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DATE: March 1, 2013
TO: Planning Commission
FROM: Neighborhood Planning Committee
SUBJECT: West Grand Avenue Zoning Study

Background

In August of 2012, the City Council passed Ordinance 12-53, which put in place a one-year moratorium on multifamily development greater than 40 feet in height along West Grand Avenue between Cretin and Fairview Avenues. The ordinance requested that the Planning Commission study whether RM2 multiple-family residential zoning and B2 zoning best further Comprehensive Plan land use objectives including supporting the prevailing character of Established Neighborhoods along this stretch of Grand Avenue. The study was to be focused particularly on the impact of building height and larger units in apartment buildings designed for student housing. The City Council subsequently expanded the study area to include B2 parcels on Grand just east of Fairview Avenue, thereby encompassing the entire commercial node at the intersection of those two streets. The attached map (Figure 1) shows the expanded study area.

The moratorium and zoning study request came primarily in response to a controversial development at the southwest corner of Grand Avenue and Finn Street. The project (a five story, 50 foot-tall multifamily building containing 20 four-bedroom units targeted at student renters) received site plan approval as consistent with the lot's RM2 multifamily zoning and the Comprehensive Plan. On appeal, the City Council upheld the project approval.

Zoning Study Process

Staff met with representatives of the Macalester Groveland Community Council (D14), the West Summit Neighborhood Advisory Committee (WSNAC), and others to coordinate the city's zoning study with the Corridor Development Initiative (CDI) process being undertaken by D14 and WSNAC with the help of the Twin Cities Local Initiatives Support Corporation (LISC). CDI is a proactive planning process that brings together neighborhoods, city government, and a technical team including development consultants, design experts, and facilitators to evaluate market factors and

neighborhood and city goals to raise the level of dialogue around redevelopment issues. While the CDI process is not complete, it has informed this report. The groups undertaking the CDI process will bring the final report and other outcomes from the process forward to inform the discussion as this zoning study and the associated recommendations move through the Planning Commission and City Council public review processes. Discussions during the CDI process and the preliminary report suggest community support for expanding opportunities for high quality, mixed-use development that is flexible and adaptable to changing demographic needs and a variety of household types, rather than narrow, single market projects.

Staff has also used the Open Saint Paul online forum to gather input on the issues central to the zoning study. This new tool facilitates community conversation around important issues, and offers an alternative to public meetings for individuals to provide input and feedback to city staff and officials. Open Saint Paul will continue to be used to help gather input on the recommendations of this zoning study during the Planning Commission review and public hearing process.

Existing Zoning and Land Use

The study area contains a mix of both residential and commercial uses, and residential and commercial zoning, with residential uses and zoning dominating most blocks. Residential uses include a mix of single family homes, duplexes, townhomes, and apartment buildings ranging from 2 ½ to 3 ½ stories. The underlying zoning is primarily RM2 multiple-family residential, although a number parcels, particularly on the southern side of Grand between Howell and Fairview, are designated BC community business (converted), allowing commercial use of single-family and duplex structures. Commercial zoning includes B2 community business at the intersections of Grand with Cleveland and Fairview, B1 local business at Grand and Prior, and the aforementioned BC. With the exception of commercially-used residential structures, the commercial buildings in the study area are one or two stories. Uses are generally neighborhood-serving in nature, and include restaurants, a coffee shop, a service station and a gas station/convenience store, a bank, a grocery store, a movie theater, a paint/wall-coverings store, and assorted small scale retail and service uses.

Immediately adjoining the study area across the alleys between Grand Avenue and Summit and Lincoln Avenues, respectively, are residential areas dominated by single-family homes and duplexes zoned R2 one-family, R3 one-family, and RT1 two-family residential.

Existing apartment buildings in the study area have an average density that is significantly greater than the 1500 sq. feet per dwelling unit/29 dwelling units per acre allowed under the current RM2 zoning, and even greater than the 900 sq. feet per du/ 48 du per acre allowed under RM2 with the maximum bonus for underground parking. The ten existing apartment buildings along Grand between Cleveland and Cretin, for

example, have an average density of 892 sq. ft. per du/49 dwelling units per acre, ranging from 1360 sq. ft. per unit/32 du per acre (2163 Grand) to 386 sq. feet per du/113 dwelling units per acre (50 S. Cretin).

