods and increasing density where appropriate, particularly along mixed-use corridors and supporting a mix of uses in those corridors. LU 1.2 states, "Permit high density residential development in neighborhood centers, mixed-use corridors, the Central Corridor, and Downtown". LU 1.23 states "Guide development along mixed-use corridors" and adds that the City should provide additional housing opportunities at densities that support transit. LU1.25 states "Promote the development of more intensive housing on mixed-use corridors where supported by zoning that permits mixed-use and multifamily development. The project supports housing strategy 1 in the Comprehensive Plan which calls for building upon Saint Paul's strengths in the evolving metropolitan housing market, particularly regarding increasing housing choice across the City to support economically diverse neighborhoods (H1.1) and meeting demand for transitoriented housing (H1.2). The overall vision in the North End District 6 Plan calls for residents to have a diverse choice of housing throughout their lifetimes. The vision also promotes the development of new multifamily housing.
  - (b) The use will provide adequate ingress and egress to minimize traffic congestion in the public streets. This condition is met. The project site is designed to create a comfortable, safe, and walkable pedestrian environment and to minimize impacts to the flow of traffic on Rice Street. Vehicle access to and from surface and underground off-street parking

- will be from Lyton Place. Vehicles will have access to Rice Street once exiting the property. The applicant plans to provide indoor bike storage for tenants.
- (c) The use will not be detrimental to the existing character of the development in the immediate neighborhood or endanger the public health, safety and general welfare. This condition is met. Rice Street is a principal arterial that carries more than 15,000 vehicles per day and is served by several bus routes. The proposed multifamily use and building will serve as a transition between industrial uses to the west and one and two-family uses to the east and will not be detrimental to the existing character of development in the immediate neighborhood. The proposed use is in keeping with the character of surrounding development and is an appropriate use in the mixed-use corridor, which calls for high density development along thoroughfares served by public transit.
- (d) The use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district. This condition is met. The proposed multifamily building will not prevent future development that is consistent with the Comprehensive Plan and existing zoning.
- (e) The use shall, in all other respects, conform to the applicable regulations of the district in which it is located. Subject to combining the seven parcels that currently make up the site into a single parcel and the proposed front and side yard setback and primary pedestrian building entrance variances, the use will conform to all other applicable T2 district regulations.
- 4. Zoning Code § 66.331 requires minimum front and side yard setbacks and § 66.343(b)(12) requires a primary pedestrian entrance on all arterial or collector streets. The applicant requests variances to allow balconies within the required front and side yards and no primary pedestrian building entrance on Sycamore Street, a collector street. § 61.601 states that the Planning Commission shall have the power to grant variances from the strict enforcement of the provisions of this code upon a finding that:
  - (a) The variances are in harmony with the general purposes and intent of the zoning code. This finding is met. Purposes of the zoning code include providing housing choice and housing affordability as well as encouraging a compatible mix of land uses at densities that support transit, and that reflect the scale, character and urban design of Saint Paul's existing traditional neighborhoods. The T2 zoning district is designed for use in existing or potential pedestrian and transit nodes. Its intent is to foster and support compact, pedestrian-oriented commercial and residential development that, in turn, can support and increase transit usage. Variances from the setback and primary pedestrian building entrance requirements are in harmony with the purpose and intent of the zoning code. Balconies help break up the massing of the building and provide access to the outdoors for tenants.
  - (b) The variances are consistent with the comprehensive plan. This finding is met. As noted in finding 3.a. the proposed multifamily use and building are consistent with the Comprehensive Plan as are the setback and primary pedestrian building entrance variances. Sycamore Street is identified as a collector street in the Comprehensive Plan. It serves as an important east-west connection between Jackson and Rice Streets at the southern end of Oakland Cemetery but is not a particularly long street segment at less than three-quarters of a mile. A secondary entrance via the club room at the southern end of the building will be accessible to tenants. This entrance will also be used by tenants to access the patio, play, and lawn areas at the southern end of the site.
  - (c) The applicant has established that there are practical difficulties in complying with the provision; that the property owner proposes to use the property in a reasonable manner

not permitted by the provision. Economic considerations alone do not constitute practical difficulties. This finding is met. The applicant's initial plan for the site was to provide off-street parking for the use on property on the north side of Lyton Place at 119 Lyton Place. When soil contamination was discovered on that site and the cost to remediate the soil was deemed prohibitive, the applicant abandoned these plans and worked to provide all the parking on the Rice Street site. Consequently, the site accommodates both the residential and parking uses without compromising the number of housing units planned. The applicant states that a primary concern for the design team was to ensure as much setback as possible from neighboring residential properties to the east to minimize impacts between uses. In addition, the smaller setbacks allow for balconies and maximize open/green space for tenants at the southeastern end of the site. The applicant proposes to use the property in a reasonable manner.

