

**Excerpt from the
CITY PLANNING COMMISSION
MINUTES
Minneapolis Community Planning & Economic Development (CPED)
Planning Division**

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MEMORANDUM

DATE: November 12, 2004

TO: Blake Graham, Manager, Community Planning & Economic Development - Planning Division; Phil Schliesman, Licenses

FROM: Neil Anderson, Supervisor, Community Planning & Economic Development - Planning Division, Development Services

CC: Barbara Sporlein, Director, Community Planning & Economic Development Planning Division

SUBJECT: Planning Commission decisions of November 8, 2004

The following actions were taken by the Planning Commission on November 8, 2004. As you know, the Planning Commission's decisions on items other than rezonings, text amendments, vacations, 40 Acre studies and comprehensive plan amendments are final subject to a ten calendar day appeal period before permits can be issued:

ATTENDANCE

President Martin, Vice President Hohmann, Krause, Kummer, LaShomb, and Schiff – 6

INTRODUCTION TO PUBLIC HEARING

PUBLIC HEARING

**REPORT
of the
CITY PLANNING COMMISSION
of the City of Minneapolis**

The attached report summarizes the actions taken at the City Planning Commission meeting held on November 8, 2004. The findings and recommendations are respectfully submitted for the consideration of your Committee.

The Minneapolis City Planning Commission, at its meeting on November 8, 2004, took action to **submit the attached comment** on the following items:

6. Houly Xiong (Vac - 1439, Ward 5), 1421 Glenwood (Becca Farrar).

A. Vacation: Application by Houly Xiong to vacate the following right-of-way (Vacation file 1439): That part of Irving Avenue North, as opened by the City of Minneapolis, through part of Lots 6, 7, 8 and 9, Grand View Addition. This property is located at 1421 Glenwood Avenue North.

Action: The City Planning Commission recommends that the City Council accept the findings and **approve** the vacation subject to the provision of an easement to Centerpoint Energy Minnegasco of the east half of Irving Avenue North which lies between northerly of the northerly right-of-way lines of Cedar Lake Road North and which lies southerly of the southerly right-of-way line of Glenwood Avenue.

Commission President Martin opened the public hearing.

No one requested to speak to the item.

Commission President Martin closed the public hearing.

Commissioner LaShomb moved approval (Krause seconded).

The motion carried 5 – 0.

8. Kristi Oman (BZZ-2044, Ward 1), 3100 Johnson Street NE (Fred Neet).

A. Rezoning: Application by Kristi Oman to rezone the property at 3100 Johnson Street Northeast from OR1.

Action: The City Planning Commission recommends that the City Council adopt the findings and **approve** the rezoning of 3100 Johnson Street Northeast from OR1 to C1.

Commission President Martin opened the public hearing.

No one requested to speak to the item.

Commission President Martin closed the public hearing.

Commissioner LaShomb moved approval (Krause seconded).

The motion carried 5 – 0.

16. Walid El-Hindi (BZZ-2042, Ward 10), 3228 Garfield Avenue South (Becca Farrar).

A. Rezoning: Application by Walid El-Hindi to rezone the subject parcel from the R2B (Two-family) district to the R5 (Multiple-family) district for property located at 3228 Garfield Avenue South.

Action: The City Planning Commission recommends that the City Council adopt the findings and **approve** the rezoning petition to change the zoning classification of the property located at 3228 Garfield Avenue South to the R5 district.

Staff Farrar presented staff report.

Commission President Martin opened the public hearing.

