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

Minutes September 19, 2014

A meeting of the Planning Commission of the City of Saint Paul was held Friday, September 19, 2014, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners Present:	Mmes. DeJoy, McMahon, Noecker, Padilla, Reveal, Shively, Thao, Wang, Wencl; and Messrs. Connolly, Edgerton, Lindeke, Nelson, Ochs, Oliver, and Ward.
Commissioners Absent:	Mmes. Merrigan, *Underwood, and Messrs. *Gelgelu, *Makarios, Wickiser. *Excused
Also Present:	Donna Drummond, Planning Director; Tom Beach, Department of Safety & Inspections, Michelle Beaulieu, Josh Williams, Hilary Holmes, Bill Dermody, Jamie Radel and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes September 5, 2014.

Chair Wencl 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 Wencl had no announcements.

III. Planning Director's Announcements

Donna Drummond announced that the national Railvolution conference, which is focused on rail transportation and associated development, will be held in the Twin Cities during the next week. There will be a number of mobile workshops happening on Sunday along the Green Line, which is also the day for the next Open Streets event on University Avenue. The street will be closed to vehicle traffic from noon to 4:00 p.m. between Lexington and Marion. Last Wed. the City Council approved the West Midway Industrial Plan and rezonings for 1599 – 1605 Rice Street and Morelli's at 637 Bedford Street and 535 Tedesco Street. The Council also held a public hearing on the Chapter 64 sign amendments. Councilmember Thune introduced an amendment to restrict roof top signs to sports facilities in the downtown area rather than generally permitting roof top signs as a conditional use in the whole downtown area. As a result that public hearing has been continued to Wed., October 1, 2014. Also, there have been two appeals filed for Planning Commission decisions on the boutique hotel at 344 Summit and Premier Storage at 543 James Avenue. Public hearings have not been scheduled yet.

Bill Dermody, PED staff, added that the City Council approved the Gateway Corridor LPA

(locally preferred alternative) with a minor change on the eastern end of the line which was supposed to go to Woodbury at Lake Elmo Drive. That has changed to Lake Elmo Drive and Manning so the crossing would go a little further east than what was seen at the Planning Commission.

IV. Zoning Committee

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

One item came before the Site Plan Review Committee on Tuesday, September 16, 2014:

- JAC Apprentice Training Facility, 14,000 square foot addition to existing union/training facility at 835 Pierce Butler Route.

OLD BUSINESS

#14-316-218 Cash-N-Pawn – Expansion of a nonconforming use for a pawn shop. 490 University Avenue West, SE corner University Avenue and Mackubin.
(Hilary Holmes, 651/266-6612)

MOTION: ***Commissioner Nelson moved the Zoning Committee's recommendation to approve the expansion of legal nonconforming use subject to additional conditions. The motion carried 15-1 (Oliver) on a voice vote.***

NEW BUSINESS

#14-316-675 Flint Hills Resources Pine Bend – Conditional use permit for construction of two asphalt emulsion storage tanks not elevated on fill above regulatory flood protection elevation. 2209 Childs Road, terminus of Childs Road. *(Josh Williams, 651/266-6659)*

Commissioner Noecker asked for more detail about the responses to Tom Diamond's concerns.

Commissioner Padilla said that his concerns were really related to the Comprehensive Plan and the desires for this area, but that what was missing from the letter and the testimony was the understanding that the Comprehensive Plan is about what we want for new development in that area. But it's very difficult when you have an existing use to: 1) deny a conditional use permit application that meets the code requirements; and 2) the Comprehensive Plan is also clear that for existing businesses they were not going to try and push them out. She stated that that issue was the majority of his concern. She stated that he did raise some concerns about public access to the river, but that based on the application, nothing changes on the site in regard to river access.

Commissioner Oliver said that when the request to pull the site plan up to the Planning Commission for public hearing was made, the question of removing the riverside dock or barge facilities that are no longer in use was raised. He stated that he didn't see where that was dealt with and questioned whether or not there was a plan to do so.