- (d) The plight of the landowner is due to circumstances unique to the property not created by the landowner. This finding is met. As noted in finding 4.c., the applicant's plans for the site were revised when a property originally planned for off-street parking to serve the development was no longer viable due to contamination. These circumstances were not created by the landowner. The developer's intent is to maintain the same number of units in this affordable housing development and accommodate the required off-street parking as well as provide adequate separation between the multifamily building and the low density residential uses to the east and maximize outdoor patio, play, and open space for tenants.
- (e) The variances will not permit any use that is not allowed in the zoning district where the affected land is located. This finding is met. The proposed multifamily building and use is allowed in the T2 zoning district.
- (f) The variances will not alter the essential character of the surrounding area. This finding is met. The proposed multifamily building is consistent with the type of development the Comprehensive Plan supports.
- J. **STAFF RECOMMENDATION:** Based on the above findings, staff recommends approval of the conditional use permit for a building height of up to 45', setback variance for balconies (7' proposed/10' required west side; 5'6" proposed/ 6' required north side), and variance to allow no primary building entrance from Sycamore Street, subject to the following conditions:
  - 1. Final plans approved by the Zoning Administrator for this use shall be in substantial compliance with the plan submitted and approved as part of this application.
  - 2. Proof of receipt from Ramsey County of filing the parcel lot combination for 782-804 Rice Street and 129 Sycamore Street shall be provided.

### CONDITIONAL USE PERMIT APPLICATION

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

Zoning Office Use Only

(651) 26	302922330076 8				
	Name Rice Street Partners LP: Phoenix Development Email Corenb@phoenixdevco.com RMBuelow@gmail.com				
APPLICANT	Address 1645 Palace Avenue				
	City St. Paul State MN Zip 55105 Daytime Phone 651-260-5528				
	Name of Owner (if different) Saint Paul HRA				
	Contact Person (if different)  Loren Brueggemann : Michael Buelow Phone 612-386-9071				
PROPERTY	Address/Location 782, 792, 794,796,Rice Street and 129 Sycamore Street W., Saint Paul, MN				
LOCATION	Legal Description See attached.				
	Current Zoning T2 (attach additional sheet if necessary)				
TYPE OF PERMIT	: Application is hereby made for a Conditional Use Permit under provisions of				

TYPE OF PERMIT:	Application is hereby made for a Conditional Use Permit under provisions of				
	Chapter 66, Section 33, Paragraph f, of the Zoning Code.				

SUPPORTING INFORMATION: Explain how the use will meet all of the applicable standards and conditions. If you are requesting modification of any special conditions or standards for a conditional use, explain why the modification is needed and how it meets the requirements for modification of special conditions in Section 61.502 of the Zoning Code. Attach additional sheets if necessary.

Please see attached CUP request for an increased building height from 35' allowed in table 66.331 to 45' per footnote f which allows 45' with a CUP.

Required Site Plan is attached	
pplicant's Signature	



# **CITY OF SAINT PAUL**

DEPARTMENT OF SAFETY AND INSPECTIONS 375 JACKSON STREET, SUITE 220 ST. PAUL, MINNESOTA 55101-1806 Phone: 651-266-8989 Fax: 651-266-9124

