

city of saint paul
planning commission resolution
file number: 23-11
date: March 17, 2023

WHEREAS, Lucky 888 LLC, File # 23-015-210, has applied to rezone from OS office-service to T2 traditional neighborhood, under the provisions of § 61.801(b) of the Saint Paul Legislative Code, property located at 1416 Grand Avenue, Parcel Identification Number (PIN) 03.28.23.31.0108, legally described as Lot 5, Block 5, Wann's Addition; and

WHEREAS, the Zoning Committee of the Planning Commission, on March 9, 2023, held a public hearing at which all persons present were given an opportunity to be heard pursuant to said application in accordance with the requirements of § 61.303 of the Saint Paul Legislative Code; and

WHEREAS, the Saint Paul Planning Commission, based on the evidence presented to its Zoning Committee at the public hearing as substantially reflected in the minutes, made the following findings of fact:

1. The applicant is currently rehabbing the building and would like to establish a retail business in the storefront.
2. The proposed zoning is generally consistent with the way Grand Avenue as a whole has developed with a mix of uses that are part of the unique character of the street. Over time, retail uses have remained more common at intersections in this section of Grand Avenue, which has more residential uses than segments to the east or west. In 1975 the section of Grand between the commercial corner at Grand & Snelling and the commercial corner at Grand & Hamline was rezoned RM2 residential to be consistent with the way this specific section of Grand had developed (the one exception being an OS lot at the corner of Grand & Pascal. The building at 1416-1418 Grand Avenue was originally built as a drug store in 1931 (see attached photo). It has existed as a retail or service commercial business among its residential neighbors for over 90 years. There is no documentation of when the use changed from retail to service commercial use.

The current OS Zoning District is not an ideal fit for the site. The building is built up to the sidewalk (see Attachment A), which does not conform with the 15' front yard setback requirement in the OS district (see Attachment A). The OS office service districts have gradually been replaced by the T1 traditional neighborhood district because of the broader utility and pedestrian-friendly design requirements in T1. For example, there are more uses allowed through a "home occupation" in residential districts than are allowed by OS (Sec. 65.141).

The traditional neighborhood districts would be a better fit for the site in general. The general intent of T districts is *"to encourage a compatible mix of commercial and residential*

moved by Reilly
seconded by _____
in favor Unanimous
against _____

uses within buildings, sites and blocks.” The T1 traditional neighborhood district would be a better fit for the building and is *intended for compact mixed-use areas of limited size, with a variety of residential, office and service uses that primarily serve neighborhood needs*, but like OS permits more limited retail uses than T2. The intent of T2 is:

The T2 traditional neighborhood district is designed for use in existing or potential pedestrian and transit nodes. Its intent is to foster and support compact, pedestrian-oriented commercial and residential development that, in turn, can support and increase transit usage. It encourages, but does not require, a variety of uses and housing types, with careful attention to the amount and placement of parking and transitions to adjacent residential neighborhoods [BOLD ADDED].

In other words, the intent of T2 is to allow pedestrian-oriented mixed-uses in existing or potential pedestrian and transit nodes while maintaining transitions to residential neighborhoods.

3. The proposed zoning is consistent with the Comprehensive Plan. The future land use designation for this site is Urban Neighborhood. Urban Neighborhoods are defined as:

*“primarily residential areas with a range of housing types. Single-family homes and duplexes are most common, although multi-family housing predominates along arterial and collector streets, particularly those with transit. Multi-family housing, schools, neighborhood parks, religious institutions and cemeteries may also be scattered throughout Urban Neighborhoods. **Limited neighborhood-serving commercial may also be present, typically at intersections of arterial and/or collector streets [BOLD ADDED].**”*

Grand Avenue is an arterial street served by transit and generally characterized as mixed-use and pedestrian-friendly. Additionally, supporting Policy LU-36 states:

Promote neighborhood-serving commercial businesses within Urban Neighborhoods that are compatible with the character and scale of the existing residential development.

It is clear that mid-block commercial is atypical in a citywide context, but Grand Avenue is an atypical street, and the current building is part of the character of the neighborhood. T2 would allow development at a scale allowed by the adjacent RM2 district also fronting Grand Avenue on this block.

The proposed T2 zoning is supported by the following policies from the District 14 Plan:

LU1. Support land use that preserves Macalester Groveland as a connected, walkable, mixed-use, sustainable neighborhood with a pedestrian-oriented, human scale streetscape.

LU1.1 Maintain and/or establish zoning that encourages compact development along mixed-use corridors that incorporates a mix of uses (commercial, residential, office, intergenerational housing, etc.).

LU1.4 Promote the retention and recruitment of a diverse array of small, locally owned businesses that provide a variety of goods and services, and serve a range of income levels.

T2 zoning supports walkability with pedestrian-friendly design standards. It supports mixed-use through a wider variety of uses than OS. This expanded variety of commercial uses promotes business diversity generally and increases the likelihood of having a locally-owned business at this location.

4. The proposed zoning is compatible with the surrounding uses. A commercial use has existed in this location for over 90 years. The mix of commercial and housing uses on this several block segment of Grand Avenue have developed organically together over time. Allowing retail at this location is not anticipated to have a substantial negative impact. T2 zoning would allow development on a scale similar to what is already allowed in the surrounding RM2 zoning districts. Recent changes to RM2 zoning have made the scale of development comparable the T2 zoning district. T2 zoning would allow more flexibility of land uses in the long term, including allowing for single-family, duplex, and townhome residential uses and as well as pedestrian-oriented commercial uses, many of which already exist within walking distance to the site. The increased flexibility in uses will support the ongoing commercial viability of the site (see Attachment B).

One could perceive the increased potential uses allowed by T2 by right as a threat to the character of the neighborhood, or as incompatible with the surrounding residential uses. Though T2 offers many more use options, as a midblock site surrounded by residential uses it is unlikely to be an attractive site for many of the additional uses. Furthermore, there is the same potential incompatibility with many uses that are already allowed in the OS district.

5. Court rulings have determined that “spot zoning” is illegal in Minnesota. Minnesota courts have stated that this term *“applies to zoning changes, typically limited to small plots of land, which establish a use classification inconsistent with the surrounding uses and create an island of nonconforming use within a larger zoned property.”* The site is currently zoned OS, a limited commercial zoning district, and is surrounded by residential zoning. The proposed change to T2 zoning better supports the City Council adopted policy goals for a mixed-use pedestrian-oriented street, is a better match for the existing building, and may help to ensure commercial viability as well as compatibility with the surrounding neighborhood in the long run. The nexus between the intent of the T2 zoning district and the adopted future land use policy for this site suggests that T2 would not be spot zoning.

NOW, THEREFORE, BE IT RESOLVED, that the Saint Paul Planning Commission recommends to the City Council that the application of Lucky 888 LLC for rezoning from OS office-service to T2 traditional neighborhood for property at 1416 – 1418 Grand Avenue be approved.