Josh Williams, PED staff, said the issue of removal was not dealt with and there are no plans to remove the dock facility. He stated that the facility is located in an area that is designated to

continue as a river barge terminal. He stated that last year the Port Authority and Flint Hill Resources renegotiated the lease on the property, and that the lease requires the issue of having that the area available for other port businesses that might want to make use of the loading facilities, although not necessarily all the piping associated with the dock.

Commissioner Oliver said that Mr. Dimond raised a Comprehensive Plan item that said we favor removing these facilities, so he wanted to clarify that what he's hearing is that the Port Authority negotiated with Flint Hills that Flint Hills would keep those things for potential use by other businesses in the industrial area. Mr. Williams replied that is correct.

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

#14-322-163 Ford Plant Demolition – Modification of the hours of operation for the demolition work at the Ford Motor plant site to allow some activities on Saturday. 966 Mississippi River Blvd. South. *(Tom Beach, 651/266-9086)*

MOTION: ***Commissioner Padilla moved the Zoning Committee's recommendation to approve the resolution to modify condition 12 limiting hours of operation decommissioning activities. The motion carried 15-0 with 1 abstention (Edgerton) on a voice vote.***

#14-321-546 Pawn America Minnesota – Conditional use permit for an alternative financial establishment and pawn shop, with modification of special conditions. 1891 Suburban Avenue. *(Bill Dermody, 651/266-6617)*

Commissioner Padilla announced that this case has been laid over to the next Zoning Committee meeting on Thursday, September 25, 2014.

Commissioner Nelson announced the items on the agenda for the next Zoning Committee meeting on Thursday, September 25, 2014.

V. Comprehensive Planning Committee

Metropolitan Council's Housing Policy Plan – Approve resolution recommending to the Mayor draft City of Saint Paul comments to be sent under the Mayor's signature.
(Jamie Radel, 651/266-6614)

Jamie Radel, PED staff, gave a presentation about the 2040 Housing Policy Plan (HPP) and comments from the Comprehensive Planning Committee that they have been working on. The Metropolitan Council has not undertaken a Housing Policy plan in 28 years likely, in part, due to housing not being one of the four required system plans. The required system plans include transportation, aviation, parks, and water. However housing is a required element of the Comprehensive Plan for cities within the metro area and is a component of the Livable Communities program.

City review and comments were organized in four different sections, including document organization, policies supported by the City, policies that the City is asking for reconsideration on, areas where the plan was lacking. Three issues of organization that could be improved were

identified. Four policies were supported by the City, including the inclusion of housing performance scores as part of the Livable Communities Act (LCA) into the scoring process for the regional solicitation for transportation funding. Most of the Comprehensive Planning Committee's discussion focused on policy review or reconsideration. One issue identified in the HPP is naturally occurring affordable housing. In Saint Paul that is often in areas of disinvestment and there's a one size fits all policy right now for single-family and multi-family housing. The recommendation is that these should be tailored to the two different types of housing and to ensure that this is adequate housing. Another recommendation was to strengthen the policy related to quality housing. The HPP recommended that cities work with developers to ensure high quality housing products; the recommended modification is that the Metro Council might want to strengthen that policy direction and suggest cities adopt regulations into their official controls to require high quality housing. Another recommendation to the HPP is to connect areas of affordable housing, often located in concentrated areas of poverty (CAPS) and racially concentrated areas of poverty (RCAPS), to jobs and services. The plan talks in detail about CAPs and RCAPs and the desire to improve economics in these areas. However, it does not provide an implementation strategy about how to get there. The Comprehensive Planning Committees recommendation was to add an implementation strategy for the Metropolitan Council to convene the transit service providers to discuss how to provide better regional transit connectivity to these areas. Other recommendations that were suggested were to improve education to landlords on how to rent to Section 8 voucher recipients and advocating for mixed-income housing in TOD projects through implementation of the LCA grant programs. Some gaps in senior housing policies were identified, and there needs to be a more in-depth analysis regarding senior housing for the future and some additional policies. A detailed discussion is needed on how to put forward a strategy for low- to moderate-income seniors, and possibly recommend convening a group of regional providers, government and funders who work on these issues. Some additional issues that are not looked at enough are the Minnesota Homeless Youth Act/homeless youth housing, housing for ex-offenders, existing and future need for increased supportive housing, and homelessness.

