

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

Minutes March 9, 2018

A meeting of the Planning Commission of the City of Saint Paul was held Friday, March 9, 2018 at 8:30 a.m. in the Conference Center of City Hall.

Commissioners Present: Mmes. Anderson, DeJoy, Eckman, Lee, Mouacheupao, Reveal, Thao, Underwood; and Messrs. Baker, Fredson, Khaled, Lindeke, Ochs, Oliver, Perryman, Rangel Morales, Reich, Vang, and Wojchik. .

Commissioners Absent: Messrs. *Edgerton, and Risberg.
*Excused

Also Present: Donna Drummond, Planning Director; Allan Torstenson, Bill Dermody, Jamie Radel, and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes February 23, 2018.

Chair Reveal announced that the minutes are not available at this time. However they will be ready for approval at the next Planning Commission meeting.

II. Chair's Announcements

Chair Reveal had no announcements.

III. Planning Director's Announcements

Donna Drummond announced that on Monday, March 5th there was an appeal filed regarding the 2103 Wabash decision of the Planning Commission to approve a conditional use permit for conversion of the industrial building to primarily residential uses. The appeal was filed by American Engineering Testing, owner of the adjacent property. The appeal will be at City Council for public hearing on April 4th. On Wednesday, February 28th there was a presentation on the Comprehensive Plan Land Use and Housing Chapters at City Council/HRA with good discussion.

IV. Zoning Committee

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

Two items came before the Site Plan Review Committee on Tuesday, March 06, 2018:

- Como Park-Carousel Plaza – Site reconstruction at 1225 Estabrook Drive. Brett Hussong-Parks and Recreation, SPR #18-029073

- Como Park-Seal and Sea Lion Habitat – Redevelopment of exhibit area at 1250 Kaufman Drive. Chris Stark-parks and Recreation, SPR #18-029871

Two items to come before the Site Plan Review Committee on Tuesday, March 13, 2018:

- Cemstone Rail Cover PEMB – Structure over tracks at 2145 Childs Road. Mike Anderson-B Three LLC, SPR #18-031404
- CLUES St Paul – Building addition at 797 7th Street East. Dale Dufault-Comunidades Latinas Unidas En Servicio, SPR #18-033020

OLD BUSINESS

#18-023-089 2103 Wabash – Rezone from I2 General Industrial to IT Transitional Industrial. 2103 Wabash Avenue, NE corner at Montgomery Street. (*Bill Dermody, 651/266-6617*)

Commissioner DeJoy announced that this case has been laid over to the March 15, 2018 Zoning Committee meeting.

NEW BUSINESS

#18-028-520 St. Thomas Parking Lot – Site Plan Review to modify a condition of a previous site plan approval to allow continued use of a 33-space parking lot until March 2021. 2060 Summit Avenue, NW corner of Grand and Cleveland. (*Josh Williams, 651/266-6659*)

MOTION: *Commissioner DeJoy moved the Zoning Committee’s recommendation to approve modification of a condition of a previous site plan approval. The motion carried unanimously on a voice vote.*

#18-028-380 St. Paul’s Episcopal Church Reuse – Conditional Use Permit for reuse of the church for St. Paul Conservatory of Music. 1524 Summit Avenue, SW corner at Saratoga. (*Mike Richardson, 651/266-6621*)

MOTION: *Commissioner DeJoy moved the Zoning Committee’s recommendation to approve the conditional use permit subject to additional conditions. The motion carried unanimously on a voice vote.*

There will be a brief break for a Planning Commission group photo.

V. Comprehensive and Neighborhood Planning Committee

Zoning Study to Amend Locational Standard of Accessory Dwelling Units – Release draft for public review and set a public hearing for April 20, 2018. (*Jamie Radel, 651/266-6614*)

Commissioner Ochs asked how an ADU differs from a duplex.

Jamie Radel, PED staff, said that the key difference between an ADU and a duplex is owner occupancy. Under the current ADU provisions, the property owner has to live on the property. If the property owner ceases living on the property the ADU would need to be removed.

Commissioner Ochs asked if ADUs are required to have a certificate of occupancy.