Phone: 651-266-8989 Fax: 651-266-9124 Visit our Web Site at www.stpaul.gov/dsi

# ZONING VARIANCE APPLICATION File Number (office use only)

# **ZONING VARIANCE APPLICATION**

# **Applicant Contact Information**

Name: Rice Street Pa	artners LP: Phoenix Development	Email: lorenb@phoenixdevco.com	RMBuelow@gmail.com	Phone: 651-260-5528				
Address: 1645 Palace Avenue								
City, State, Zip: St Paul MN 55101								
Property interest of a purchaser, etc.):	Property interest of applicant (owner, contractor, purchaser, etc.):  Purchaser							
Property owner (if different): St Paul Housing and Redevelopment Authority								
Subject Property Information								
<sup>Address:</sup> 782, 792, 794, 796 Rice St and 129 Sycamore St W, St Paul								
See Attached								
Lot size: 40,086 sf	Existing use: Vacant	Proposed use: Multi-family Housin	Zoning Distr	rict: Planning District: 6- North End				
Please select the type(s) of variance or review being requested and a brief description of the project:								
☐ Lot Area				☐ Separation from Specific Uses				
Setbacks (please specify front/ side / rear)				☐ Design Standards				
□ Density				☐ Off-street Parking				
☐ Floor Area Ratio (FAR)				☐ Signage (requires additional application)				
Height				☐ Lot Coverage				
☐ Sidewall Articulation (Districts 14 & 15)			☐ Administrative Review					
Applicant Signature								
Signature:								

If you are a religious institution you may have certain rights under RLUIPA. Please check this box if you identify as a religious institution

\$3150

# Rice Street Partners LP: Phoenix Development 796 Rice Street (134 Lyton Place)

#### **Conditional Use Permit requests:**

#### Height:

The applicant requests a CUP up to 45' to exceed the allowed building height of 35' allowed by right in table 66.331 for T2 zoning (according to footnote f). The additional (10) feet of height and especially the additional fourth level of rental apartment homes allows the project to meet the need for affordable housing more effectively. It is also critical to the financial viability of construction and the long-term success of the project.

The building design has been through multiple civic approvals including two public hearings at the neighborhood level. The design was changed after the first public hearing to incorporate comments from the neighborhood committee. The current design, color scheme and size has been well received by St Paul Planning and the District 6 neighborhood association. The (45) foot height of the building did not raise concerns in the design review process at neighborhood and city levels.

The possible need for a Conditional Use Permit for additional height was discussed with St Paul Planning in the pre-design phase and was not identified as a problem at that time. When considering a C.U.P. for additional height, the primary concern for the design team was to ensure as much setback as possible from neighboring residential properties to the east. The building is (63) feet from the nearest residential property line.

The proposed project's roof level would be at 43' and parapets to 45'. The elevator overrun and stair enclosures extend up to an additional 3' to 8'.

#### **Conditional Use Permit General Conditions:**

- The extent, location and intensity of the use will be in substantial compliance with the Saint Paul Comprehensive Plan and any applicable subarea plans which were approved by the city council. This project aligns with the Saint Paul Comprehensive plan as it is located on a mixed-use corridor. A target of 30-150 units/acre is listed for this land use. As proposed the project falls within this range at 37 units/acre. With out the additional height and the fourth level of rental apartment homes, the building would fall to 27 units/acre or required a much greater site coverage and a loss of the proposed green space. All the units in the proposed building are affordable at 60% AMI.
- The use will provide adequate ingress and egress to minimize traffic congestion in the public streets. This small-scale infill development provided 52 onsite parking stalls accessible from one curb cut. Vehicles will have immediate access to the arterial (Rice Street) once exiting the property.
- The use will not be detrimental to the existing character of the development in the immediate neighborhood or endanger the public health, safety and general welfare. The proposed project

will help enhance the neighborhood character by providing a transition from industrial land use at the south edge of the site to the mixed-use corridor to the north.

- The use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district. The proposed use will not impede normal and orderly development. This proposed project could enhance the chances of further development in the area.
- The use shall, in all other respects, conform to the applicable regulations of the district in which it is located. The proposed project type is supported by the North End Development Plan which promoted mixed-use development in the area that could foster the growth of an urban village.

