

Lot K, Cleveland and Grand, and its Use as a Parking Lot

- *Background for West Summit Neighborhood Advisory Committee*
- *Meeting of March 10, 2020, prepared by Amy Gage*

Fact 1: The McNeely Hall Site Plan (File #05-047-765), a Planning Commission resolution dated March 11, 2005, allowed the northwest corner of Grand and Cleveland to be used as a parking lot for 10 years. To quote:

- A new parking lot with 32 parking spaces is shown at the southeast corner of the site, at the intersection of Grand and Cleveland. A permanent parking lot is not consistent with the St. Thomas CUP approved in August 2004 which shows housing at this location. However, a parking lot that is well landscaped and screened is acceptable as an interim use if it is removed within 10 years of final approval of the site plan for McNeely Hall. At that time construction on a new residential building must start or the lot must be removed and replaced with grass and landscaping.

Fact 2: In fall 2014, a WSNAC-appointed negotiating team — three neighborhood members, three university members — met independently of the advisory committee to hammer out a deal for the parking lot's extension. Of the six people on that team, only Amy Gage and Alyssa Rebensdorf are on the current WSNAC (Alyssa was not a WSNAC member at that time).

- Josh Capistrant (UPDC) and Josh Williams (City of St. Paul PED) are the only current WSNAC members who were on the committee and present for the discussion and vote.

Fact 3: The original three-year extension (2015–2018) called for St. Thomas to invest \$40,000 in street lighting, \$50,000 in housing conversions and \$10,000 for restrictive covenants on owner-occupied homes (those funds later got absorbed into the housing conversion fund due to lack of interest in restrictive covenants). From the WSNAC minutes of December 14, 2014:

- Background: The University must cease using that space as a parking lot by March 2015 unless the City of St. Paul accepts the university's request for a three-year extension. Because it would cost St. Thomas about \$100,000 to close the lot and plant grass and landscaping (one of two options required by the 2005 McNeely Hall site plan), three St. Thomas staff members and three neighborhood representatives have been negotiating about a \$100,000 investment in the neighborhood in exchange for WSNAC's support of the three-year extension.
- <http://wsnac.net/media/wsnac/pdfs/WSNACminutes12.16.14.pdf>
- <http://wsnac.net/media/wsnac/pdfs/WSNACminutes01-13-15.pdf>

Fact 4: The original extension agreement also allowed Davanni's and Coffee Bené customers to use 16 spaces in Lot K from 5 p.m. to midnight weekdays and 7 a.m. to midnight Saturdays and Sundays; the business leased those spaces, though WSNAC minutes do not reflect what was paid. The university also agreed to inform WSNAC of its plan for the site by fall 2017, six months before the parking lot extension would expire.

- *This time, the university seeks to get one year ahead of the March 2021 expiration date for the second parking-lot extension.*

Fact 5: St. Thomas completed four housing conversions, at a total cost of \$60,000, between December 2015 and June 2017. The houses were either registered student rentals in the city's Student Housing Overlay District or were parent-owned rentals that could have stayed in the parent-owned market (via word-of-mouth). Housing conversions include a restrictive covenant that forbids a majority of undergraduate students from occupying the property for 30 years.

- http://wsnac.net/media/wsnac/pdfs/11.17_Minutes_WSNAC.pdf

Fact 6: After hearing from Davanni's President Bob Stupka about the hardships he was facing due to lack of parking, WSNAC voted in December 2017 to accept a second three-year extension of the NW corner of Grand and Cleveland as a parking lot. That agreement extends from April 1, 2018 until March 11, 2021. Macalester-Groveland Community Council subsequently approved this second extension as well. When Amy Gage, director of neighborhood relations, presented the proposal to the city's Planning Commission in March 2018, however, the chair said he hoped not to see the university making such a request again.

Fact 7: The current agreement has Davanni's leasing 16 spaces full time, and that money goes to three housing conversions. From the WSNAC minutes of December 12, 2017:

- Davanni's president Bob Stupka has agreed to pay \$15,000 annually to lease the 16 spaces every day from 5:30 a.m., when Coffee Bené opens, until 1 a.m., when the adjacent Davanni's closes. In turn, St. Thomas will use the \$15,000 to continue the Neighborhood Stabilization Fund. The NSF converts student rental houses to owner-occupied properties with restrictive covenants that forbid their use as student rentals for 30 years. Action: Hennes/Westermeyer moved to endorse the extension of Lot K for three years, accepting a \$15,000 annual payment from Davanni's that will be used to convert one student rental house or duplex per year.
- http://wsnac.net/media/wsnac/pdfs/12.17_Minutes_WSNAC.pdf

Fact 8: Housing conversions are arranged by Amy Gage and Tanya Hietpas, a St. Thomas alumna and Edina Realty agent who worked with Amy's predecessor, John Hershey, on the original "housing buyback" program. Their recommendations are approved by Chief of Staff Amy McDonough and Vice President for Business Affairs and CFO Mark Vangsgard, whose office helps process the paperwork.

- To date, no housing conversions have been finalized. One in Merriam Park is pending, and early-stage conversations are in the works on four more.
- In earlier activity: One attempted parent-owned rental conversion fell through after the family sold to another set of parents; a second inquiry was turned down for a parent-owned rental that is also registered as a student rental because the family wants to keep the house for younger siblings of the current Tommie; and a third inquiry to convert a large registered student rental on Marshall with seven bedrooms, and a history of issues, fell through because the \$15,000 incentive didn't make enough of a dent in the \$550,000 asking price.

Fact 9: Should WSNAC vote to approve a third extension of the NW Grand-Cleveland corner as a parking lot, the matter would go next to MGCC's Housing and Land Use Committee and then to the city's Planning Commission.