Ms. Radel replied yes in cases where the ADU is in an accessory structure, but those within the principal structure do not. If the owner does not live in the same building as the ADU, a certificate of occupancy is required.

Chair Reveal asked if only one household can live in both units of a duplex as is the City's current requirement with ADUs.

Ms. Radel said that duplexes are not limited to one family living in both units as is required with ADUs. The reason this requirement was established was help address some of the concerns associated with overcrowding within the single-family neighborhoods.

Commissioner Lindeke asked if Ms. Radel knew how many have been built in Saint Paul so far under the current rules, and if there hasn't been, why not.

Chair Reveal asked if there have been any applications.

Ms. Radel said that there's been one ADU built since the ordinance took effect; it is located on Sherburne Avenue. As to why more ADUs have not been built, she stated that the ADU policy has only been in place for 18 months, and it is applied to a very small area in the city. In addition, detached ADU's are expensive to build as, in essence, a second home is being built on the property. To speculate why there have not been more internal ADUs built, it could be lack of knowledge that they are permitted or lack of interest to do such.

Commissioner Lindeke stated regulations can affect how financially feasible developing an ADU is. He said he has heard people say that they want to build one, but because of various city regulations they cannot. He suggested re-examining some of the existing requirements and consider what has and has not worked and why. He also suggested developing some informational materials for people who may be interested in developing ADUs.

Ms. Radel said that the focus of this study is on locational standards and not redefining what an ADU is in Saint Paul. If there is a concern on the cost of constructing detached units, zoning regulations do not control building code requirements. One of the issues heard from the community is that they do not feel detached ADUs should have to have a separate sewer line from the street to the unit, but would like to be able to tap into the existing sewer and water lines connecting to the principal structure. That is a building code issue, which is under the purview of (DSI) Department of Safety and Inspections and the building official, and is not something that the zoning code can address.

Commissioner Lindeke recommended having a planning commission discussion on housing data and the City's housing goals to find ways to get more housing in Saint Paul.

Ms. Radel said that when she has gone to district councils that is what she has asked. She has asked to reach out to their constituents to gauge their interest in ADUs. She is also asking them to identify areas of the existing requirements that they would like to see examined.

Commissioner Khaled asked why this was not a citywide study. What are people's main issues with allowing ADUs? What have community members been saying about the existing ordinance?

Ms. Radel said this study started with the owner of a residence in Mounds Park expressing to Councilmember Prince that they were interested getting ADUs permitted in their area and the other four areas asked to be part of the study. There is policy direction in the Comprehensive Plan to study ADUs on citywide basis. The purpose of the study before the Planning Commission is to meet the spirit of the City Council request to study the five areas, but also to get broad community input.

Donna Drummond, Planning Director added that it is possible for the Planning Commission to recommend the adoption of ADUs citywide if they hear from other areas of the city not called out in the Council resolution. It does not make sense to have patchwork regulations across the city as it makes it more difficult for DSI to administer and is confusing for residents.

Commissioner Khaled noted that it is important to acknowledge that in today's economic environment that it is more difficult for households to purchase property at the age that previous generations were able to become homeowners. In addition to younger households looking to buy homes, there is an increase in the number of people retiring.

Commissioner Khaled said that we are in this two-sided generational confluence with massive economic disempowerment of young people right now because of the job market and their educational debt. They can't purchase homes like people in the past, and there is also a rise in people of retirement age wanting to sell their homes.

Commissioner DeJoy asked at what point would an ADU no longer be permitted on a property. Would it be at the point of sale?

Ms. Radel said it would not be at the point of sale. Under the code, a deed restriction must be filed with Ramsey County stating that the ADU is only permitted if it is an owner-occupied property. That restriction goes with the property, not a property owner. During a title search that information would be brought forward. In addition, the truth in sale of housing report would reflect that the zoning district does not allow duplexes.

Commissioner Eckman asked if ADUs were restricted to long-term tenants or could they be used for short-term rentals, such as through Airbnb. She wondered if this policy is supporting growth of short-term rentals or more affordable housing.

Ms. Radel said that homeowners have a choice as to how they are going to rent their extra space. Someone could choose to rent their extra space as an Airbnb under our short-term rental program. They could also choose to rent it out for profit or allow someone in their family to just reside there without a lease.

