

ROSEVILLE
REQUEST FOR CITY COUNCIL ACTION

DATE: **07/08/2013**
ITEM NO: 9.b

Department Approval:



City Manager Approval:

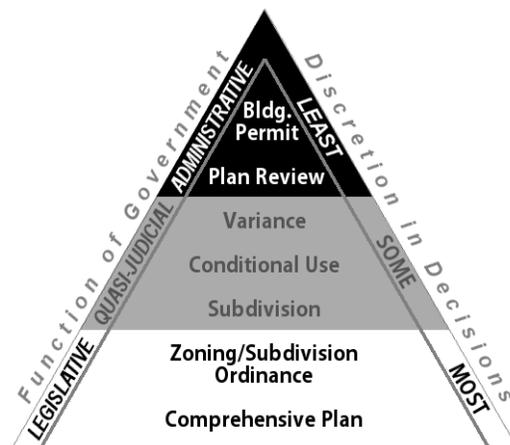


Item Description: Adopt an Ordinance that Creates a Definition for Limited Warehousing and Distribution Allowing It as a Permitted and Conditional Use within the Regional Business and Office/Business Park Districts

Application Review Details

- RCA prepared: October 22, 2012
- Public hearing: October 3, 2012
- City Council action: July 8, 2013
- 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 **1.0 REQUESTED ACTION**
- 2 The Roseville Planning Division seeks a text amendment to the Zoning Ordinance
- 3 to create the definition Limited Warehousing and Distribution and to allow this
- 4 use as a permitted and conditional use in the Regional Business and
- 5 Office/Business Park Districts.
- 6 **2.0 SUMMARY OF RECOMMENDATION**
- 7 Planning Division staff concur with the Planning Commission’s recommendation
- 8 (6-0 vote) to approve the proposed text amendment; see Section 7 of this report
- 9 for the detailed recommendation.
- 10 **3.0 SUMMARY OF SUGGESTED ACTION**
- 11 Adopt an ordinance approving the zoning text amendment to create a new
- 12 definition in Section 1001.10 (Definitions) for Limited Warehousing and
- 13 Distribution and to allow as a permitted and conditional use Limited Warehousing
- 14 and Distribution within the Regional Business and Office/Business Park Districts.
- 15

16 **4.0 BACKGROUND**

17 As the City Council is aware, the Planning Division has been monitoring the
18 many different nuances of the Zoning Ordinances for areas that would be better
19 served by change. In early 2012, it became evident that certain clarifications in
20 the Regional Business and Office /Business Park Districts were necessary in order
21 for the Planning Division to continue supporting certain uses and/or to allow new
22 uses to occur in these districts.

23 Unlike the previous case regarding limited processing/production, this request is
24 predicated on language absent from the Code. Specifically, the Zoning Ordinance
25 makes no mention of warehousing and/or distribution as a permitted or
26 conditional use in the Office/Business Park District. This creates conflict and
27 ambiguity when limited production and processing is a permitted use and its
28 success relies heavily on the distribution and often warehousing of the goods
29 produced. The same clarification is necessary in the Regional Business District
30 assuming the City Council approves the Regional Business-2 District (RB-2).

31 As a way to understand the situation (for amendment purposes) the Planning
32 Division observed the Oakcrest Avenue area, generally from Fairview Avenue to
33 Cleveland Avenue along both sides of the street (although not specifically
34 observed/monitored, the same area along County Road C which has very similar
35 uses, was also considered). The Oakcrest Avenue properties (except for Roseville
36 Office Plaza, Radisson and Days Inn) have traditionally been used for light
37 industrial, manufacturing, production, processing, warehousing and distribution.
38 To gain a better perspective of what is occurring in the Oakcrest Avenue area, the
39 Planning Division visited different sites multiple times. This area consists of
40 eight multi-tenant office/warehouse buildings, all with dock doors; the newest
41 building, 1975 Oakcrest, was constructed in 2006. Our “inspections” confirmed
42 that many uses within these structures included varying degrees of production,
43 processing, manufacturing and warehousing, and nearly all had some form of
44 distribution.

45 Fastenal, which bills itself as America's largest industrial supply store, at 1920
46 Oakcrest, is a good example of such a use. They occupy 6,000 sq. ft. of the
47 30,000 sq. ft. building and have approximately 10 to 16 pick-up trucks that are
48 used for distribution. Although one might consider that number of vehicles to be
49 high, the Planning Division never witnessed more than two vehicles entering or
50 leaving the site in a one-hour time frame. This is not to say that the frequency is
51 not greater at other times, but rather that such an ancillary use does not appear to
52 come and go frequently as other distribution uses or services. The Planning
53 Division would deem the distribution at Fastenal as clean and non-impactful to
54 the area with trucks either parked in the lot awaiting orders or parked indoors
55 awaiting loading.

