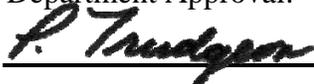


ROSEVILLE
REQUEST FOR CITY COUNCIL ACTION

DATE: 10/22/2012
ITEM NO: 9.b

Department Approval:



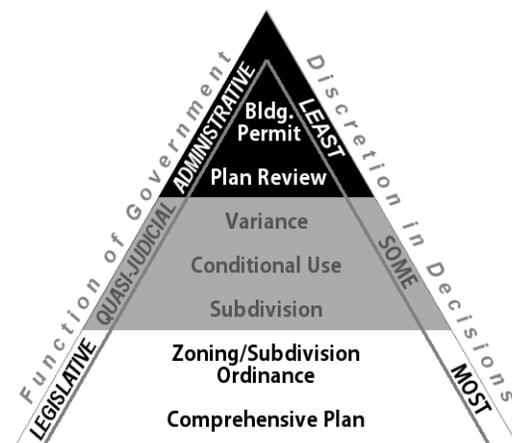
City Manager Approval:

Item Description: Request by Roseville Planning Division for approval of a **zoning text amendment** pertaining permitted and conditional uses within the Regional Business and Office/Business Park Districts (**PROJ-0017**)

Application Review Details

- RCA prepared: October 22, 2012
- Public hearing: October 3, 2012
- City Council action: October 22, 2012
- Statutory action deadline: not applicable

Action taken on a zoning ordinance (text) request is **legislative** in nature; the City's role is to determine, through testimony and information provided by staff, whether such a change is appropriate.



1 **REQUESTED ACTION**

2 The Roseville Planning Division seeks a text amendment to the Zoning Ordinance to
3 create the definition Limited Warehousing and Distribution and to allow this use as a
4 permitted and conditional use in the Regional Business and Office/Business Park
5 Districts.

6 **SUMMARY OF RECOMMENDATION**

7 Planning Division staff concur with the Planning Commission's recommendation (6-0) to
8 approve the proposed text amendment; see Suggested Council Action of this report for
9 the detailed recommendation.

10 **SUMMARY OF SUGGESTED ACTION**

11 Adopt an ordinance approving the zoning text amendment to create a new definition in
12 Section 1001.10 (Definitions) for Limited Warehousing and Distribution and to allow as
13 a permitted and conditional use Limited Warehousing and Distribution within the
14 Regional Business and Office/Business Park Districts.

15

16 **BACKGROUND**

17 As City Council Members are aware, the updated Zoning Ordinance went into
18 effect on December 21, 2010, and since that date the Planning Division has been
19 monitoring the many different nuances of this broad document.

20 One such area that we have been keeping our eye on is the Office/Business Park
21 District. Here the Planning Division has been faced with a number of buildings
22 where pre-existing non-conforming uses are present. This situation, although
23 permitted to continue, has made reuse somewhat difficult when the Code does not
24 support what has historically been prevalent in the area and property owners are
25 not motivated or willing to invest in improving buildings and/or sites when a use
26 has been deemed, by the Planning Division, to be non-conforming.

27 One specific area where the Planning Division has challenges is along Oakcrest
28 Avenue generally from Fairview Avenue to Cleveland Avenue. This area, prior
29 to the comprehensive plan and zoning ordinance updates, was predominantly a
30 light industrial area that includes a mix of small scale manufacturing, processing,
31 production and distribution uses. The prior comprehensive plan guided the area
32 Business and all parcels/lots were zoned Light Industrial District.

33 Although pre-existing non-conforming uses can present challenges, the greater
34 issue faced has been the distribution of goods and to what extent such a use is
35 allowed. The Zoning Ordinance allows Limited Production and Processing as a
36 permitted use within the Office/Business Park and Industrial Districts, but the
37 definition is silent on distribution, which is a critical ancillary use to most all
38 processing, production, and manufacturing businesses. Below is the current
39 definition of Limited Production/Processing:

- 40 a. **Limited production/processing:** Light manufacturing, fabrication,
41 assembly, processing, packaging, research, development, or similar uses
42 which are predominately conducted indoors and which would not be
43 disruptive of, or incompatible with, other office, retail, or service uses that
44 may be in the same building or complex. Limited production/processing
45 generally does not include industrial processing from raw materials.

46 The Zoning Ordinance also has Warehousing and Distribution, but this use is only
47 permitted in the Industrial District and not permitted Office/Business Park, which
48 stems largely from the definition of Warehouse, which includes a larger and more
49 impactful trucking or distribution component (as staff interprets the definition).