Context: The Comprehensive Plan

Generalized 2030 Future Land Uses maps in the Land Use Chapter of the Comprehensive Plan show the commercial node at Grand and Fairview as the west end of a “Mixed Use Corridor,” described in the Land Use Chapter as “primary thoroughfares . . . served by public transit . . . [including] areas where two or more of the following uses are or could be located: residential, commercial, retail, office, small scale industry, institutional, and open space.”

The *Generalized 2030 Future Land Uses* maps in the Land Use Chapter designate Grand Avenue west of the commercial node at Fairview as a “Residential Corridor,” described in the Land Use Chapter as “segments of street corridors that run through Established Neighborhoods, predominantly characterized by medium density residential uses. Some portions of Residential Corridors could support additional housing.”

The *Generalized 2030 Future Land Uses* maps in the Land Use Chapter designate the residential areas north and south of the Grand Avenue Mixed Use and Residential Corridor as “Established Neighborhoods,” described in the Land Use Chapter as “predominantly residential areas with a range of housing types. Single family houses and duplexes predominate, although there may be smaller scale multifamily scattered within these neighborhoods. Also includes scattered neighborhood-serving commercial, service, and institutional uses at the juncture of arterial and collector streets.”

The Land Use Chapter of the Comprehensive Plan states that “the core goal of Strategy LU-1, as visualized in the land use maps and described in the subsequent policies, is higher density development.” It goes on to say that “higher density development is not an objective to be sought solely for itself,” but to “contribute to the goal of creating a vibrant, economically strong community that is environmentally sustainable;” and that policies in Strategy LU-1 “direct new, higher density development to Downtown, the Central Corridor, Neighborhood Centers, Residential and Mixed-Use Corridors, and Employment Districts.” It states that “zoning standards and districts will be used to support the prevailing character of Established Neighborhoods and to allow higher density development in . . . Residential and Mixed Use Corridors.” (pages 7-8)

Metropolitan Council growth targets contained within the Comprehensive Plan show Saint Paul adding 13,000 new households between 2010 and 2030. Strategy 1 of the Land Use Chapter directs this growth into higher density development in targeted areas, including Residential and Mixed Use Corridors.

Land Use Chapter Policy 1.9 states that the City should *encourage the development of medium density multi-family housing along Residential Corridors*. A table on page 8 of the Land Use Chapter of the Comprehensive Plan defines Medium Density Residential as having a range 15-30 dwelling units per acre. Text with the table explains:

“The range of densities permitted by the existing RM districts is 22 units to 54 units per acre. Several multi-family residential developments constructed in the previous decade far exceed those densities. Densities of individual projects ranged between 40 units per acre and 90 units per acre. Similar densities in future residential developments in Residential Corridors, Neighborhood Centers and Mixed-Use Corridors will go far in achieving the objective of compact, mixed-use development that supports transit. According to the Lincoln Institute of Land Policy, a minimum of 15 units per acre will support frequent bus service, while a minimum of 50 units per acre will support a walkable community and transit use.”

It should be noted that the units/acre ranges in the land use descriptions on the *Generalized 2030 Future Land Uses* maps in the Land Use Chapter have created some confusion. These average ranges were added at the request of the Metropolitan Council to meet their needs for transportation and infrastructure planning and forecasting purposes. These average density ranges are not intended to set either minimum or maximum densities that must be required by zoning regulations. Therefore, the Land Use Chapter does not suggest that the large amount of land in Established Neighborhoods (3-20 units/acre) and Residential Corridors (4-30 units/acre) zoned RM2 (which provides for much higher density) needs to be downzoned to comply with these average density ranges. Rather, Land Use Chapter Policy 1.3 is: “Study the RM multi-family districts and the TN districts to determine how they can accommodate more intense residential development.”

Residential Density Analysis

The Student Zoning Housing Study completed by the Planning Commission in 2012 found significant demand for student housing in the neighborhoods surrounding the University of St. Thomas (UST) campus, including the study area for the West Grand Zoning Study. Put another way, it is reasonable to assume that there is additional demand for higher density residential development within the West Grand Study Area, and that there is additional demand specifically for the type of development, targeted at college students, currently under construction at the corner of Grand and Finn.

The development at Grand and Finn consists of 20 four-bedroom residential units on a .41 acre lot. This translates to a density of 48 units per acre. Dimensional standards for RM2 limit multifamily density to 29 units per acre (based on a minimum lot size of 1500 square feet per unit), but provides a “density bonus” which allows additional units in exchange for providing structured parking. The project provides 37 parking spaces in an underground garage. The higher density helps to justify the high cost of underground

parking, which in turn reduces the impact of higher density and of unattractive, environmentally harmful surface parking lots. The Planning Commission and City Council found the project to be consistent with zoning standards and the Comprehensive Plan.

