MINUTES OF THE ZONING COMMITTEE Thursday, March 11, 2021 - 3:30 p.m.

PRESENT: Baker, DeJoy, Grill, Hood, Reilly, Syed, and Taghioff

EXCUSED: DeJoy and Rangel Morales

STAFF: Mike Richardson, Samantha Langer, Allan Torstenson, and Peter Warner

The meeting was chaired by Commissioner Baker. He stated that the chair of the Planning Commission had determined that due to the COVID-19 pandemic it is neither practical nor prudent for the Zoning Committee to meet in person, and therefore the meeting was being conducted remotely, with all members of the Zoning Committee attending the meeting remotely. The public is also able to join the meeting remotely and can speak during the public hearing portion or submit comments by noon on the day before the meeting.

James-Lexington Apartments - 21-225-115 - Conditional use permit for a 65' 8" building height. Variances for front yard setback (25' minimum, 18 ft. proposed), rear yard setback (11' 9 1/2" minimum, 0' proposed), and side yard setbacks (north: 16'10" minimum for tall portion, 10' proposed; 11' 9 1/2" minimum for short portion, 10' proposed; south: 16' 10" minimum, 10' proposed)., 1074 James Avenue, between Lexington Parkway and I-35E

Mike Richardson presented the staff report with a recommendation of denial for the conditional use permit for 65' 8" height and variance for the front yard setback and a recommendation for approval of variances for rear and side yard setbacks. He said District 14 recommended approval, and there were 8 letters in support, and 2 letters in opposition.

In response to Commissioner Taghioff, Mr. Richardson said the proposal is a package and if the conditional use permit for height was denied and they couldn't build as high, the side and rear yard setback variances would be less, and the application for the variances would likely be moot. The applicant would be able to pursue the project building it by right and submitting for site plan review.

Chet Funk, Lead Developer, 1103 Lincoln Avenue, Saint Paul said there are no major additions to what they have already proposed. He submitted written testimony at the previous meeting. They have had good conversations with Mike Richardson in relooking at this project and shifting it. The project as being proposed works architecturally. From his perspective, the major concern here seems to be the scale of the project, and that is something he has worked closely with the neighborhood and local stakeholders to determine what scale of project would be appropriate, and found support and approval from the local district.

Eli Zmira, Project Manager, DJR Architecture, 333 Washington Avenue N., Suite 210, Minneapolis, was available for questions.

Commissioner Grill asked if they would agree to added condition that would specify that units that are affordable are required and will be occupied by low income residents.

Mr. Funk said he would agree. He believes it is already in the current RM2 zoning that it is specifically identified as 60% AMI.

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In response to Commissioner Grill, Mr. Funk said that he is interested in pursuing the vacation of the alley as proposed by Mr. Richardson and would agree to it being added as a condition. It will likely be completely vacated at some point, but he is not the only stakeholder, so it is not completely up to him.

Mr. Richardson explained that the condition would be that the applicant should request to vacate at least seven feet of the north-south portion of the alley to the east of the parcel. The applicant could do that on just that segment because they are the only property owners adjacent to it, as opposed to if they were to try to vacate the entirety of the L-shaped alley they would need agreement with everyone who is adjacent to the alley.

No one spoke in support or opposition. The public hearing was closed.

Commissioner Grill said she appreciates all the work staff and the applicant have done on this application. She is in favor of denying the staff recommendation and approving this application and she is prepared with alternative language for Findings 2a, 2c, and 3d.

Commissioner Baker appreciates the time that staff and the applicant has put into further discussing this project and finding alternatives to make it work. He said that he appreciates staff's commitment to Findings 2a, 2c and 3d because there have been a lot of conversations about highlighting the Comprehensive Plan. Staff has highlighted that this application does not seem to be in substantial compliance with the Comprehensive Plan. He specifically noted Finding 3d, the plight of the landowner is due to circumstances unique to the property is not created by the landowner and agreed with staff's recommendation.

Commissioner Taghioff said he would like to see a development on this site and commends the developers to take advantage of the increased FAR bonus provided by the RM2 zoning code amendments to add an affordability component. The fundamental problem is the developer wants to build a taller, wider, deeper building than the RM2 code allows on this lot essentially for economic reasons. He said we conducted a RM zoning study last year, and studied these types of sites, and we came up with heights and setbacks and extensively studied the interaction between the size of a lot, the required setbacks, and permissible FAR, and this site is challenging, it has a slope, but it doesn't excuse the developer from responding to the lower scale of the neighborhood, particularly housing to the north. For these reasons he agrees with the finding regarding height. He also spoke of the interaction between height and parking requirements and overall density. Finding 4c said that the applicant has demonstrated that compressing the footprint of the building is not possible due to minimum requirements for parking stall count and dimensions. He said if the developer were to build fewer apartments it would need to build fewer parking stalls and they could look at the footprint of the building again. Personally, he would like to see the developer come back with something that would more closely meet the requirements of the RM2 zoning code.