Commissioner Ward said going through this draft there was not a lot of information, if not any information on reuse, recycling and green construction techniques. Please address why that might be missing?

Ms. Radel, PED staff, said that perhaps that would be something that they would want to add to their comments, one whole section is on sustainability so if things have been missed on reusing buildings or green construction techniques that might be something to remind them to add to the next draft.

Commissioner Ward said he did not see anything about increasing density in areas where it makes sense as far as the big movement now nationwide or the reuse of structures like garages that can be used for small residences, adding a rental unit to a structure that is already there just by adding in plumbing and electrical.

Ms. Radel said that she did not see anything about things like accessory dwelling units, she's not sure if they addressed that. But there are sections that do address wanting to locate and densify housing along future transit corridors, for example.

Commissioner Lindeke asked about the ratio of affordable housing that is in Minneapolis and Saint Paul versus the suburban cities in the Metropolitan Council area. He stated that it seems

like a lot of the affordable housing investment is happening in places that already have a large percentage of affordable housing in the metro. One thing to think about is how can the region encourage investment in affordable housing in suburban cities that have very little affordable housing currently. He asked what Saint Paul's position is on that kind of policy.

Ms. Radel said that that issue has gotten more discussion since Myron Orfield's report came out about this topic. They address it by saying they're looking at things uniformly across the region. They didn't look at things like where it should go, just that it needs to go somewhere.

Donna Drummond, Planning Director, added that in the City's comments that were recommended by the Planning Commission on Thrive MSP 2040 they did say that they support affordable housing investments along transit corridors, like the Green Line, because that provides investment in neighborhoods that really need that kind of investment and provides good quality housing for people who are already living in our cities in those neighborhoods.

Commissioner Lindeke said that his personal position is that the ratio of affordable housing in suburban areas versus poor cities is important, as is the ratio of affordable housing investment. It's a difficult policy question and Saint Paul should consider it closely.

Commissioner Connolly said to the point on a broader affordability spectrum for senior housing, the main resource to develop affordable housing is the low income housing tax credit. The qualified application plan that Minnesota Housing comes up with drives where that resource gets deployed and it determines which product type will benefit from it, workforce housing or family housing versus senior. So Minnesota Housing Finance should loosen up their language about allowing the low income housing tax credit to go to senior housing development, and this should be a recommendation.

Commissioner Reveal said that the statistic on the level of senior housing in 2020 is staggering. In terms of where the demand will be for housing that issue is not well addressed in here.

Ms. Drummond said that the statistic being referenced is that 75% of net new household growth to 2040 will be 65 plus households.

Commissioner Noecker said that there was a suggestion to include more about homelessness in general in the plan, and she is looking at the additional housing issues for consideration and it seems like the focus is on homeless youth.

Ms. Radel said that the recommendation from her would be to add that in as another bullet point.

Commissioner Nelson said that the only discussion he has seen in here about the provision of services is the talk about increase in supportive housing and especially when it comes to homelessness, seniors and other population groups, integration of services within the environment is the key factor that makes those environments function. And if you cannot get the services in, or the services provided within the environments, then there has to be a focus on providing those types of services that people need; and we can help prevent a lot of homelessness if some of those services were provided.