MOTION: *Commissioner Thao moved on behalf of the Comprehensive Planning Committee*

to release the draft for public review and set a public hearing on April 20, 2018. The motion carried unanimously on a voice vote.

VI. Rice/Larpenteur Area Plan – Informational presentation by John Slack, Associate Principal, Perkins and Will.

John Slack, Associate Principal, with Perkins and Will gave a power point presentation, which can be seen on the web page at: <http://www.stpaul.gov/planningcommission>

Commissioner Lindeke asked Mr. Slack to elaborate on some of the recommendations on transportation design about which the County was skeptical.

Mr. Slack said that the County had representatives on the Gateway Planning Committee (GPC), a group of elected officials from the three cities that met monthly during the planning process. He also had three conversations with Public Works on transportation design and they were very open to many of the ideas that were presented. The County was in the process of preparing a traffic study for this corridor, from Larpenteur south. County staff did not agree to the recommendations in the Vision Plan, but they thought that everything proposed was feasible. Once the County identifies a specific construction project, they will have to do a full feasibility study. There was not a lot of push back to the idea of three-lane conversion or reduction in curb cuts, but it is expected that existing property owners may have some issues with eliminating entrances and exits to their properties. The County saw the need for safety and crossing improvements for public safety as the number one priority.

Commissioner Thao was interested in the current activity of some of the sites, such as Longs Auto site, and if the property owners were involved in the planning discussions.

Mr. Slack said he had conversations with some of the property owners and shared some of the ideas. He expects that there will be some push back as these are their businesses. He did explain to them that this is a long-term vision plan and that nobody is coming to take their sites. The purpose of the study is that the cities are looking to set the vision for when property owners are ready for new uses on their properties. When talking with some of the property owners, they did identify that as change happens along the corridor that some of their businesses would be less desirable. Beyond the one-on-one conversations, the open houses were open to property and business owners, but not many showed up until the final event.

Commissioner Baker said it was mentioned that this is a long-term project so what is the timeframe?

Mr. Slack said for this vision plan they have identified it as 20-25 year plan. Some of the elements that were identified in the long-term and/or short term can happen more immediately from the standpoint of the redevelopment as they are going to be market driven. But some of the physical improvements, such as those related to streetscape improvements, are on a somewhat clearer time line as the County is planning on improving Rice Street. When Rice Street improvements are taking place may be an opportune time to undertake some of the recommended improvements. Ramsey County's initial project prioritization is reflected in the timing of some of the recommendations.

Commissioner Baker asked if Mr. Slack did their prioritization specifically with the county.

Mr. Slack said the county part of the GPC, and so his team took the road improvement projects as givens. They knew that those were happening, so they were involved in some of that prioritization.

Commissioner Rangel Morales said that if this is a foreseeable thing in terms of what was just presented then is there a plan to connect it to the Rush Line and would that change any of the dynamics of that?

Mr. Slack said they just worked with Metro Transit to look at enhanced bus ridership and routes along this corridor, but that they did not talk a lot about the east west connector. But that is something that can be followed up on.

Commissioner Rangel Morales said as a City it would be good to over invest in areas where there has been under investment before. And he's wondering if this presents itself to us as one of those situations which by including a light rail it could spur development and economic activity in that portion of the city.

Jamie Radel, PED staff, added that Rice Street was part of the streetcar study that the City did and it ranked very highly through that process. In addition, the future Comprehensive Plan reflects that and does have acknowledgement for the need to study enhanced transit in the Rice Street corridor.

Commissioner Eckman mentioned a study that showed that 50% of the residents do not own cars in that neighborhood. If so then why not consider a multi-modal Rice Street?

Ms. Radel said that the 50% that Mr. Slack spoke of was households that own one car. In some census tracts there's up to 25% of people that are transit dependent or do not own cars at all. With limited right of way, there is a tradeoff on Rice Street--do you trade off adding in bicycle lanes and not have the enhanced sidewalks or do you enhance the sidewalks because transit is so highly used in that area and not have a designated bike lane. Neither the County nor the City have Rice Street identified as a bikeway in their plans. They have identified alternative routes. Some of the traffic counts and the amount of curb cuts in that area (from a County perspective) have made them shy away from identifying Rice as a bikeway due to the potential bicycle car conflicts at all of those curb cuts.

