

FRAMEWORK PLAN FOR HISTORIC PAYNE AVENUE

SETTING A NEW DIRECTION FOR THE COMMERCIAL DISTRICT



Created by

**EAST SIDE NEIGHBORHOOD DEVELOPMENT COMPANY, INC.
COMMERCIAL DEVELOPMENT ADVISORY COMMITTEE**

In Collaboration with

PAYNE-ARCADE BUSINESS ASSOCIATION

Introduction

For the past several years, the business community has been engaged in discussions regarding the evolving commercial environment along Payne Avenue. Recently, there has been an increasing number of vacant and for sale buildings on the avenue and the business community has had frustrations in the reuse of existing commercial properties due to building and code requirements that are triggered when new uses are proposed for existing buildings.

To address these issues, the City of Saint Paul's Planning and Economic Development Department provided funding through the Local Initiatives Support Corporation (LISC) for a commercial building assessment survey and evaluation study directed at vacant, for sale and underutilized buildings as well as a commercial area parking study. The parking study was conducted by Biko Associates and concentrated on the area from East Seventh Street to Maryland Avenue. The building studies primarily focused on the blocks between Phalen Boulevard and Lawson Avenue although building assessments continued to Maryland Avenue.

As the building assessment survey progressed, other topic areas emerged (i.e. involvement of the business community, opportunities for building reuse, parking regulations, and the condition of the public realm) and a decision was made to address these issues in a comprehensive manner. This document serves as a summary of the investigations and strategies undertaken with this funding. Woven intrinsically into this revitalization is the commitment to a "green" and sustainable future.



Invest Saint Paul residential study (yellow), building assessment study (blue), commercial parking study (red)



The scale and texture of the older commercial district

Commercial Area Assets

Payne and Arcade Avenues are still considered the commercial heart of the city's East Side. The business community has been growing for the past several years and assets include:

- Older commercial structures are generally in good shape
- The scale and texture of the historic architecture provides a quality backdrop for creating an intriguing public realm
- City parking codes are being revised to better accommodate older commercial area redevelopment
- Payne Avenue is being considered for an infrastructure upgrade with new paving, sidewalks, lighting and landscape.
- Payne Avenue is well-served by bus transit

Vision for the Commercial District

The Payne Avenue commercial district has the opportunity to become a stronger and more visible and viable center for the East Side. Elements of a revitalized commercial core include:

- Become the social center for the east side of Saint Paul
- Develop a more walkable and pedestrian friendly commercial district
- Provide stronger connections to the residential neighborhoods
- Improve the transit environment and encourage other forms of alternative transportation
- Reinvest in the historic building stock
- Develop sustainable and renewable energy sources
- Develop a stormwater management system that will treat runoff and replenish the groundwater supply

Workshops

Purpose of the Workshops

A strategic element in ESNDC's approach to community development is the engagement with the commercial and residential constituents. In addition to the following workshops, regular meetings were also held with the following:

- Monthly meetings with the Commercial Development Action Committee
- Presentations to the Payne-Arcade Business Association
- Meetings with Saint Paul's Department of Planning and Economic Development to review findings and discuss possible approaches

Parking Study Workshop

The workshop presented the findings of the commercial area parking study and focused in particular on the blocks from Phalen Boulevard to Lawson Avenue.

- Reviewed existing conditions and zoning impediments
- Presented findings from the parking analysis
- Identified specific actions to improve parking lots
- Discussed benefits of potential re-zoning to "Traditional Neighborhood District" which would lessen code related parking requirements
- Presented options for increasing shared parking

Commercial Area Visioning Workshop

The session began with a review of a business concerns. The workshop focused on what the merchants wanted the commercial area to become. Several topic areas were discussed and focused on the following:

- Businesses serve the neighborhood and then the East Side of Saint Paul
- The need to improve the pedestrian experience
- Recognition that healthy residential neighborhoods are critical to the commercial area well-being

Marketing Workshop

The workshop focused on the advantages and challenges facing the Payne Avenue commercial district. Presenters ranged from regional real estate perspective to entrepreneurial Payne Avenue business owners. Topics included:

- How the commercial area is positioned in the larger scheme of the City
- The importance of market data in market planning and recruitment
- Outlining the physical requirements of new commercial businesses
- Options in the reuse of existing structures
- The optimism of new investors on the avenue
- Sustainable approaches for revitalization
- Financing options for business initiatives



Bill Smith from Biko Associates presenting parking study results at workshop.