56 Another unique property/situation lies at 1995 Oakcrest at the former Arthur
57 Schuster building. Here, a building (initially designed and constructed to be used
58 as an office, showroom and warehouse) was modified years ago to house an
59 interior design firm consisting mainly of offices with limited warehouse. The
60 building, which the Planning Division was allowed to tour, has a modest office
61 component, but is largely a warehouse that boasts two rear dock doors (previously

62 there were three, but one was converted for office use). The complexity here is
63 that the initial/former use cannot be brought back since it is now non-conforming,
64 even though the building is better suited for a light industrial/manufacturing with
65 distribution use rather than the use that is currently allowed in the Office/Business
66 Park District.

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

73 **5.0 STAFF RECOMMENDATION**

74 Since one of the overarching reasons for the comprehensive update to the zoning
75 ordinance was to clarify, it goes without saying that where an aspect of a
76 permitted use is not addressed, there is ambiguity and confusion over whether
77 such ancillary use is permitted or prohibited. That said, without a definition
78 regarding warehousing and distribution in the Office/Business Park and Regional
79 Business Districts, the Planning Division has no alternative but to deny or
80 prohibit such uses. The other reason is tied to non-conformity: property owners
81 are typically reluctant to reinvest and/or redevelop when a use or uses are deemed
82 non-conforming.

83 Specific to the proposal, it is the Planning Division's position that any allowance
84 of distribution in either the Office/Business Park District or the Regional Business
85 District shall be limited in both number and type of trucks, since these two items
86 or aspects of a business/use can create impacts detrimental to a site and/or area.

87 From the Planning Division's perspective, pick-up, panel, and/or cargo van type
88 trucks (generally less than 38 feet in length) are appropriate for these uses. The
89 number of such vehicles allowed would be upwards of eight vehicles. When the
90 distribution component, which we would view as ancillary or accessory to the
91 primary use, gets to nine or more vehicles, the Planning Division believes that the
92 Conditional Use needs to be triggered in order for staff to consider the use,
93 number and type of trucks, and other factors and impacts that may be too great for
94 the site and/or area.

95 In review of the Oakcrest Avenue "phenomenon," it is our determination that the
96 existing warehousing/office mix will likely be present for many years, and as
97 such, the Zoning Ordinance should be modified to rectify the absence of
98 distribution within the definition of Limited Production and Processing, since
99 distribution is a critical component of these businesses and uses.

100 In consideration of the text amendment to create the Regional Business-2 District
101 (RB-2) and permit Limited production/processing within the new District as well
102 as the Planning Division's determination that a distinction needs to be made
103 regarding the distribution of goods that are directly tied to Limited
104 production/processing specifically in the RB-2 District and the Office Business

105 Park District, the Planning Division recommends that a new permitted use titled
 106 Limited warehousing and distribution be approved.

107 The Planning Division further recommends that the definition read as follows:

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

112 The Planning Division also recommends that the permitted use aspect of this new
 113 use be limited to 8 or fewer pick-up, cargo, and/or cube variety fleet trucks.
 114 However, for uses with greater than 8 such vehicles, a conditional use shall be
 115 required, which requires the “Standards” box in Table 1005-1 and 1006-1 to
 116 include a “Y.”

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

121 The proposed amendments to Table 1005-1 and 1006-1 are as follows:

Table 1005-1	NB	CB	RB	RB-2	CMU	Standards
Commercial Uses						
Learning studio (martial arts, visual/preforming arts)	C	P	P	P	P	
Limited production and processing	NP	NP	P	P	NP	
<u>Limited warehousing and distribution</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>P/C</u>	<u>NP</u>	<u>Y</u>
Liquor store	C	P	P	P	P	

123

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

124 The proposed amendment to Section 1009.02 would create the following:

125 35. **Limited Warehousing and Distribution: 9 or greater pick-up, cargo, and/or**
126 **cube variety fleet delivery/distribution trucks. There are no specific**
127 **standards for this use.**

128 **6.0 PLANNING COMMISSION ACTION**

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

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

143 **7.0 SUGGESTED CITY COUNCIL ACTION**

144 Adopt an ordinance creating the definition for Limited warehousing and
145 distribution as proposed by the Planning Division (above and attached); add
146 limited warehousing and distribution as a permitted and conditional use to Table
147 1005-2 in the RB-2 District and Table 1006-1 in the O/BP and I Districts (8 or
148 fewer pick-up, cargo, and/or cube variety fleet trucks permitted and greater than 9
149 pick-up, cargo, and/or cube variety fleet trucks conditional use); and amend
150 Section 1009.02 by adding “35” the number of vehicles that triggers a
151 Conditional Use.

152 **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 as permitted or conditional and to add as 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. Section 1009.03D is hereby amended as follows:

35. **Limited Warehousing and Distribution: 9 or greater pick-up, cargo, and/or cube variety fleet delivery/distribution trucks. There are no specific standards for this use.**

SECTION 6. Effective Date. This ordinance amendment to the Roseville City Code shall take effect upon passage and publication.

Passed this 8th day of July, 2013

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 July 8, 2013:

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: _____
Patrick Trudgeon, Interim City Manager