Even so, the development at Grand and Finn, composed entirely of large 4-bedroom units designed for college students, differs substantially from typical multi-family development that has smaller average unit size. While the 48 dwelling unit/acre of the Grand-Finn building is consistent with the 49 du/acre average density of the ten existing apartment buildings along Grand between Cleveland and Cretin, this type of large unit apartment building designed for students would tend to have higher population density, more adults, and potentially more cars per unit than the existing buildings and development typically anticipated in RM2 districts. There is unique demand for such development in the West Grand area, and therefore it may be appropriate to adjust zoning standards to account for the potential impact of this in the West Grand area.

The area of the St. Thomas (UST) campus fronting Grand between Cretin and Cleveland is subject to 40-foot maximum heights, lower than the 50-foot height limit in RM2, for the future residential buildings proposed by UST as part of the request to expand the campus to include the two blocks bounded by Cretin, Summit, Cleveland and Grand. Unlike dimensional standards which apply to individual structures allowed in a zoning district, these height controls, along with greater required setbacks and other provisions, were designed to manage the overall impacts of an entire campus, which includes multiple building and uses not otherwise allowed in residential districts. It also provides for building heights more similar to the 30-foot maximum heights in surrounding one-family zoning districts.

While RM2 districts commonly abut RT1 two-family, RT2 townhouse, and RM1 multiple-family zoning districts with 40-foot maximum heights, it is not unusual for RM2 districts to abut one-family districts with 30-foot height limits. What is unusual along West Grand may be a strong demand for higher buildings with higher than average density adjacent to one-family districts. Therefore, it may be appropriate to adjust the height standard in the West Grand area to address this potentially greater impact.

Recommendation: Adjustment of Residential Dimensional and Density Standards

Overall density can be reduced by retaining the base zoning but adjusting density and dimensional standards for RM2 zoned properties within the study area. Limiting new construction to four stories (from five) and a maximum height of 45 feet (from 50) will prohibit 5-story construction and reduce the maximum potential density by roughly 20%. To ensure planned density ranges are not exceeded across the range of potential lot sizes and building configurations, reductions in allowed maximum height can be combined with an increase in the minimum lot area per unit—currently 1,500 square feet per unit—for three- and four-bedroom units. Increasing this to 2,000 square feet

(the RM1 standard) for four-bedroom units and 1,750 square feet for three-bedroom units would reduce the maximum allowed density by roughly 25%. This additional density standard adjustment will specifically address the negative impacts of the type of large-unit development currently under construction at Grand and Finn and identified by the City Council as having greater impacts on adjacent neighborhoods than standard multifamily housing.

While zoning along Grand has always allowed taller buildings (RM2 permits 5 stories / 50 feet, and zoning prior to 1975 allowed even taller buildings), a 45 foot maximum height would be consistent with the 3 and 3½ story apartment buildings that are common along Grand Avenue.

While the RM2 zoning along Grand Avenue since 1975 has required side yard setbacks for multiple-family buildings to be ½ the height, this is substantially greater than the typical side setbacks of existing apartment buildings. Consistent with a lower maximum building height to be more in keeping with existing building heights, it is also appropriate to consider a smaller minimum side setback requirement to be more consistent with existing buildings. A 9 foot side setback for buildings up to 40 feet in height would be consistent with the 40 foot maximum height/9 foot minimum side setback for duplexes in the RT1 two-family district and for townhouses in the RT2 townhouse district. It would also be consistent with the 18 foot separation requirement for apartment buildings on the same parcel. Interestingly, a townhouse in an RM2 zone would have a greater side setback requirement than a townhouse built in the lower density RT2 district.

An option to consider for RM2 density and dimensional standards is to allow greater density at corners, where there is more on-street parking and better access to off-street parking, and to reduce the density allowed mid-block where access to off-street parking would be via a long, narrow alley or a new driveway to Grand.

The impact of any reduction in allowed residential density and building height on parking must also be considered. RM2 zoning districts award a density bonus for the provision of structured parking. Under the approach above, the density bonus scheme already in place would remain. Maximum development height would be an absolute cap, but property developers would still be allowed to provide structured parking in order to increase the calculated lot area as specified in Sec. 66.230 of the zoning code, Residential District Density and Dimensional Standards, as an incentive to reduce the impact of unattractive and environmentally harmful surface parking lots.

