SAINT PAUL AREA CHAMBER OF COMMERCE

August 27, 2014

Zoning Committee
City of Saint Paul
375 Jackson Street, Suite 220
Saint Paul, MN 55101

VIA EMAIL

Re: Zoning Application of 344 Summit Avenue

Dear Members of the Zoning Committee:

As the State's largest local chamber and a strong supporter of expanding the tax base through private investment, the Saint Paul Area Chamber of Commerce (SPACC) supports the proposed use of 344 Summit Avenue as a boutique hotel. Accordingly, we urge members of the zoning committee to approve the conditional use permit(s) (CUP) requested by the property owner.

For over 50 years, the property functioned as the Saint Paul College of Visual Arts (COVA). However, in 2013, COVA closed its doors leaving the property vacant. The property owner is proposing to invest in the property, converting the vacant building into a low-intensity, high-value use that will expand the local tax base. SPACC believes the boutique hotel would enhance the community while preserving the historic nature of the neighborhood.

As discussed in greater detail below, SPACC believes the proposed use satisfies the applicable general CUP-standards enumerated in Saint Paul Legislative Code § 61.501.

1. **The extent, location, and intensity of the proposed use are in substantial compliance with Saint Paul's Comprehensive Plan.**

The proposed use is consistent with Saint Paul's Comprehensive Plan. Specifically, the proposed use is consistent with the Established Neighborhoods description in the Land Use Chapter. Established Neighborhoods are described as, "predominately residential areas with a range of housing types with smaller scale scattered multi-family housing *and* scattered *neighborhood-serving commercial*, service and institutional uses" (emphasis added).[1] The boutique hotel will undoubtedly serve the neighborhood by offering a unique getaway experience.

Presently, the area where the proposed use is located contains a number of large houses that serve a mix of uses, including residential, commercial, and institutional activities. The proposed use is

[1] Saint Paul Comprehensive Plan, Land Use Chapter LU 4 (2010).

less intensive than many of the multi-family dwellings located in the established neighborhood, residential uses that have always been consistent with the Comprehensive Plan. Furthermore, the boutique hotel is certainly less intensive than the previous use of the property as a college serving more than 300 students.

Additionally, the boutique hotel will also serve to further bolster several critically important trends identified in the Comprehensive Plan: (1) an evolving downtown and (2) expanding the tax base to pay for city services.[2] The proposed use will offer downtown visitors a one-of-a-kind place to stay in Saint Paul. The boutique hotel will be located in one of the most beautiful neighborhoods in the world, only blocks away from downtown. Moreover, as funds for public services become harder to find, it is important to identify new ways to expand the tax base, particularly in a city that is fully developed. This project provides the city with that opportunity by converting a property that was previously exempt from *ad valorem* taxes into one that pays annual property taxes.

Finally, the proposed use is consistent with Historic Preservation Chapter of the Comprehensive Plan. The boutique hotel will restore a historic resource compatible with the surrounding neighborhood. It will also rely on historic preservation to further economic development and sustainability of our community.

2. The proposed use will minimize traffic congestion in the public streets.

The proposed use provides adequate ingress and egress and will minimize traffic congestion in the public streets. The boutique hotel will provide a significant improvement in congestion on public streets and walkways as compared to the COVA. With over 300 students at its peak, the COVA brought significant traffic to the neighborhood. The property owner has agreed to refrain from hosting any banquets or weddings that would bring additional traffic to the location. The COVA operated for years with significantly higher parking and traffic demands on the neighborhood without issue. A 10-room boutique hotel, featuring no weddings or banquets, will cause traffic congestion to drop to levels not experienced for more than 50 years. And because of easy pedestrian and transit access in the area, it is reasonable to believe many guests will arrive without cars.

3. The proposed use is not detrimental to the existing character of the development in the immediate neighborhood and does not endanger the public health, safety, and general welfare of the community.

The boutique hotel will complement the existing character of the development in the immediate neighborhood while maintaining the historic nature of the district. Currently, there are a number of large, historic house being used for multi-family and commercial uses in the area. A boutique hotel is consistent with the existing uses. The proposed use offers an alternative dwelling type that will benefit the neighborhood as a whole.

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[2] Saint Paul Comprehensive Plan, Land Use Chapter LU 5-6 (2010).

Pursuant to Saint Paul Legislative Code § 66.214, the intent of an RT2 district is "to provide for a variety of housing needs and to serve as zones of transition between one- and two-family residential districts and multi-family residential districts and business districts." The boutique hotel will accomplish both of these goals by offering a housing need not currently met in the neighborhood and providing an alternative lodging option for visitors frequenting the nearby business districts of Grand Avenue and downtown Saint Paul.

The proposed use is not detrimental to the neighborhood. In fact, as noted several times above, it is significantly less intensive than the previous use, which was not considered detrimental to the neighborhood. As referenced in the zoning committee staff report, dated August 21, 2014, the RT2 zoning district is not intended for use by "small conference centers, private retreat centers, and reception houses." The boutique hotel, however, will not provide a conference center, offer a private retreat center, or serve as a reception house. The property owner has agreed to refrain from these activities.

4. **The proposed use does not impede the normal and orderly development and improvement of surrounding properties for uses permitted in the district.**

The boutique hotel does not impede the development and improvement of surrounding properties. The proposal does not call for any exterior changes to the property and is significantly less intensive than the previous use by the COVA. By taking a use that was not an impediment and making it significantly less intensive than the previous use, it cannot be said the new use will impede development or improvement of surrounding properties. Moreover, as detailed above, the proposed use cannot be considered a small conference center, private retreat center, or reception house based on conditions set out by the owner.

Conclusion

In summary, SPACC supports the CUP application for 344 Summit Avenue. By approving the permits needed for the proposed use, the City of Saint Paul will expand its tax base through economic development premised on historic preservation, offer a unique one-of-a-kind place to stay for visitors, and improve the historic character of the neighborhood. It should also be noted that surrounding property owners to overwhelmingly support the proposed use. Accordingly, SPACC urges members of the zoning committee to support this project.

With kind regards,



Michael J. Belaen
Director of Public Affairs and Legal Counsel