Commissioner Eckman lives 2 ½ miles from where she is employed, and it would be faster for her to walk to work and not use public transit because there is no connection from Rice Street to Payne. She would have to come downtown and transfer then come up Payne. She feels it is important to have improved multimodal transit on Rice Street.

Commissioner Lindeke said that there is a side path that exists along Lake McCarron's and the Dairy Queen and asked what happens to that in the plan.

Mr. Slack said that those existing multi-modal paths, especially north of Larpenteur, would be maintained and enhanced. Bike lanes were not considered south of Larpenteur because of the limitations on the amount of right of way. Whereas north of Larpenteur, the right of way is 100 feet wide all the way to County Road D. In that context, you can put a bike lane on Rice, but it

wouldn't allow for that full connectivity south of Rice, especially with the traffic, the curb cuts, the narrowing of the street, and the desire to make the area more walkable. With a widened sidewalk, there would be an opportunity for that multi-modal connectivity. The recommendation is for a 12- to 15-foot wide sidewalk in the areas closest to Larpenteur. However, as you start heading south on Rice it narrows to a 60-foot right-a-way, which is going to be very narrow. At that point, there is space for a 6-foot sidewalk with a narrow landscape boulevard to separate pedestrians from traffic and the three lanes.

Commissioner Wojchik said that the City of Saint Paul is working with the other cities on this plan, but is there the same level of buy in, such as will each of the cities be adopting this into their comprehensive plans?

Ms. Radel said each of the communities came into this process with a different level of interest. Initially Maplewood had a lesser interest than Roseville and the City of Saint Paul. But through this process, with Mr. Slack's work, Maplewood's interest became more in line with that of Saint Paul and Roseville. She thinks there is interest and buy in from all three communities to move forward together to implement these recommendations, particularly around those things we can impact like the zoning.

Chair Reveal asked if we have any multi-jurisdiction overlay districts.

Donna Drummond, Planning Director, said that she does not believe that we have an overlay district that crosses boundaries, but in this case, we might look at our T districts as they provide design guidelines for built form that is recommended in this plan. Each city might end up having different tools, but getting the same end result depending on how their zoning code is structured.

Ms. Radel said that an overlay district may not be necessary if the jurisdictions all approve a shared set of design guidelines for the area that are used to review projects as they are proposed.

Ms. Drummond added that the next step will be for Ms. Radel to be looking at what portions of the plan that was presented this morning should be adopted into the City's Comprehensive Plan. We wouldn't just adopt it in total because it is multi-jurisdictional. We'll also be looking at zoning along our portion of the study area.

VII. Potential Industrial Zoning Study Workplan Item – Discussion of memo referred from the Zoning Committee. (*Bill Dermody, 651/266-6617 and Allan Torstenson, 651/266-6579*)

Bill Dermody, PED staff, said that there has been a lot of interest in industrial zoning – both where it is and what's in it. He noted that from about 2008 to 2014 the Planning Commission spent a lot of time and effort on industrial zoning. Today we want to link that old discussion, education and work to our present discussions about industrial zoning and then get your input on what you see as remaining issues going forward.

Mr. Dermody said that in 2008 we did most of the work on the Comprehensive Plan adopted in 2010. He characterized the Comprehensive Plan's industrial policies as either "protect industrial" or "study it more." When that was adopted we went to work on the West Midway Industrial Area Plan and its companion piece, the ICIC Report, which was done by an academic-affiliated group for the Port Authority and informed the West Midway Industrial Area Plan. This Plan and Report were several year efforts with a lot of Planning Commission and community involvement,

interviews, and study. The ICIC Report addressed challenges to industrial development in Saint Paul, and made the case for industrial generally. Some of the challenges it laid out were residential development on industrial land, land availability, land assembly and design. It made the case that industrial is growing and is a better path for those people without a college degree to get high paying jobs compared to many other sectors. The Report was also specific to Saint Paul, studying which sectors within industrial are growth sectors that the Port Authority and other development groups could focus on. The Report informed the West Midway Plan in a number of ways.