- 50 a. **Warehouse:** An establishment providing storage and distribution of
51 merchandise and bulk goods, typically involving heavy truck and/or
52 freight rail traffic.

53 To gain a better perspective of what is occurring in Oakcrest Avenue area, the
54 Planning Division visited different sites multiple times to review and obtain
55 information. This area consists of eight multi-tenant office/warehouse buildings,
56 all with dock doors; the newest building, 1975 Oakcrest, was constructed in 2006.

57 These “inspections” revealed that a number of uses within these structures
58 include varying production, processing, manufacturing and warehousing, all with
59 some form of distribution.

60 Fastenal, which bills itself as America's largest industrial supply store, at 1920
61 Oakcrest, is a good example of such a use. They occupy 6,000 sq. ft. of the
62 30,000 sq. ft. building and have approximately 10 to 16 pick-up trucks that are
63 used for distribution. Although one might consider that number of vehicles to be
64 high, the Planning Division never witnesses more than two vehicles entering or
65 leaving the site in a hour time frame – this is not to say that the frequency is not
66 greater, but rather that such an ancillary use does not appear to come and go
67 frequently as other delivery uses or services. The Planning Division would deem
68 the distribution at Fastenal as clean and non-impactful to the area with trucks
69 parked indoors for distribution or parked outside in the parking lot.

70 Another unique property/situation lies at 1995 Oakcrest at the former Arthur
71 Schuster building. Here, a building initially designed and constructed as an
72 office, showroom, warehousing building, was modified years ago into an interior
73 design firm consisting mainly of office with limited warehousing. The building,
74 which the Planning Division was allowed to tour, has a modest office component,
75 but largely is a warehouse that boasts two rear dock doors (previously there were
76 three, but one was converted to office use). The complexity here is that the
77 initial/former use, since the conversion occurred many years ago, cannot be
78 brought back since it is non-conforming, even though the building is better suited
79 for such a light industrial/manufacturing with distribution use than any other
80 currently allowed in the Office/Business Park District.

81 One last factor to consider is related to the text amendment to the Regional
82 Business District where the Planning Division is seeking to add Limited
83 Production and Processing as a permitted use and which district should also
84 include Limited Warehousing and Distribution to provide clarification that such
85 uses are allowed to distribute their goods.

86 **STAFF PROPOSAL**

87 In review of the Oakcrest Avenue “phenomenon” it is our determination that the
88 existing warehousing/office mix will likely be present for many years, and as
89 such, the Zoning Ordinance should be modified to clarify the absence of
90 distribution within the definition of Limited Production and Processing, since
91 distribution is a critical component of these businesses and uses.

92 It is also the Planning Division’s position that any allowance of distribution in
93 either the Office/Business Park District or the Regional Business District shall be
94 limited in both number and type of trucks, since these two items or aspects of a
95 business/use can create impacts detrimental to a site and/or area.

96 From the Division’s perspective, pick-up, panel, and/or cargo van type trucks
97 (generally less than 38 feet in length) are appropriate for these uses, as are ranges
98 of upwards of eight vehicles. When the distribution component, which we would
99 view as ancillary or accessory to the primary use, gets to nine or more vehicles,
100 the Planning Division feels that the Conditional Use needs to be triggered in order
101 for staff to consider the use, number and type of trucks, and other factors and
102 impacts which may be too great to the site and/or area.

103 Consider Pepperidge Farms at 1975 County Road B2 and zoned Regional
104 Business, which use occupies 10,000 sq. ft. of an 82,000 sq. ft. building and has
105 approximately 6 to 8 cargo/cube vans that are used for distribution. Such a use
106 within such a large office/warehouse building and vast parking lot has very little
107 impact on the site or the area, and most likely is a use that few knew existed in
108 Roseville.

109 **STAFF RECOMMENDATION**

110 In consideration of the text amendment to add Limited Production and Processing
111 as a permitted use in the Regional Business District and the Planning Division's
112 determination that a distinction needs to be made regarding the distribution of
113 goods that are directly tied to Limited Production and Processing specifically in
114 the Regional Business District (proposed) and the Office Business Park District,
115 the Planning Division recommends that new permitted use titled Limited
116 Warehousing and Distribution be approved.