Commercial area visioning workshop

Investing in Payne Avenue Panelists

2009



Paul Donovan is Vice president of Advisory Services Group for Northmarq. Paul leads a team focused on providing lease, buy and sell services for small to mid-size businesses, nonprofits and education groups. Paul brings valuable perspectives developed from senior management positions in a \$125M closely held business, owning and operating small businesses and working closely with clients in their Corporate Services Group. Paul concentrates on complete business decisions, making sure real estate decisions complement the entire business. His focus is on tenant business, education and non-profits insuring they receive maximum cost savings and make the best real estate decisions possible. With his experience as an owner of, investor in and advisor to businesses in industries such as manufacturing, service, retail and technology, Paul provides his clients with a wide variety of market knowledge and business experience.



Mihalho (Mike) Temali is President and CEO of NDC since the organization's inception in 1993. He has over 25 years of experience in the field of community-based economic development. Prior to NDC, Mike was Executive Director of North End Area Revitalization, Inc. (NEAR). During his six-year tenure he raised over \$3 million for programs which resulted in 130 commercial rehabilitation and expansion projects along Rice Street in Saint Paul. Mike and NEAR acted as lead developer of a retail shopping center on Rice Street, planned and implemented a streetscape project, and initiated and participated in the development of new efforts in Saint Paul's North End which focused on youth, single parents, employment, and industrial development.

Mike has a master's degree in public affairs from the University of Minnesota's Hubert H. Humphrey Institute of Public Affairs and a bachelor's degree in sociology from Macalester College. He has also received a Bush Fellowship to further study community economic development within inner city communities through Harvard University and Massachusetts Institute of Technology. In 2002, his comprehensive book on the community economic development process was published by Wilder Research.



Charles (Chuck) Repke is the Executive Director for the North East Neighborhoods Development Corporation (NENDC), a non-profit community development corporation serving the East Side of Saint Paul and Executive Director for the District 2 Community Council serving the northeast neighborhoods in Saint Paul.

Repke is a Real Estate Broker with Capitol Brokerage, a full service real estate brokerage owned by NENDC and lobbies for energy and environment issues for a "Green Energy" producer in Saint Paul. Previous work includes being former legislative aide to a city council member in Saint Paul from 1990 - 1998 and other government relations positions.



Jennifer Noden, LEED AP, Allied ASID, has 22 years experience in business development and has been dedicated to Commercial Interior Design and Residential Home Design since 2003. She started Glenhurst Design Group with the intention of focusing on

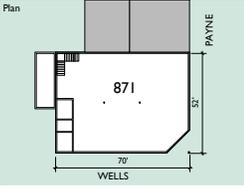
Brochure from Payne Avenue Marketing Workshop

Building Surveys

871 Payne Avenue



Plan



Current Use: Vacant, for sale
7000 square feet
One story building

Lot Size: .09 Acres
Parking Stalls: No Parking, vacant lot to the west
Zoning: B2/C P/c: 29.29.22.42.0188

Assessment - Condition and Code Related

Architectural: Fair condition, built 1913
Interior materials and finishes are average to good, finishes in B are rough
Need second exit from basement and back of first floor
ADA - toilet rooms non-compliant, steps within space, needs second exit basement and first
Roof not observed, nine year old rubber membrane

Structural: Some floor settlement at brick walls
Some dampness in basement walls
No fire damage observed.

Mechanical: Plumbing - Not ADA compliant
Water heater age unknown
HVAC - Very old oil boiler with update jet, no air conditioning.
Fire Prevention - No existing sprinkler system