The West Midway Industrial Area Plan was done in anticipation of the Green Line, which opened in 2013 and cuts right through one of our main industrial areas, the West Midway. We anticipated a lot of change and had to start thinking about to what extent we want to protect industrial land use. The West Midway Industrial Area Plan is about protecting industrial from residential encroachment and avoiding land use conflicts. It also addresses communication to smooth out conflicts, communication with colleges and workforce development groups to connect people to jobs, modernizing industrial in terms of uses, design and public improvement.

Allan Torstenson, PED staff, said that after the Comprehensive Plan was adopted in 2010, in 2011 the Planning Commission initiated a zoning study based on policies 2.21, 2.22 and 2.23 of the Land Use Plan that called for study of zoning amendments pertaining to industrial zoning districts and regulation of industrial uses. He reviewed a January 8, 2013 memo from the Comprehensive Planning Committee to the Planning Commission (in the packet) summarizing public hearing testimony and rationale for proposed zoning text amendments including:

- Amendments in response to Land Use Policy 2.22 to revise the list of principal uses permitted in industrial districts to ensure compatibility with the primary industrial function of the district for the purpose of protecting the employment base, including deleting churches, grades K-12 schools, theaters and assembly halls from the list of uses permitted in industrial districts.
- Amendments in response to Land Use Policy 2.21 for tighter standards for residential uses in industrial districts and conditional use review for the purposes of ensuring compatibility of non-industrial uses with the primary industrial function of the district and of protecting the employment base, including requiring a conditional use permit for mixed residential and commercial use with more than 6 dwelling units in I1 and I2 industrial districts, and not allow dwelling units in the basement or first floor of buildings in these districts.
- Amendments in response to Land Use Policy 2.3 for site plan review standards for the I1, I2, and I3 districts for the purpose of efficient land use and enhancing aesthetic quality.

After considering a lot of varied testimony, the Planning Commission recommended:

- Continue to allow churches, schools, theaters, assembly halls, and certain limited residential uses in industrial districts.
- Add conditional use permit requirements for mixed residential and commercial uses, churches, schools, theaters and similar institutions in the I2 industrial district.
- Avoid separation requirements for industrial uses from residential uses in industrial districts so that residential uses in industrial districts don't prevent industrial uses from locating in industrial districts.

- Revise the amendments to apply the addition of a requirement for a conditional use permit for mixed residential and commercial use with more than 6 dwelling units only to the I2 district, and not to require it in I1.

Donna Drummond, Planning Director, said they have studied industrial zoning a lot in recent years and the whole point of it has been to tighten up uses allowed in industrial districts to preserve industrially zoned areas for job-producing uses. What further study is needed now? Does 2103 Wabash create a need to reopen that discussion? What do commissioners think about protecting industrial areas for industrial uses? In the appeal by AET of the 2103 Wabash conditional use permit, they said that having a residential use next to them is going to create problems for their operation. They already have had the developer is asking them for restrictions on times that they are operating and creation of a buffer strip between 2103 Wabash and their operations.

Commissioner Thao said that we don't understand the nature of how industrial uses are shifting. The ICIC Report acknowledged that industrial uses are changing, and we hear about automation replacing people. We need more market-based information before we go down a policy path.

Commissioner Baker said that at the last Planning Commission meeting he was concerned because it seemed as if the Wabash property was being carved carved out. He knew that this building had not been used in 40 years and thought "let's use the building," but he is very concerned about AET deciding to appeal.

Chair Reveal added that her sense at the hearing was that AET's main concern was whether or not they would be rezoned, and they did not raise other issues. They were assured that the rezoning was not for their own property.

Commissioner Khaled said we could engage local companies about their evolution and space needs to be smarter about how we think about the use and designation of repurposed property.

Commissioner DeJoy said she was at the public hearing on the Wabash development and remembers AET comparing it to someone who moves next to an airport. She also remembers there was support for it from the Saint Paul Port Authority. Throughout the country industrial spaces are being repurposed because the market is changing. There is a high demand for housing and we are not chasing smokestacks anymore.