Commissioner Connolly said the key to providing service is money. And you can ask anyone at Minnesota Housing and they will get you capital to build bricks all day long, but the costs

associated with the provision of these services are somebody else's problem. To the point of policy recommendations, he suggested the Met Council try to approach MHFA to say that without money for services, policy makers can talk about services enriching housing all day long, but it is not going to happen. At the policy level, he is not sure if it takes a legislative shift in funding of Minnesota Housing, but it is empty talk without the funding for service provision.

Commissioner Ward said that developing housing that includes offices for agencies that provide service to the residents is difficult due to how their zoning code is written. This poses challenges because even though these services and housing are needed in the community, in order to put both of them together there are a lot of zoning issues. So part of this HPP is that we also need to look at zoning to allow services and housing to exist together within the same parcel.

MOTION: ***Commissioner Thao moved the Comprehensive Planning Committee's recommendation to approve the resolution recommending to the Mayor draft City of Saint Paul comments to be sent under the Mayor's signature, with comments added during discussion. The motion carried unanimously on a voice vote.***

VI. Transportation Committee

Transportation Policy Plan 2040 – Approve resolution recommending to the Mayor draft City of Saint Paul comments to be sent under the Mayor's signature.
(Michelle Beaulieu, 651/266-6620)

Michelle Beaulieu, PED staff, gave a presentation about the 2040 Transportation Policy Plan. As previously mentioned Thrive MSP was recently adopted by the Metropolitan Council as the region's comprehensive development guide. The Transportation Policy Plan includes two of the mandated system statements for the Metropolitan Council, those being transportation and aviation. The draft 2040 Transportation Policy Plan is out for public comment through October 1, 2014. The Metropolitan Council held a public hearing on this item on September 17, 2014 and they've had joint open houses throughout the region on the Transportation Policy Plan and the Housing Policy Plan. The Transportation Policy Plan document is over 500 pages that represent the regional long range plan for transportation services. It is mandated by federal law to be updated every four years and it includes a number of items that are federally and state mandated. This is a fiscally constrained plan, so everything in the plan needs to have dedicated funding sources already identified. This plan incorporates a number of items from new federal transportation law and will be used to guide future planning work and investment strategies. To draft this plan the Metropolitan Council convened two groups to work on the policies and content, and city staff have had the opportunity to review policies and items in this plan on an ongoing basis for the last year and a half. The Transportation Policy Plan is divided into three sections: the first is the overall vision; part 2 describes how the transportation investments will be made, and part 3 is focused on federal requirements and the work plan.

Ms. Beaulieu talked about the City comments which are similar to the comments on Thrive MSP in that the City believes that the Transportation Policy Plan is moving in the right direction. In general the City supports a greater emphasis on coordinating transportation and land-use planning. There is a clear articulation of the need for investments in the system to be focused and deliberate due to lack of available funding. The comments support increased interest in evaluation and performance measures and desire for more equitable outcomes from transportation

investments. However the Metropolitan Council should take a stronger leadership role in setting regional economic development priorities and really fight for funding opportunities at the state level. There needs to be a lot of work around developing effective performance measures and evaluation tools. And there should be more emphasis on attempting to achieve equitable outcomes through coordinated efforts. The City provided detailed comments on specific modal plans, which include the need for increased transit investment in the East Metro area, and the need for more support for the development of walkable urban areas and a continued emphasis on connecting people to jobs.

Commissioner Noecker said that one of the things that Minneapolis schools have done is work with the Metropolitan Council and Metro Transit so that there's no longer busing for high school students. Students use the city buses. Saint Paul Public schools are also working with Metropolitan Council and Metro Transit but they are running into some issues of being accessible and accommodating to their needs. So could this be an example and be put in the equity section about increasing access to children and coordinating with other systems that already exists which saves resources for both? And that this also builds a future generation of riders early on? Ms. Beaulieu replied that this was a great point.

Commissioner Lindeke said that the language on the first page says very clearly that we would like a more careful look at how investments are made for transit but he thinks that they can go even further to ask that the Metropolitan Council really look at where transit pays off and where it doesn't pay off when they make investments.