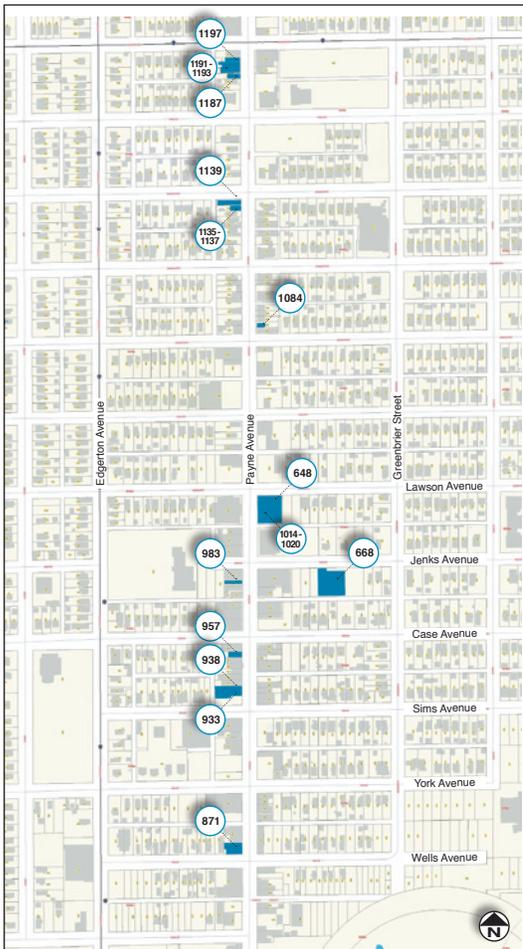
Electrical: General lighting is fluorescent fixtures, other electrical branch circuits and devices are surface mounted.
Service voltage is 120/240 volt, single phase, 3 wire with 100 amp main circuit breaker.
Electrical service panels are in fair condition with minimal or no capacity for expansion.
Exit and emergency lighting was not observed. A fire alarm system was not observed.

Recommendation: Consider adjacent back lot as a possibility for parking.

Commercial Building Assessment
Survey and Evaluation Study

Lnunning Wende Associates

Typical survey sheet



Survey buildings in blue

Overview

The building survey included fourteen vacant, for sale and underutilized buildings along Payne Avenue. The intent was to get a sense of the general condition and code-related items relevant to the buildings reuse.

Each survey comprised of an on-site walk through of site and building with an Electrical Engineer and a checklist prepared by Structural and Mechanical Engineers. This information is included on the survey sheet.

Additional information includes; lot size, parking stalls, building square footage, number of stories and zoning

Findings

Summary of findings – The following comments are general in nature, but do provide an accurate overview of the buildings in the survey.

Architectural – For the most part, the building envelopes are in pretty good condition. Several suffer from unfortunate storefront remodel projects. Accessibility requirements (ADA codes) to the basements and upper floors will be problematic due to the relatively small floor plate area of the buildings and the high cost of elevator installation.

Structural – Most of the buildings appear to be structurally sound. Basement foundation walls and exterior walls are in good shape, with various tuckpointing needs.

Mechanical and Plumbing Systems – Lack of accessible bathrooms on the first floor are the most common issue. Most HVAC systems have been updated and do include air conditioning. Most buildings do not have a fire protection sprinkler system.

Electrical – For the most part, the electrical systems and panel boards have been updated to current codes. Exit and emergency lighting along with fire alarm systems generally do not meet code requirements.

Based on findings from the building assessment survey and the analysis of conditions, the following suggestions are made:

- Improvements to existing buildings should be considered as commercial area infrastructure improvements. As such, this is done to benefit the entire area, not just the building owner.
- Priorities should be placed on rehabilitation projects to bring existing commercial buildings into compliance with health, safety, and welfare codes, along with sprinkler systems and updated bathrooms.
- Consider reinvesting in structures that have a potential service life of an additional fifty to one-hundred years.

Building Studies

Overview

Finding that most of the inventoried buildings could continue to contribute to the commercial district, these buildings will require various reinvestment in building systems and appearance. Overarching development patterns should include:

- Changing the parking requirements to be more beneficial to the district
- Pursue mixed-use buildings to enliven the street
- Retain a stock of smaller floorplate buildings for start-up businesses
- Encourage shared parking arrangements

Redevelopment

Given the number of vacant, for sale or underutilized buildings in the corridor, priority should be given to the redevelopment of these existing commercial buildings. Opportunities for redevelopment include:

- Develop housing on upper floors of commercial buildings
- Add transparent storefront renovations to increase vitality to the street
- Improved energy and water use in existing buildings
- Address accessibility and health, safety and welfare issues
- Reuse of existing buildings is the “greenest” strategy

New Development

New development opportunities exist along the commercial corridor which consist of both infill and vacant building sites. Some development considerations are:

- Provide mixed-use buildings with upper level living to increase the density of the commercial district
- Be sensitive to the historic context of the avenue, but have fun
- Provide storefronts and public spaces to incrementally add to the commercial districts social qualities and ambiance
- Improved energy use

