

# St. Paul wants Shepard Road apartments scaled back; developer balks

The future of a proposed six-story apartment building planned along the Mississippi River bluffs off Shepard Road is in jeopardy after the St. Paul City Council forced the developer to scale back the project.

Aiming to find a compromise between environmental groups and neighborhood condominium owners and the developer's economic goals, the council voted 7-0 on Wednesday evening to reduce the building's height by about 13.5 feet.

The net effect means the developer, Shepard Development, would have to cut the building's height from the proposed 73.5 feet to 60 feet.

"We lose more than a story now. ... It's too early to say what we will do, but I don't think we will build this building at 13 feet lower than we'd planned," said Scott Belsaas, vice president of Shepard Development. "It just doesn't seem like housing will work there."

The St. Paul Planning Commission had previously approved a variance allowing a 73.5-foot building, which is significantly higher than the 40-foot height allowed in the area under the city's zoning code. An overlapping zoning area allows buildings up to 55 feet.

Council member Chris Tolbert offered the motion, saying a 60-foot building better preserves the character of the historic river corridor while still reasonably accommodating the developer's needs. He added that the lesser height was more in line with other development in the area.

"This is probably one of the tougher issues that I have seen come through Ward 3 since I have come on the council. ... We've had lots of discussion .

.. on probably the best asset in the city of St. Paul beyond the people, which is the river," Tolbert said. "(A 73.5-foot building) is clearly out of scale with the existing pattern of building heights in the area."

Council President Russ Stark called the height a "nice balance."

"I think this was a really tough issue in terms of the competing values and interests, and I do think almost everyone recognized that 40 feet was too restrictive ... and that 73 feet was too high, so I think a compromise position seems to strike a nice balance."

But Belsaas, whose employer shares owners with Johnson Brothers Liquor Co., said the new height restriction could kill the project.

The company owns 21 acres at Shepard and Davern Street, home to a now-raised office building that had housed Sperry Rand Corp. and U.S. Bank. The 210-unit market-rate apartment building with limited retail was planned to be the first of the developer's many building projects on the site.

The developer requested the height variance after running into site challenges. Bedrock on the parcel prevented digging, forcing the parking structure above ground.

Opponents of the project said the towering height would impede views along one of the most historically and geographically significant points in the state: the confluence of the Mississippi and Minnesota rivers directly across from Fort Snelling. They also worried the building would set a precedent for future development.

In that vein, the Friends of the Mississippi River appealed the planning commission's approval to the city council.

The Minnesota Department of Natural Resources and Friends of the Parks and Trails of St. Paul and Ramsey County all opposed the project.

The council denied the appeal before offering the motion to lower the height.

Whitney Clark, executive director of the Friends of the Mississippi River, said he "appreciated" the council's decision.

"I think we tried to make the case that even a structure of 60 feet would have a significant impact on the view-shed ... but 60 feet is certainly significantly less intrusive than 73.5 feet."

He added that he still thinks the developer will find a way to make the project work.

"We have heard that from them before," Clark said. "I think the jury is still out on whether residential is viable there but my guess is it probably is. ... It's a very attractive spot, close to downtown, adjacent to a park. I think they will find a way to make it profitable."

A representative for nearby condo owners said she was "pleased" by the compromise.

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