The proposed adjusted dimensional and density standards can be implemented by adding a footnote to the Residential District Dimensional Standards table, Sec. 66.231 of the zoning code. The recommend text amendment is included with this report as Attachment A.

Alternative Residential Strategy

The following discussion considers an alternative approach, based on traditional neighborhood zoning districts, for addressing the density and neighborhood compatibility issues that this zoning study examines. While not the recommendation of this study, traditional neighborhood zoning for currently residential portions of the West Grand corridor would have both advantages and disadvantages relative to this study's recommended approach. The advantages of traditional neighborhood zoning include built-in design standards, flexibility in terms of building design and configuration, and side yard setbacks more consistent with existing development for all potential building types. Disadvantages include the permission of a range of commercial uses, which could potentially introduce impacts in terms of noise and traffic, particularly at mid-block, that residential uses generally do not create. Traditional neighborhood zoning should be viewed as a viable alternative, and consideration of it will help inform the Planning Commission's deliberations as well as the larger public conversation.

Rezoning of RM2-zoned parcels to T1 or T2 traditional neighborhood districts would put in place design standards for any new development on rezoned parcels that would help to ensure future development would be consistent with the character of the neighborhood. Design standards for T districts include providing for transitions from higher density uses to adjacent lower-density neighborhoods, a key issue identified by the City Council in requesting this zoning study. Consideration of rezoning to T1 or T2 would be most appropriate for a limited number of parcels adjacent to existing commercial nodes or that have existing commercial building types.

Rezoning from RM2 to T1 or T2 would not eliminate the need to consider adjustment of height and or density standards. It would require careful consideration of both side and rear yard setback requirements and of the potential impacts of mid-block commercial uses on adjoining residential uses. The analysis of these impacts would be performed in consideration of the extent of rezoning proposed, and the context (surrounding uses and structures) for the parcels for which rezoning was proposed.

T1 and T2 traditional neighborhood districts allow the same range of residential uses as RM2 districts, and a similar range of commercial uses as B2 districts. The maximum allowed height in T1 and T2 is generally 35 feet, with additional height allowed with increased setbacks. However, in T2, allowed densities for multifamily residential uses are generally greater than RM2. The general density standard for RM2 districts is based on a minimum lot size per dwelling unit of 1,500 square feet, equivalent to 29 units per acre. T2 districts require a minimum of 1,300 square feet of lot area per unit, equivalent to 34 units per acre, greater than the current allowed density (before the structured parking bonus) in RM2 districts. T1 districts require a minimum of 1,700 square feet of lot area per unit, equivalent to 25 units per acre, roughly equivalent to standard proposed by this study for three-bedroom units along West Grand.

T1, RM2, and T2 districts all allow a density bonus for providing structured parking, effectively reducing minimum required lot area per unit to 1,100, 900, and 700 square feet, respectively. It should be noted that qualifying for maximum density allowed on a T2 parcel would require a lot of sufficient size to permit the additional setbacks and height.

In terms of minimum setbacks, T1 and T2 districts differ from RM2 in the side and rear yard requirements. Minimum side and rear yard setbacks are ½ building height and 25 feet, respectively, in RM2 districts, but just 6 feet in T1 and T2 districts if adjoining a residential side yard. On the section of Grand Avenue in question, staff calculations show front yard setbacks for new T2 development would average 15-20 feet for mixed-use and commercial development, and 20-25 feet for residential development. Front yard setbacks for new multifamily construction in RM2 districts would also be generally 20-25 feet.

T1 and T2 districts allow the same range of residential use as RM2. T2 districts allow a range of commercial uses generally similar to B2 districts. T1 districts are more restrictive, notably excluding restaurants and general retail.

Commercial Analysis and Recommendations

Existing commercial property in the study area is zoned B2, B1, and BC. The existing B2 commercial nodes at Grand/Cleveland and Grand/Fairview reflect the natural locational advantage for commercial uses where arterial and collector streets intersect with a Residential or Mixed-Use Corridor. Rezoning the current B2 commercial districts to T2 traditional neighborhood districts (Figure 2) would allow increased height and density of development at these key intersections, consistent with Strategy One of the Land Use Chapter of the Comprehensive Plan. This approach would add greater flexibility for any future reuse of these parcels and would put in place design standards to ensure the new development fits the existing character of the area.