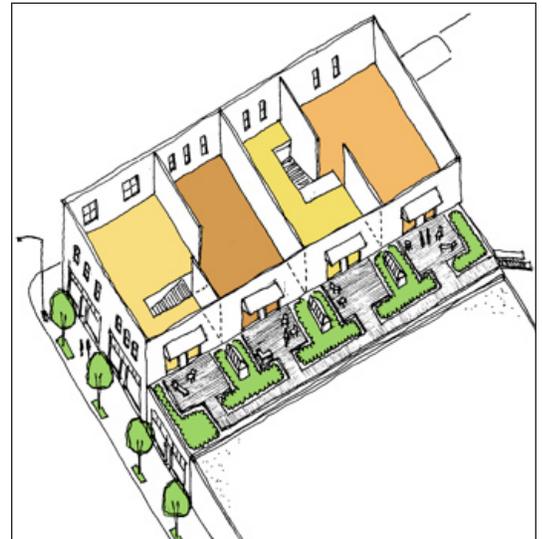
Energy Efficiency

One of the largest costs for a building owner is energy and water use. The commercial district should consider a district scale heating and cooling system to address these issues.

- Obtain baseline energy use data for existing commercial buildings
- Conduct energy audits to determine possible areas of improvement
- Set targets for energy utilization and develop budgets for achieving this goal
- Identify strategies on energy retrofit or renovation investments
- Implement conservation measures



Façade studies open businesses to the street



Potential for housing on the upper floors of commercial buildings

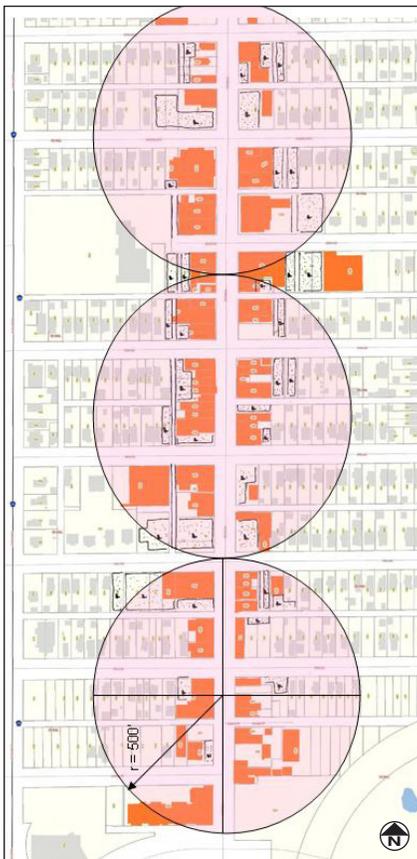


Potential for infill development

Parking Study



Potential Commercial Traffic Circulation Pattern



Allowable Shared Parking Area

Overview

The parking study was conducted to inventory and analyze parking characteristics and conditions along Payne Avenue, between Maryland Avenue and East 7th Street, and prepare recommendations that will provide ESNDC and property/business owners approaches for:

- Identifying parking issues
- Addressing parking immediate issues (i.e., quick fixes)
- Addressing larger parking issues as part of an overall redevelopment strategy
- Positioning the Payne Avenue corridor to better accommodate redevelopment and growth

Findings

The parking occupancy counts showed parking demand is relatively low along the Payne avenue corridor and that the percentage of non utilized parking spaces is relatively high. This finding was consistent throughout the corridor, even in the commercial core (Segments 3 and 4) where the density of retail shops is highest.

Further analysis also showed that, based on the current Municipal Code, an estimated 1,793 off-street parking stalls would need to be constructed to bring existing buildings into compliance with the city's parking requirements.

Based on findings from the parking occupancy counts and the analysis of the required off-street parking supply, it is concluded that implementing the city's parking requirements would result in an "over supply" of parking stalls within the commercial core along the avenue.

- Willingness of property owners to work cooperatively so that the parking issue can be addressed in a comprehensive manner, rather than an individual property basis.
- Reliance on the 500-foot provision in the city's parking regulations, which allows an off-street parking lot for a particular building to be located as far away from the building as 500 feet.
- Acquisition of residential properties, across alleys or next door to the commercial buildings in the commercial core, for parking lot development. Many of these residential buildings are currently in foreclosure and available at below market prices. Strategic acquisition of these residences will ensure that the 500-foot regulation can be successfully implemented.
- A re-zoning or a zoning overlay to be applied to the commercial core, which would allow lower parking ratios associated with the city's Traditional Neighborhood Development (TND) Zone.

