UNION PARK DISTRICT COUNCIL



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April 2nd, 2020

Dear Council Member Jalali:

In light of persistent concerns about the lack of deeply affordable housing options in our area, UPDC strongly desires to see an equity-focused development on the PAK Properties **1619 Dayton Avenue**.

In a motion passed by the UPDC Committee on Land Use and Economic Development on March 16, 2020, and ratified by the full UPDC Board on April 1st, 2020, UPDC expresses support for the development of this site on the condition that it includes deeply affordable 30% AMI units.

While our Board appreciates efforts to create "more affordable" housing, particularly in such close proximity to buildings with exclusively market rate units, we would like to see more deep affordability to support this projects request for a **4% LIHTC deal with tax-exempt bond financing** and **tax increment financing (TIF)** in a Qualified Census Tract and a Federal Opportunity Zone.

Any number of 30% AMI units or a larger number of 40% AMI units would move our Board from conditional support to full support for the following request that Pak Properties will be making:

- Rezoning from existing T2 Traditional Neighborhood District to T3 Traditional Neighborhood District
- Conditional Use Permit for Building Height of 65'-0"
- Variances for 5'-0" Yard Setbacks for Building and Balconies

We look forward to continued conversations with PAK Properties on this Project at our Land Use Committee meetings as well as upcoming Transportation Committee meetings.

Due to the location of this project on a future bus rapid transit line, it will be important for these developers to have more robust conversations on how they will contribute to a transit oriented project.

We would like to make it very clear that we, as an organization, have been discussing what it means to support or oppose any particular development. As an equity focused organization, we have a high standard for what we will outright support or oppose based on our Board values.

We wish to make it clear a letter of conditional support does not automatically equal a position of opposition, it simply means that any given project does not meet our high standards and we would like to work with a developer to create a truly equitable project.

Please let me know if you have any questions.

Sincerely,

Brandon Long, Executive Director

Union Park District Council

Blu Long

CC: Mayor Carter, Kady Dadlez, Luis Rangel Morales, Tia Anderson

Hello,

Comments regarding variance requests.

A multi year comprehensive study was just complete on Marshall Ave. Note #4 on page 17 of the West Marshall zoning study calls out the switch from T1 to T2 to allow for a transitions from T3 on Snelling to RT1 to the west. There should be a transition from T3 down to RM1 or RT1 that goes through T2 or T1. Marshall Ave was just rezoned and T2 was chosen for a reason. This change does not align with the study recommendations.

The current AMI is \$100,000 so 50% is \$50,000 and 70% is \$70,000. This amounts to the rental prices calculated below. Do these appear to be deeply discounted? Do they appear to be a screaming deal where we should allow a conversion to T3 zoning which grants an immediate 25% reduction in parking requirements and an immediate usage of all road frontage for parking calculation? In addition, they are adding 2 more stories to the height of the building (requesting 75 feet) through a conditional use permit with the same deeply discounted rent argument. This amount to an additional 32 units presumably. These are not insignificant variances.

50% AMI (income of \$50,000):

1 bed - \$937 (based on 22% of income devoted to rent)

2 bed - \$1,125 (based on 27% of income devoted to rent)

3 bed - \$1,300 (based on 31% of income devoted to rent)

70% AMI (income of \$70,000):

1 bed - \$1,283

2 bed - \$1,575

3 bed - \$1,820

I understand the 10 spots on Marshall will not be reserved, but that is a lot of parking that is planned for the street versus onsite in addition to the other 18 spots on Fry and Dayton. Part of granting T3 zoning versus T2 zoning is using street parking towards parking requirements.

My opinion is the lot should be split and only the portion with the building should be rezoned, if at all. Why would we rezone the whole 1.91 acres?

6 stories and 75 feet is even higher than the Vintage and The Harper which are on Snelling. Seems too high for the transition to lower densities further west.

The letter dated April 2nd is asking for 65 feet, when did this increase to 75 feet?

Do they really need the setback variance when they are trying to squeeze this building onto a very small portion of the 1.91 acres that own?

The proposed building is 58' by 270' or 15,660 square feet which is less than 0.4 acres. The site they own is 1.91 acres. How will this development and the variances effect future developments on the remaining 1.5 acres of land? How will the city hold them accountable on future developments after the zoning change, height increase and setback decreases? Future buildings will be able to take advantage of these variances if the whole lot is changed. How long do they intend to keep the office building standing? Seems like the first step in a big project where large variances are granted prior to unveiling the whole plan.

Thanks, Jeremy Exley 1609 Marshall Ave, STP, MN 55104 952-484-2776