MOTION: ***Commissioner Lindeke moved the Transportation Committee's recommendation to approve the resolution recommending to the Mayor draft City of Saint Paul comments to be sent under the Mayor's signature. The motion carried unanimously on a voice vote.***

Commissioner Lindeke announced the items on the agenda for the next Transportation Committee meeting on Monday, September 22, 2014.

VII. Snelling-University TOD Redevelopment Strategy: Urban Investment Group Findings and Recommendations – Informational Presentation by Donna Drummond, PED. *(Donna Drummond, 651/266-6556)*

Donna Drummond, Planning Director, gave an informational presentation about the Snelling – University TOD Redevelopment Strategy. For the past few years City staff has been meeting with Metro Transit and Metropolitan Council staff and the Saint Paul Riverfront Corporation's Design Center to talk about disposition of the Met Council's 10-acre site located at the northeast corner Snelling and St. Anthony. The Metropolitan Council has been using this site for construction staging for the LRT, so City staff has been meeting with them to figure out the best way to dispose of that property and get it ready for development. In some of those meetings it was decided that it would be beneficial to also meet with the owner of the shopping center property, RK Midway, which also owns the adjacent 5 acres at the corner of Pascal Avenue and St. Anthony, since RK Midway controls about 70% of the 35-acres there. As a result of the discussions decided to hire a consultant, Urban Investment Group, to develop recommendations on how best to achieve a transit-oriented development (TOD) there. Ms. Drummond went over some of the details in the report. The Metropolitan Council is reviewing the results of the report and recommendations in determining how to move forward on disposition of its property.

Urban Investment Group recommended guiding principles for achieving TOD at that location. They emphasized flexibility and to be more open in terms of uses and focus more in terms of the form of development and in setting the public infrastructure within which the development can take place. They talked about doing a big impact, first phase of development to change the image of that area from being a big surface parking lot with traditional shopping center to a place that is more walkable and transit responsive. And because of the need for news streets and the desire for new park spaces around which to focus new development there needs to be a public-private partnership to achieve good TOD. This will be phased in over time to enable the shopping center to continue to get revenue from current businesses that are there but phasing the development over time so not to be completely disrupting that.

The report recommends a series of new streets that would go through the site, structured parking would replace surface parking, and the extension of Simpson Street would become a gateway street into the site. Having a street that terminates into a public park space creates great views and a great way to walk down the street and draw people into the site. The recommended first phase of the development is to have a new north-south Asbury Street to draw people into the site and to provide better access to the Metropolitan Council property that is land locked currently. The report also recommends several green spaces, which are really important in creating a dense walkable urban area. Also, there's an uneven property value for the whole 35 acres and the most valuable in on University Avenue by the station and the Met. Council property is less valuable because it's farther away and it's land locked. The financial analysis that was done assumes a certain level of development and given current rents and lease rates for the area there will be a financing gap. The next steps will include the Met. Council deciding how to move forward with disposition of its property and for RK Midway to decide how to move forward on a first phase of development. To see the full UIG report go to: www.stpaul.gov/snelling.

Commissioner Reveal commented that almost all of these principles and specific ideas about how to pursue this are equally applicable to the West Side Flats. It might even be a good agenda item for WSCO to have a presentation about how the Snelling/University redevelopment has been approached and the elements and findings of the report. The West Side Flats Master Plan will be coming to the Planning Commission soon. There is not one identified developer for West Side Flats at this point but perhaps they can be attracted if the principles that are embodied here are expressed by the City for that area, particularly east and west of Robert and at Plato where it's most similar to this.

Ms. Drummond said that Gary Leavitt is PED's new TOD Manager. Mr. Leavitt is out there talking with property owners, brokers, and developers trying to create partnerships and bring people together. He has really been helpful in advising on what makes sense from a development point of view. Mr. Leavitt is from the Phoenix area and he did development as a developer on their new LRT line in Phoenix, and he has been advising on other sites and areas of the city. West Side Flats is another area where we can take advantage of his experience.