# Variance requests:

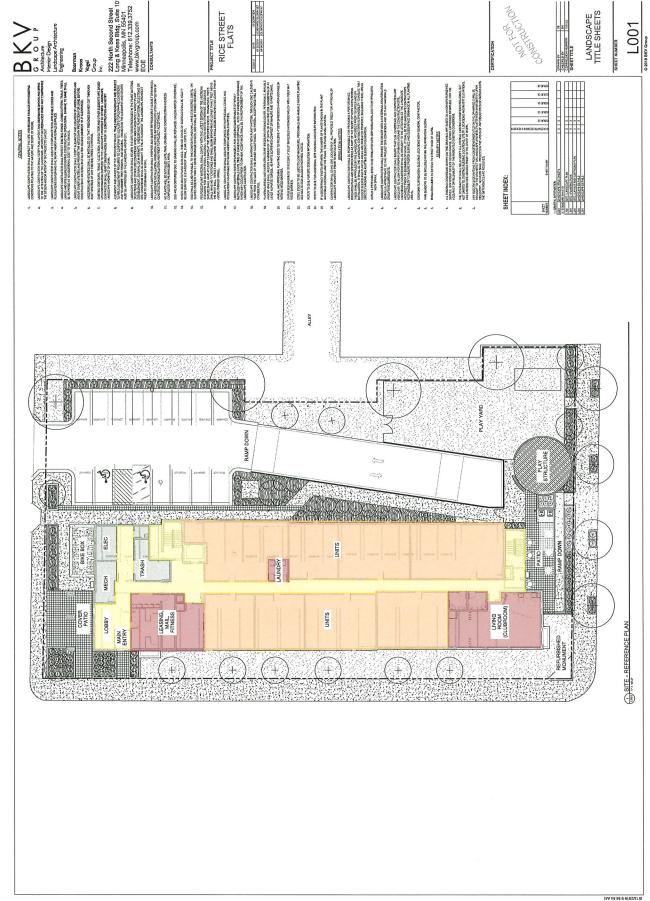
<u>The applicant requests a variance for front setback requirements</u> under the dimensional standards section 66.331 for Traditional Neighborhoods. The multi-family front yard is to be 10-25 feet. Currently the building is situated to meet this required setback. On the North, West and South facades, the building has proposed balconies and entrance overhangs that encroach the setback.

- North Façade (Lyton Place) The building façade is setback 10'-6". Three proposed balconies stick out from the façade 5'-0" (4'-6" beyond setback). An entrance overhang of 1'-0" also encroaches the setback requirement.
- West Façade (Rice St) The building façade is setback 12'-0". Eight proposed balconies stick out from the façade 5'-0" (3'-0" beyond setback). An entrance overhang at the NW corner was reduced to 2'-0" to fit within the required setback. On overhang at the SW corner of the building falls within the required setbacks,
- South Façade (West Sycamore St) The building façade is setback a minimum 13'-0", jogging to 21'-0". One balcony sticks out from the façade 5'-0" (2'-0" beyond setback).

#### **Variance Code Requirements:**

- The variance is in harmony with the general purposes and intent of the zoning code. The proposed building massing meets the intent of the zoning code. The proposed entrance overhangs and balconies serve to enhance livability and visual interest of the building. The proposed do not occur over public sidewalks and occur within property lines. The entrance overhangs and balconies at the North ends of the building occur over an entrance plaza and landscaped area. The South end balconies are situated over an amenity patio and landscaping while the West façade projections also occur over landscape.
- The variance is consistent with the comprehensive plan. The requested variance is consistent with the use indicated in the Saint Paul Comprehensive Plan. The site is within mixed-use corridor. The proposed entrance overhangs and balconies are a consistent design feature of this building type within this type of corridor.
- The applicant has established that there are practical difficulties in complying with the provision, that the property owner proposes to use the property in a reasonable manner not permitted by the provision. Economic considerations alone do not constitute practical difficulties. The site is located fronting three streets as well as single family homes to the East.

- The plight of the landowner is due to circumstances unique to the property not created by the
  landowner. The proposed building is oriented to Rice Street to adhere to and facilitate the
  mixed-use corridor requirements. Existing multi-use structures on Rice Street maintain a zero lot
  line along Rice Street. The proposed building massing meets the established front yard setbacks
  and the variance would allow projections to enhance the existing Rice Street corridor character.
- The variance will not permit any use that is not allowed in the zoning district where the affected land is located. The proposed use is allowed within the zoning district.
- The variance will not alter the essential character of the surrounding area. In granting a variance, the board or commission shall make written findings stating the grounds upon which the variance is justified. Inadequate access to direct sunlight for solar energy systems constitutes a practical difficulty in the third bullet point above. The established front yard setback along Rice Street appears to be a zero lot line with existing building facades built directly adjacent to the right of way and with no setback. The variance will allow the building footprint to take advantage of the established front yard setback along Rice Street while being closer in keeping with the existing Rice Street corridor. From a design standpoint, the 12' setback with 3' encroachments would create a transition into the Rice Street corridor for traffic moving north.