117 The Planning Division further recommends that the definition read as follows:
118 **Limited Warehousing and Distribution:** An establishment providing storage
119 and distribution of merchandise and bulk goods, including those associated with a
120 limited production and processing use, and shall involve pick-up, cargo, and/or
121 cube variety trucks to distribute goods.

122 The Planning Division also recommends that the permitted use aspect of this new
123 use be limited to 8 or fewer pick-up, cargo, and/or cube variety fleet trucks.
124 However, for uses with greater than 9 pick-up, cargo, and/or cube variety fleet
125 trucks, a conditional use shall be required, which provision requires the
126 "standards" box to include a "Y

127 The Planning Division is not currently seeking or recommending any specific
128 conditions for the conditional use, but that those listed within Section 1009.02
129 will suffice to consider a use, number and type of fleet truck, and other factors,
130 and which impacts may be too great to the site and/or area.

131 **PLANNING COMMISSION ACTION**

132 At the duly noticed public hearing, one property owner spoke in favor of the
133 subject amendments. Mr. Mark Rancone, Roseville Properties, indicated to the
134 Planning Commission that clarifying such an auxiliary/accessory use is essential
135 to the existing limited production and processing uses and the the number of
136 trucks split permitted and conditional made sense; a number of his sites/uses are
137 limited by parking spaces that they can utilize. He added that similar to the
138 previous amendment that having the cloud of non-conformity hanging over is
139 site/use makes investment/reinvestment difficult.

140 The Planning Commission voted (6-0) to recommend approval of the suggested
141 text amendment to create a new definition for Limited Warehousing and
142 Distribution (as recommended by the Planning Division) and to allow as a
143 permitted and conditional use within the Regional Business and Office/Business
144 Park Districts, by amending Table 1005-1 and 1006-1.

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SUGGESTED CITY COUNCIL ACTION

Adopt an ordinance creating the definition for Limited Warehousing and Distribution: An establishment providing storage and distribution of merchandise and bulk goods, including those associated with a limited production and processing use, and shall involve pick-up, cargo, and/or cube variety trucks to distribute goods; add limited warehousing and distribution as a permitted and conditional use (8 or fewer pick-up, cargo, and/or cube variety fleet trucks permitted and greater than 9 pick-up, cargo, and/or cube variety fleet trucks conditional use) in the Regional Business District by including within Table 1005-1; and add limited warehousing and distribution as a permitted use in the Office/Business Park District by including within Table 1006-1

Prepared by: City Planner Thomas Paschke (651-792-7072)

- Attachments:
- A. Draft PC Minutes
 - B. Draft Ordinance
 - C. Summary Ordinance

**EXTRACTION OF THE OCTOBER 3, 2012
ROSEVILLE PLANNING COMMISSION MEETING MINUTES**

b. PLANNING FILE 0017

Request by the Planning Division to add to the definition of Limited Warehousing and Distribution to Section 1002 of the Roseville Zoning Ordinance and to amend the uses chart for both the Regional Business District and Office/Business Park to allow Limited Warehousing and Distribution as a permitted and conditional use.

Vice Chair Gisselquist opened the Public Hearing for File 0017 at approximately 7:03 p.m.

City Planner Thomas Paschke summarized the request for amendment to the Zoning Ordinance, based on actual use of the updated Zoning Ordinance, and issues during its actual application related to non-conforming uses that are being found to create limitations on use and reinvestment for existing structures and their potential re-use.

Mr. Paschke advised that this unique area included several different sites in the Oakcrest Avenue area, basically between Fairview and Cleveland Avenues. Mr. Paschke advised that staff had visited the sites multiple times to review and obtain information (1975 Oakcrest constructed in 2006; 1920 Oakcrest; 1995 Oakcrest). Mr. Paschke noted that inspection revealed a number of uses within structures, including varying production, processing, manufacturing and warehousing, distribution, office, and limited warehousing.

Mr. Paschke reviewed the definition in the Zoning Ordinance for "Warehouse" and permitted uses for Warehousing and Distribution currently only permitted in Industrial and Office/Business Park zoning district designations.

Staff's analysis was detailed in the Request for Planning Commission Action dated October 3, 2012; and several examples for pre-existing, non-conforming uses were provided, with Mr. Paschke noting that this limited future tenants and potential re-uses beyond those historical functions.