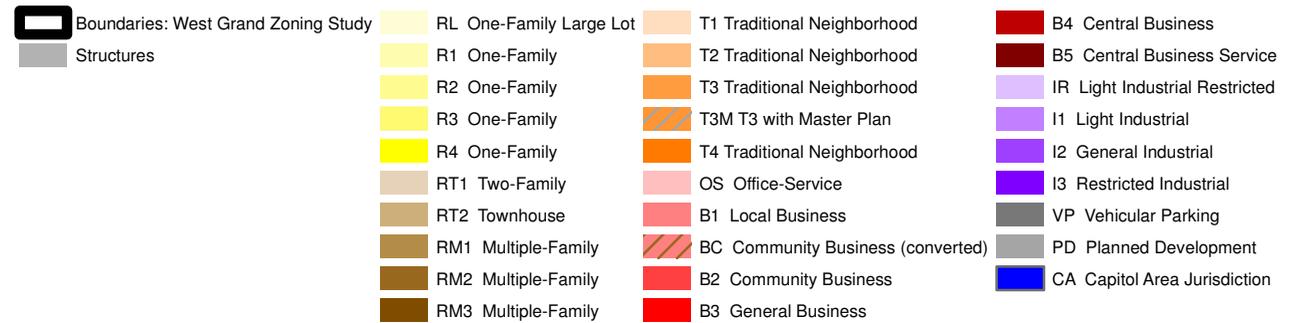
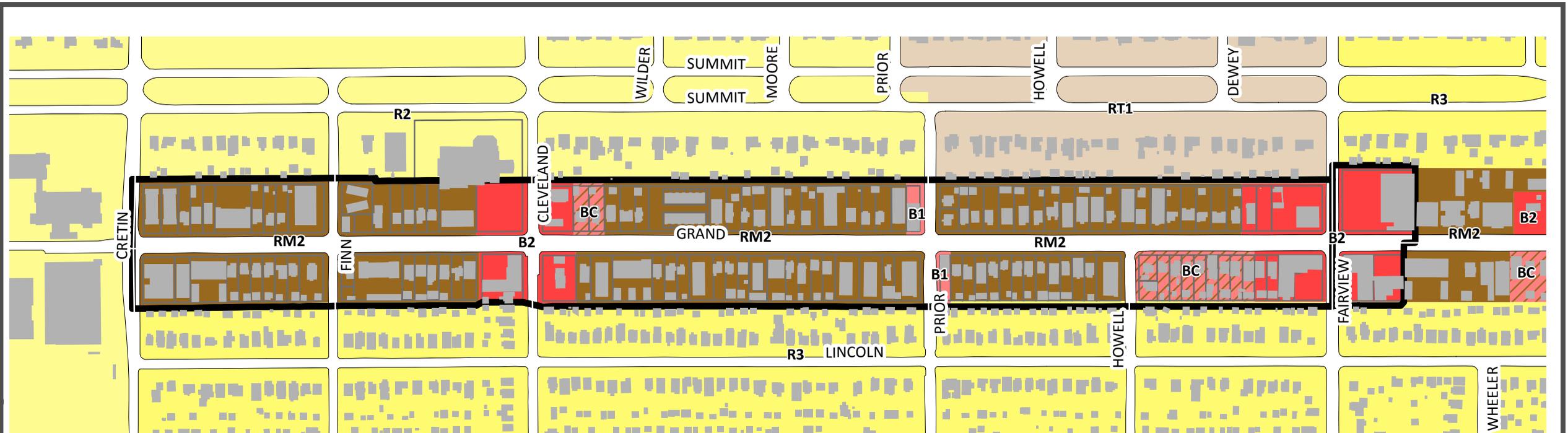
The proposed rezoning would result in the following buildings/lots becoming legally non-conforming with regard to building and parking placement: Whole Foods (NE corner Grand/Fairview), Abbot Paint (SE corner Grand/Fairview), Signals Garage (SE corner Grand/Cleveland), and Super America (NE corner Grand/Cleveland). Super America is a conditional use under either B2 or T2 zoning. Signals Garage is a legal non-conforming use under the current B2 zoning, and would remain so with the rezoning to T2. Any expansion of a non-conforming use requires Planning Commission approval, and is subject to a consent petition of surrounding property owners. Expansion of a structure would need to be consistent with dimensional and lot arrangement standards, but non-conformities with these standards could be approved as part of an expansion of non-conforming use approval. Signage allowances are also more restrictive in T2 districts as compared to B2 districts.