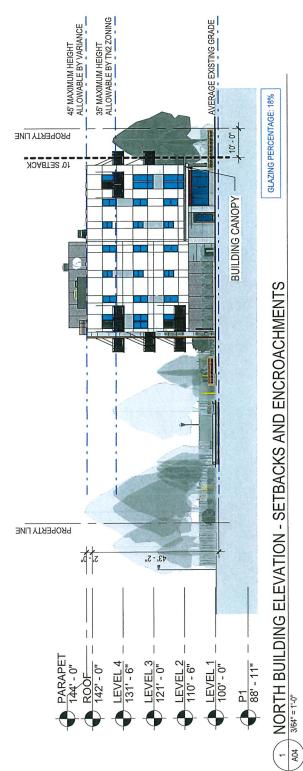


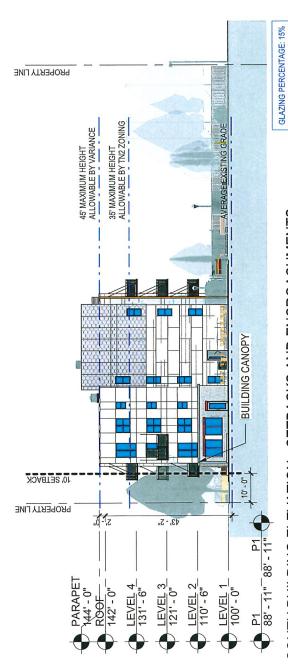












SOUTH BUILDING ELEVATION - SETBACKS AND ENCROACHMENTS

AND SIGHT STORTS

# **RICE STREET FLATS**



Subject property from Rice Street looking north



Office and surface parking uses north of subject property



Auto related uses south of subject property at Sycamore





Auto use and outdoor storage uses west of subject property looking south along Rice



Residential uses east of the subject property on the north side of Sycamore



Residential uses east of the subject property south side of Lyton



July 31, 2018

171 Front Avenue Saint Paul, MN 55117 651-488-4485 ed@nenostpaul.org

#### To Whom It May Concern:

The North End neighborhood is in need of quality multi bedroom workforce family housing. It is that need that is being fulfilled by Rice Street Flats. The project which contains a majority of 2 and 3 bedroom family style units. Rice Street Flat has significant amenities including laundry rooms on each floor, workout and community room, child play lot, picnic areas, planter boxes, bike storage, on-site parking and storm water management. The project is located on Rice Street which has significant transit opportunities.

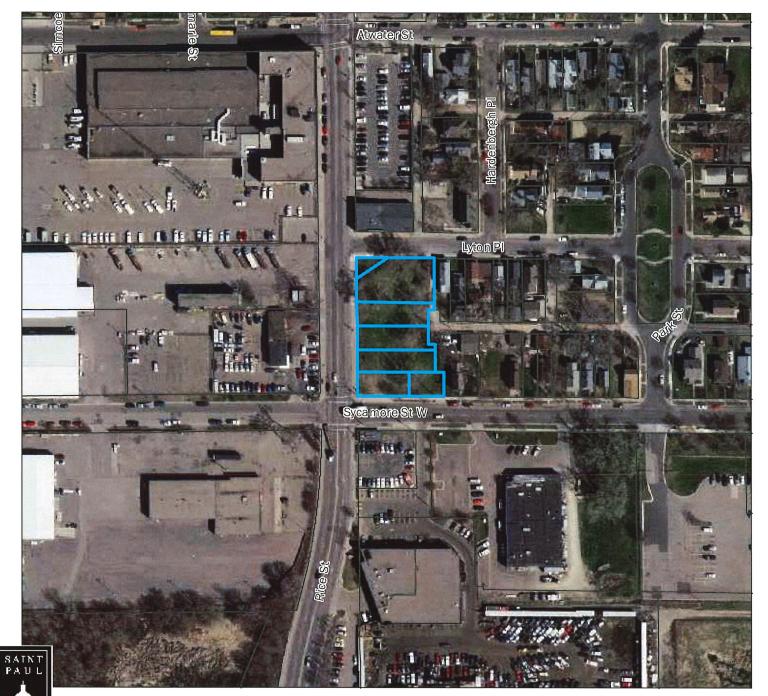
The rents for this project are all targeted for families at or below 60% of median income, which is commensurate with typical wages earned in this area and thus demonstrates how the Rice Street Flats Project fulfills this neighborhood's need for housing.