Commissioner Lindeke said he is curious about the tax base and employment impacts for different industrial properties, and does not think we should treat them uniformly across the city. He has heard from former Councilmember Stark that the West Midway has a greater tax base than downtown Saint Paul, but in this area near 2103 Wabash there is a self-storage facility and an empty warehouse that don't have a big impact on employment. He would like more information about the relative tax impact and property values of various types of uses in the area, like at Vandalia Tower or the former Weyerhaeuser lumber yard that now has a climbing gym.

Commissioner Ochs said that unique areas will provide unique conditions therefore we should treat different industrial areas with a different lens. The value of industrial land in the West Midway is probably far greater due to its access to multiple modes of transportation. The industrial chic trend is probably something that helps push projects like 2103 Wabash along and he is surprised that they want to add restrictions to the uses around them. That is what he feared

when you start mixing incompatible uses. There is a lot we don't know about how our future could change. Is recycling going to become a much greater factor? What if fossil fuels begin to disappear and personal vehicles become heavily taxed because we want to preserve fossil fuel for the things that need it most? We need to think big picture and creatively about how can we preserve these vital high tax revenue spaces so that we have a greater opportunity in the future.

Chair Reveal said she thinks we need some discussion as a group about how we want to think about long vacant properties, regardless of whether they are industrial or residential. We had cases where a property that was significantly underused had its options constricted by the zoning requirements.

Commissioner Baker said housing demand is huge right now, and that needs to be part of the conversation.

Ms. Drummond said it sounds like you want more information about changing nature of industrial and what is the market now for industrial, and with changes in technology, how will that have an impact and how might that lead us to look at our industrial areas a little differently. Also, what is the demand for housing and how should that impact our policies towards industrial? What's a more pressing need?

Chair Reveal said that she was involved in both those studies and many hours of conversation with lots of debate. One of the things she found frustrating at the time was they were never able to get any definitive explanation from the Port Authority of what kind of demand there was for the existing industrial areas. This happened intensely in the West Side Flats discussion, where they had exited the Flats 30 years before and they have been very successful at moving businesses out of the area but there have not been any brought in. We could never get our hands around whether there was a policy that matched demand that they were actually seeing.

Commissioner Ochs said he did a capstone study about industrial. He hasn't heard anything yet about green infrastructure, like capturing stormwater, and that's something we should pursue.

Commissioner Fredson said we cannot overstate the impact of the Port Authority, the Midway Chamber, and the St. Anthony Park District Council all saying they want this project approved. For the Port especially, that seemed to be a departure from previous comments that we need to maintain all of the industrial land that we have in the city sort of at all cost. If the Port is actually going to depart from a previous message, it would be helpful to know if that's broader decision they are making or if they were simply approached by a developer asked to submit a letter of support and said "yes, we'll sign off on this one."

Chair Reveal said one of the things they talked about 6 or 7 years ago was perhaps inviting both the Port senior staff and commissioners to the conversation.

Ms. Drummond added that Port Authority president, Lee Krueger, has replaced Louie Jambois. She knows that Lee's background has been strong in commercial leasing, and she's not sure if that has played a role in how the Port looks at situations like this or not. It would be interesting to get him here and any Port board members were interested to hear their thoughts now on industrial.

Commissioner DeJoy said that there is new leadership, so maybe it's time to have that conversation and see as an organization whether they're relooking at their position.

VIII. Transportation Committee

Commissioner Lindeke reported that at their last meeting they talked about the 5 year plan for the Public Works investments. They have not spent a lot of money on potholes but they are not going to get any better. Anyway the Summit Avenue Bridge is being replaced over Ayd Mill Road. There was also a report on the CP Rail Spur study. On the agenda for Monday, March 12th is the Pedestrian Crossings Study and Pedestrian Plan Engagement, and MnDOT will talk about Robert Street and other MnDOT Projects going on.

IX. Communications Committee

No report.

X. Task Force/Liaison Reports

No report.

XI. Old Business

None.

XII. New Business

None.

XIII. Adjournment

Meeting adjourned at 10:19 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 April 20, 2018
(Date)



Luis Rangel Morales
Secretary of the Planning Commission