Commissioner Lindeke said that the new ridership this week for the Green Line passed 40,000 rides per day and given how new this is, is a sign of things to come. So what kind of assumptions in the plan are being made for projecting the future transportation patterns for the site and is there flexibility for the city or for the developers to think about different trends and the Green Line being the obvious which is a big difference between this and the West Side Flats.

Ms. Drummond said that UIG developed a basic pro forma for new development using todays rent rates and made assumptions about cost for building out all these things, streets, parks and structured parking and saw a big gap. But they didn't really take it to the next step of assuming that because the Green Line will attract more and more ridership that there will be increased rent rates that will then support more density and building out some of this infrastructure. They hope that's what will happen but that's too hard to predict so that was not part of the equation, but that will be a factor as we get to the point of developers proposing projects.

Commissioner Lindeke said the rent rates, traffic generated, and parking demand also have a lot of variability depending on what kind of urban fabric is there.

Ms. Drummond said that there are going to be a lot of changes that we can't totally predict at this point and it will be interesting to see how it unfolds.

Commissioner Ochs said that he did not see anything about addressing green infrastructure or stormwater management, however as the site sits now and as its being developed for the future that should be one of the first pieces of infrastructure that should be laid out and start to make better use of the property. He also did not see anything about building heights and he hopes that a strong stance is taken on choosing this node to encourage higher buildings at least 3-stories if not 5-stories, but not just single story development. The guiding principles of flexibility in approach and phasing seems to be a conflict with the developers concern of maintaining efficiency. They need a clear path to follow so that they can employ their development strategy or not.

Ms. Drummond said that the green infrastructure is a very important component and is something that they are working toward. There was a report and study done called the Central Corridor Green Infrastructure study (which is on the web site) that talked about how to use stacked green infrastructure on an area wide basis to serve multiple purposes, including improving stormwater management and potentially using that stormwater to create green space that can be an amenity for the area. That's the same concept as in the West Side Flats Master Plan. Regarding the second point on heights, the report does not say that building heights should be anything specific but it assumes that most development will be probably 3-5 stories in height, however the zoning allows more than that. So if the demand is there the zoning will accommodate it. Lastly on phasing development that means if there's a developer who is interested in the University frontage and that ends up being first phase of development that we should be open to working with the developer on that. RK Midway is interested in being the master developer and working with partners to do pieces of it, so there could be a series of development partners over time on this site.

Commissioner Ward said that as the City works through this process he encouraged thinking about how to include smaller developers and businesses in the development. This can merge the City's community interest with the developer's interest. So instead of just being strictly business driven there are some public policy goals that are achieved.

Ms. Drummond said that when the public sector is at the table providing financing in some regard we have additional leverage beyond the zoning requirements to shape that development and that is a benefit of having the public-private partnership approach. And regarding smaller businesses and development, the portion of the corridor east of Lexington has a lot of smaller parcels and possibilities for smaller developers to do projects in there. There was a woman who wanted to

build a new building with a few units above and a bakery space below so we will be seeing more and more of that as we move forward.

Commissioner Ward said that the City should think about the possibility of partnering with those smaller entities with the larger ones in a large redevelopment opportunity like this 35 acres.

Ms. Drummond said that Gary Leavitt being out there talking to people up and down the avenue. He is really outgoing and is the perfect person to facilitate some of those partnerships and match ups.

VIII. Neighborhood Planning Committee

Commissioner Oliver announced the next Neighborhood Planning Committee meeting on Wednesday, September 24, 2014 has been cancelled.

IX. Communications Committee

Commissioner Thao had no report.

X. Task Force/Liaison Reports

None.

XI. Old Business

None.

XII. New Business

None.

XIII. Adjournment

Meeting adjourned at 10:09 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 October 17, 2014
(Date)

Daniel Ward II
Secretary of the Planning Commission

Planning Team Files\planning commission\minutes\September 19, 2014