Respectfully yours,

Rích Holst

Rich Holst

Rich Holst Chair



FILE #19-073652 | AERIAL MAP

# **Application of Rice Street Flats**

Application Type: Conditional Use/Variances

Application Date: August 13, 2019

Planning District: 6

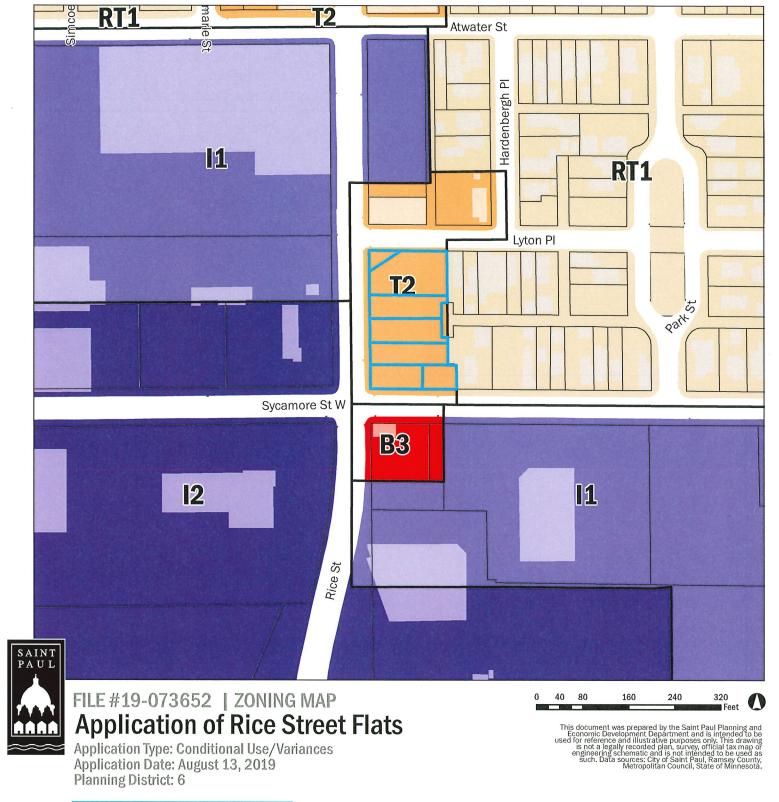
Subject Parcel(s) Outlined in Blue

0 40 80 160 240 320 Feet

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Seasonal/Vacation Retail and Other Commercial Institutional Agricultural Single Family Detached Mixed Use Residential Park, Recreational or Preserve Undeveloped Golf Course Manufactured Housing Park Mixed Use Industrial Water Single Family Attached Mixed Use Commercial and Other Major Highway Multifamily Industrial and Utility Railway



Subject Parcel(s) Outlined in Blue

RL One-Family Large Lot RM3 Multiple-Family BC Community Business (converted) 13 Restricted Industrial R1 One-Family T1 Traditional Neighborhood B2 Community Business F1 River Residential R2 One-Family T2 Traditional Neighborhood **B3** General Business F2 Residential Low R3 One-Family T3 Traditional Neighborhood B4 Central Business F3 Residential Mid R4 One-Family 🖟 T3M T3 with Master Plan **B5** Central Business Service F4 Residential High RT1 Two-Family T4 Traditional Neighborhood IT Transitional Industrial F5 Business RT2 Townhouse 🍍 T4M T4 with Master Plan // ITM IT with Master Plan F6 Gateway RM1 Multiple-Family OS Office-Service I1 Light Industrial VP Vehicular Parking RM2 Multiple-Family B1 Local Business 12 General Industrial PD Planned Development CA Capitol Area Jurisdiction