Public Realm

Creating a Walkable Town Center

The Payne Avenue commercial corridor offers the opportunity to recreate itself as the center of a community focal point. Assets include:

- Well served by transit
- Close proximity to newly developing employment opportunities
- Strong connections to regional open space systems
- Conveniently located neighborhood parks and institutions
- Ample underutilized space available for redevelopment

Streets

The planned reconstruction of Payne Avenue will be the greatest improvement the commercial area could make. This work should also include:

- Pedestrian scaled lighting
- Street trees to provide shade, scale and rhythm
- Additional planting areas to provide color and texture
- Bioswales to retain and treat stormwater runoff
- Improving the commercial storefronts with fresh lighting and signage
- Improving the transit environment
- Connections to regional open space systems
- Developing a new “greenstreet” on Greenbrier Avenue to connect Heritage Park to Wheelock Parkway

Alleys

In conjunction with up-grading the parking lots, alleys can become additional social spaces and ‘outdoor rooms’ for the commercial district. Other elements could include:

- Can be used as seasonal commercial space
- Provide an additional pedestrian route to Payne Avenue
- Provide stormwater management with pervious paving
- Create spaces for additional landscaping
- Additional social spaces to bring people onto the street

Parking Lots

As noted in the parking study, the development of new and existing parking lots will play a vital role in the development of the commercial area. Elements of the planning should include:

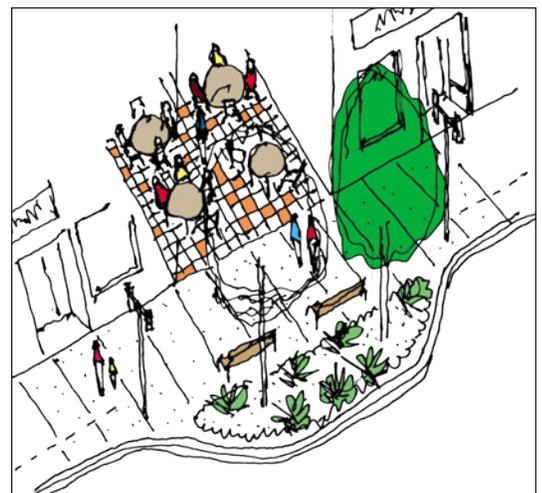
- Separation of commercial traffic from the residential neighborhood
- New signage to direct customers to parking areas
- Raingardens and pervious surfaces to retain and treat stormwater
- Lot maintenance materials and planting to present a desirable image
- New lighting for pedestrians and to improve security



Payne Avenue commercial district to the left, “greenstreet” connection on Greenbrier Avenue. Transit in red.



Improved transit stops located out of the pedestrian's way



Alley's at mid-block converted to exterior social spaces

Recommendations and Next Steps

The process of examining and assessing various buildings along Payne Avenue led to broader and varied discussions about the future of the commercial district. These discussions led to an integrated and comprehensive approach for the revitalization of the commercial district and a recognition of a stable, vibrant residential neighborhood. In each case the outcomes of the work suggest the next steps.

OUTCOMES

Workshops

- Parking workshop attended by City staff
- Visioning workshop provided valuable input
- Marketing workshop provided various perspectives
- Participant feedback was positive

Building Assessments

- Understanding buildings needs
- Discovered a market for upper story housing
- Suggested some first floor remodeling
- Developed sketches for building redevelopment

Parking and Parking Lots

- Met with City Planning staff to discuss parking study
- Generated interest in parking lot improvements
- Suggested an approach to develop shared parking

Public Realm

- Reconstruction of Payne Avenue is top priority
- Identified inadequacies with the transit environment
- Identified opportunities for improvements

Block Transformation

- Suggested “Traditional Neighborhood Zoning”
- Suggested energy improvements

NEXT STEPS

- Revised parking code now under consideration
- Look for opportunities for partnering
- Planning for street improvements
- Identify additional topics and schedule
- Develop marketing plan for area reinvestment

- Modify loan and grant guidelines to address needs
- Look for redevelopment opportunities and funding
- Implement first floor remodeling
- Pick a couple of buildings to redevelop

- City is considering a revision to the parking ordinance
- Obtained grants to upgrade a couple of lots - clean, light, stripe
- Implement shared parking approach

- Convene public participation workshops when appropriate
- Implement changes with reconstruction of Payne Avenue
- Coordinate and combine with programs for parking lots and exterior commercial space, alley development, etc.

- Look at re-zoning with City
- Conduct energy audits and develop base data
- Create a shared vision for implementation
- Seek partners for redevelopment