Commissioner Reilly said he agrees with Commissioner Taghioff and Commissioner Baker. He said that building height that is directly related to having to provide a certain amount of parking spaces, that in almost any other transit supported neighborhood, would not require that many parking spaces and doesn't feel it to be with in the intent of the RM2 zoning. He asked how many parking spaces would be needed if the building was four stories instead of five stories.

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Mr. Richardson said that reducing the number of parking stalls you could potentially reduce the footprint of the building. He said the applicant has already reduced the number of units to meet the minimum parking requirement. He added that while there is a relationship between parking stalls and number of units the applicant highlighted a relationship between adding affordable housing and the FAR required to make that happen. To get affordable housing and be around that FAR mark that means they need a certain number of units which leads to a certain number of parking stalls because of the minimum requirement.

Commissioner Hood supports the development. He likes that the developer has continued conversations with the City and that they have approval from the District Council. He likes that the project has an affordability component, and this is the exact development he would like to see in his neighborhood. He has visited the site and there is a profound slope. It is a unique property that has unique challenges. He said that we have ambitions we have embedded in the Comprehensive Plan, but when it comes to zoning we still worry about setbacks and it is frustrating that we've created this system that is planned by numbers that doesn't necessarily embody what the Comprehensive Plan is all about.

Commissioner Taghioff said that he agrees with Commissioner Hood and the interaction between the Comprehensive Plan and Zoning Code. The FAR bonus in RM2 was specifically put forward at the levels they are set at and the implication of that is that on smaller sites limited by setback it is challenging to build affordable housing. It underscores the need for the inclusionary zoning study to make it more realistic to build affordable units on a wider range of sites.

Commissioner Grill moved approval with conditions of the conditional use permit and variances. She stated that Finding 2a is met. This is an urban neighborhood and it is consistent with multifamily housing along arterial and collector streets. There are numerous policies in the 2040 Comprehensive Plan that support this including LU-1, LU-8, LU-14, LU-35. This is an apartment building that is 5 ½ stories and smaller than the apartment building located immediately across the intersection. She believes the Mac Groveland Plan supports urban neighborhoods and mixed-use corridors. Finding 2c is also met and it doesn't endanger the public health, safety, and general welfare. The scale of the building adds variety to the neighborhood that is not currently there. Finding 3d is also met. The applicant cites steep slopes on both axes and the jog on James Avenue and they are unique to this property and not created by the property owner. It is more profound than the nearby parcels and makes unique challenges to create a workable plan.

She also added the following conditions: final plans approved by the Planning Commission or Zoning Administrator for this use shall be in substantial compliance with the plan submitted and approved as part of this application, with sign-off from relevant city departments; and units required to be affordable shall be occupied by qualifying low-income residents. Prior to receiving a certificate of occupancy for the new building (or building expansion), demonstration of the commitment to affordable housing must be provided as: a deed restriction or other contractual agreement with the city, or a city housing and redevelopment authority financing agreement or other similar financing agreement, and documentation of low-income residents' qualifications; and the Applicant shall apply to the owner of the north-south portion of the alley right-of-way

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immediately to the east of the parcel to request a vacation of at least seven (7) feet adjacent to the parcel to allow the building footprint to shift far enough to the east to meet the front (Lexington Parkway) setback requirement. Denial of an application for alley vacation does not change an approval decision for the requested variances or conditional use permit applied for herein.

Commissioner Hood seconded the motion.

Commissioner Baker said he struggles with the premise that the only way to make this project work is to build higher. He understands the height issue and how this will fit in with the neighborhood, but he also wants to see something on this site because housing is needed.

Commissioner Grill added that this application has been held up because the Committee wanted inclusionary zoning language. We got the language we were looking for and we said they could build higher if they add affordable housing. This is the first case where the applicant has done exactly what we have asked them to do. They only thing stopping us in half a floor on the back of the building and seven feet in the front. These items are not as big of an issue as the need for affordable housing. The language for 2a, 2c, and 3d is flexible and the Comprehensive Plan is flexible.

In response to Commissioner Syed, Mr. Warner said the reasons to grant the application articulated by Commissioner Grill are reasonable and factually based.

The motion passed by a vote of 5-1-0.

Adopted	Yeas - 5	Nays - 1 (Taghiof	f) Abstaine	ed - 0	
Drafted by:	Submitted by:		Approve	d by:	
Samantha Co	Mel Mike Rehardson (M	ar 26, 2021 11:33 CDT)	Cedrick Baker (Mar 26, 202		
Samantha Lange	r Mike	Mike Richardson		Baker	
Recording Secre	tary City	City Planner		Chair	

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