In reviewing the Oakcrest Avenue situations, Mr. Paschke advised that staff had determined that existing warehousing/office mix would probably be present for many years, and the Zoning Ordinance should be modified to clarify the absence of distribution within the definition of Limited Production and Processing since distribution was a critical component of permitted uses. Mr. Paschke clarified the intent to limit permitted uses based on a limit of eight (8) or fewer pick-up trucks, panel or cargo van type trucks. Mr. Paschke referenced Section 2.3 of the staff report and the trigger for a Conditional Use.

Discussion included definition of trucks and semi's; number of trucks on site at any one time; site-specific nature of Conditional Uses; understanding the function of specific businesses under this application; and their proximity to residential areas.

Public Comments

Mark Rancone, Roseville Properties

Mr. Rancone again spoke in support of allowing for more flexibility in leasing buildings in this area; opining that limited warehousing was a natural extension to make those buildings functional given their age. Mr. Rancone again noted that today's requirements included a thirty-two foot (32') height clearance in buildings, and these buildings were not applicable for that type of use that would allow for a more intense use.

Vice Chair Gisselquist closed the Public Hearing for File 0017 at approximately 7:15 p.m.; with no one appearing for or against.

MOTION

Member Olsen moved, seconded by Member Cunningham to recommend to the City Council APPROVAL of the text amendments as outlined in Sections 3.1 – 3.4 of the staff report dated October 3, 2012.

Ayes: 6

Nays: 0

Motion carried.

Staff advised that anticipated City Council action is anticipated for October 22, 2012.

City of Roseville

ORDINANCE NO. _____

AN ORDINANCE AMENDING SELECTED TEXT OF TITLE 10 ZONING ORDINANCE
OF THE ROSEVILLE CITY CODE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. Purpose: The Roseville City Code is hereby amended as follows to create a new definition clarifying the warehousing and distribution of goods within select districts is permitted or conditional and to add a a permitted and conditional use limited warehousing and distribution to the Regional Business and Office/Business Park Districts..

SECTION 2. Section 1001.10 – Definitions, is hereby amended as follows:

Limited Warehousing and Distribution: An establishment providing storage and distribution of merchandise and bulk goods, including those associated with a limited production and processing use, and which use shall involve pick-up, cargo, and/or cube variety trucks to distribute goods.

SECTION 3. Table 1005-1 is hereby amended as follows:

Table 1005-1	NB	CB	RB	CMU	Standards
Commercial Uses					
Learning studio (martial arts, visual/preforming arts)	C	P	P	P	
Limited production and processing	NP	NP	P	NP	
<u>Limited warehousing and distribution</u>	<u>NP</u>	<u>NP</u>	<u>P/C</u>	<u>NP</u>	<u>Y</u>
Liquor store	C	P	P	P	

SECTION 4. Table 1006-1 is hereby amended as follows:

Table 1006-1	O/BP	I	Standards
Manufacturing, Research, and Wholesale Uses			
Leather and fur tanning, curing, finishing, and dyeing	NP	NP	
Limited production and processing	P	P	
<u>Limited warehousing and distribution</u>	<u>P/C</u>	<u>P</u>	<u>Y</u>
Manufacturing and processing, no outdoor activity/storage	NP	P	
Manufacturing and processing, outdoor activity/storage	NP	C	Y

SECTION 5. Effective Date. This ordinance amendment to the Roseville City Code shall take effect upon passage and publication.

Passed this 22nd day of October, 2012

City of Roseville

ORDINANCE SUMMARY NO. ____

AN ORDINANCE AMENDING SECTION 1002.10, DEFINITION, TABLE 1005-1 AND 1006-1 OF TITLE 10, ZONING ORDINANCE OF THE ROSEVILLE CITY CODE

The following is the official summary of Ordinance No. ____ approved by the City Council of Roseville on October 22, 2012:

The Roseville City Code, Title 10, Zoning Ordinance, has been amended to create a new definition for warehousing and distribution, include warehousing and distribution as a permitted and conditional use in the Regional Business District, and adding warehousing and distribution as a permitted and conditional use in the Office/Business Park District and a permitted use in the Industrial District.

A printed copy of the ordinance is available for inspection by any person during regular office hours in the office of the City Manager at the Roseville City Hall, 2660 Civic Center Drive, Roseville, Minnesota 55113. A copy of the ordinance and summary shall also be posted at the Reference Desk of the Roseville Branch of the Ramsey County Library, 2180 Hamline Avenue North, and on the Internet web page of the City of Roseville (www.ci.roseville.mn.us).

Attest: _____
William J. Malinen, City Manager