The existing BC and B1 zoned parcels are proposed to remain as currently zoned, with the exception of the two BC parcels that are part of the commercial node at Grand and Cleveland on the north side of Grand immediately east of the Super America (Figure 2). These two parcels are proposed to be rezoned to T2 along with the B2 Super America parcel. Similarly, the RM2 parcel occupied by a single family home between a large apartment building and Signals Garage at the SE corner of the Grand-Cleveland commercial node, immediately across from the proposed T2 lots on the north side of Grand, is also proposed to be rezoned to T2 (see Figure 2). These actions would create larger areas of contiguous T2 zoning, which would make higher-density, mixed-use redevelopment at this commercial node at the intersection of two major streets more feasible.

Rezoning of BC parcels adjacent to the Grand/Fairview commercial node to T1 or T2, particularly the parcels that have commercial building types that are nonconforming under BC zoning, should also be considered.

COMMITTEE RECOMMENDATION

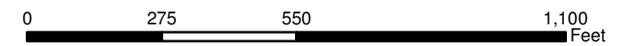
The Neighborhood Planning Committee recommends this report and the attached zoning code amendments pertaining to West Grand Avenue be released for public hearing, and setting a public hearing for the April 19, 2013, Planning Commission meeting.

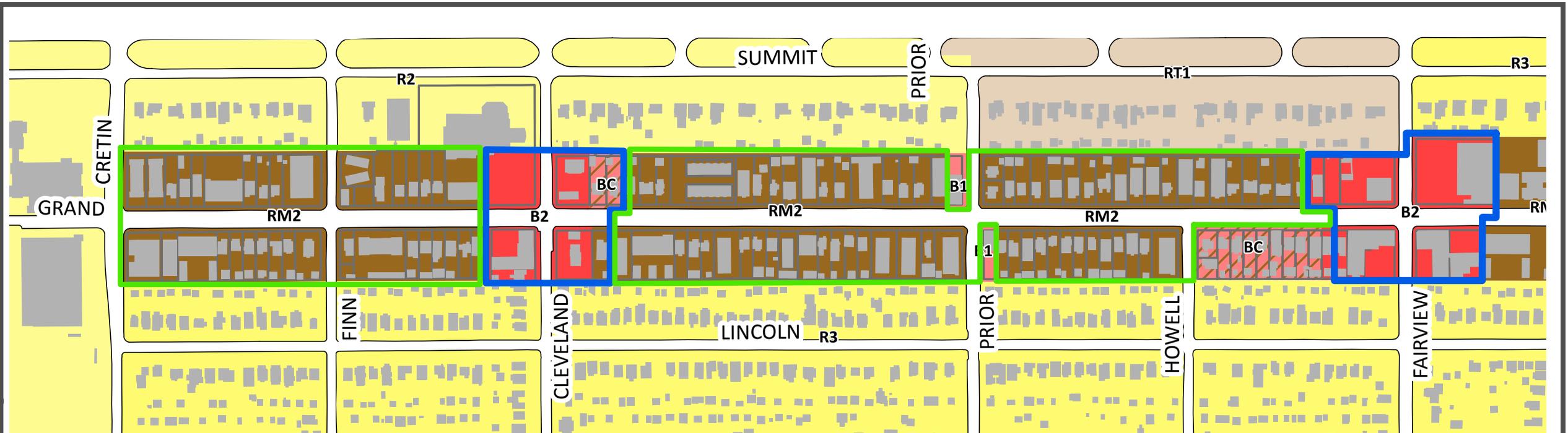


West Grand Zoning Study Area

Figure 1

Macalester-Groveland, Saint Paul





Proposed Zoning Changes

- Amend Residential Density and Dimensional Standards
- Rezone to T2

Structures	RL One-Family Large Lot	T1 Traditional Neighborhood	B4 Central Business
R1 One-Family	T2 Traditional Neighborhood	B5 Central Business Service	IR Light Industrial Restricted
R2 One-Family	T3 Traditional Neighborhood	I1 Light Industrial	I2 General Industrial
R3 One-Family	T3M T3 with Master Plan	I3 Restricted Industrial	VP Vehicular Parking
R4 One-Family	T4 Traditional Neighborhood	PD Planned Development	CA Capitol Area Jurisdiction
RT1 Two-Family	OS Office-Service	B1 Local Business	
RT2 Townhouse	B1 Local Business	BC Community Business (converted)	
RM1 Multiple-Family	B2 Community Business	B3 General Business	
RM2 Multiple-Family			
RM3 Multiple-Family			

West Grand Zoning Study Area Figure 2 : Proposed Zoning Changes

Macalester-Groveland, Saint Paul