Walid – El Hindi (Applicant): I would like to put some photographs of the block up for you to see. Basically, this is the west side of the block. There are several apartment buildings. This is the apartment building to the south, this is the apartment building to the north and this is our piece of property right here. These are newly constructed side by side townhomes and this is an apartment building. I believe this is the single family home. This is a side view of our lot with the apartment building to the south and this is a side view with the apartment building to the north. On the other side, adjacent to it, directly across from where we are this is an apartment building, this is an apartment building and this is an apartment building. We wanted to engage the neighborhood from the beginning of this process because we're very concerned about that. We engaged the neighborhood early on, before our required meetings, to get their feedback. We have presented, not this site plan but this is the revised site plan, with a driveway going across all the way and having access as well from Garfield. That was our first meeting with the housing committee for the Lyndale Neighborhood Association group. During that meeting, they pointed out that they really don't like the idea of having a curb cut from Garfield as well as losing two spots on Garfield. We went and redesigned our parking layout and we came up with an idea that would only limit our access to the back and also limit our hard surface area on that north side. This is the revised plan that you see. That was really their main concern during that meeting. The other concern was that they liked the project the way it is, but they said they wanted to make the zoning contingent only for this project. I said that I didn't think it would be a possibility. The answer to that is that if somebody is going to submit something different, even if it was us, we'd have to go through the whole process once more. I don't think that would be something that is even in our hands to be answering. One of the major concerns of the neighborhood is height. I would like to try to explain what we have done with the height. We really tried to understand. We built several models to try to understand the massing of the building to try to downsize the building look and feel on this block. This dashed line right here, actually you can see photographically we've imposed the building to the south, what we've tried to do... if we would have built... this is the setback line, right here. We could have built our building like this and I think what happens is that the height, you can really feel the height because it's so pushed to the sidewalk. What we've done is we've tried to really push the building further, further every story to try and limit the perception of the height. What you see here, this is a person walking down the sidewalk and this here is the perception of height at the sidewalk and here, this is the perception of height at the sidewalk although this is higher, but it actually is the eye-sight line – that's lower. We have taken some pictures. This is the building directly to the north of our site so our site would be somewhere off the picture right here. This picture was taken from Lyndale Avenue. There is a four story apartment building right here. This is the three story apartment building. Although this is four story and this is three story, because of the height perception, and again because of the perspective, you don't really feel the difference of one story in height. These are additional pictures to show you. This is down the alley, these are all apartment buildings that we were showing on the map. I'd also like to add that the property has a soil condition that would make it very hard to develop this piece of property at all if you tried to put even a duplex on it. With the cost of the piece of property itself added to that our estimation of \$80, 000 - \$100,000 for soil correction and a structural slab that it would be impossible for this piece of property to be developed for the current zoning that it is under right now. I'd also like to add that in terms of green space, we have put all the parking underground rather than try to put garages on the back side because that would be a more buildable area, even if they are detached and we tried to maximize our green space opportunities. From this building to the north to our building is about 25 feet. From our building corner to the south is also about 25 feet which is a lot more than any...if you even look on the other side, this is about 10 feet, which is the regular Minneapolis setbacks originally in the City. As far as the garden, this is the sort of garden that we

wanted to have access for this unit to come out and actually be able to use the garden thus the variance request we were asking for on that side. We could close that door and not ask for the variance, but we thought it would be something nice to have.

President Martin: Commissioner Schiff, you have a question for Mr. El-Hindi?

Commissioner Schiff: On the north side where that car is turning in, what is the need for all the pavement to the east of where the car turns in?

Walid El-Hindi: That's a good question, thank you. When you come out of the parking stall and... actually, I am going to have to put the parking layout up for that. If you are going to come in here and park in any one of these stalls, in order for you to back out, you need the 10 foot backing up space.

Commissioner Schiff: Why wouldn't you just back into, within the development, in the other direction?

Walid El-Hindi: That's one point, you could back out with a couple of turns you could do that. Another point was snow removal. We wanted to keep an area for snow removal. If you brought wall right up to here, snow will accumulate and actually be a problem right up against the door.

Commissioner Schiff: If you had a wall, but if you didn't have a wall then you could just push the snow to a pervious area and allow it to drain there.

Walid El-Hindi: There is a change in elevation between this area and the Garfield side because we wanted to make the whole area green on the Garfield side, we had to put a retaining wall to retain that.

Commissioner Schiff: How high is the retaining wall?

Walid El-Hindi: The retaining wall, I believe, is about six or seven feet.

President Martin: Anything else? Anyone else wish to speak to item number 16?

Andy Bare (3240 Garfield Avenue): I don't have a problem with the rezoning. Commissioner Schiff makes a good point – for the whole block to be rezoned. Any minor changes that neighbors may need to make, that makes sense. In a zoning change, I have a couple of procedural questions, does R5 allow a 40 foot height?

Staff Farrar: If you were to approve a rezoning to an R5, the applicant could technically build to four stories or 56 feet.

Andy Bare: With that in mind, we have an elevation here and if you put this into perspective, this whole entire line on this whole entire block is at 35 feet or less. My buildings are 33 feet, just to the south of these buildings. The building south of that is 30 feet. Everything on that line is 30 feet. The Lyndale Avenue side can get up to four stories. To put this into perspective, from the top of your bench here to about the bottom of those things is about the 10 feet in question. I don't think does a whole lot of justice. If you put this on a larger scale, you're going to see a lot larger height increment. That's one thing I'd be opposed to is the 46 feet. As far as the six units or the other setbacks, I'm not opposed to any of that. He does have a very good green space. I would like to see good building materials being used. He did mention that the soil conditions are poor there. I had to put pile driving in there and I had to remove a bunch of dirt and he does have some challenges there. The figure of \$80,000 is pretty conservative, he'll probably end up spending \$120,000 - \$130,000. An R2 will not work on this site at all.

President Martin: Others who wish to speak to item 16?

Holly Reckel (3523 Garfield Avenue): I am speaking as a resident and representing many people in the surrounding blocks. I am mainly opposed to this because of the R5 zoning. I believe the R5 that is on Lyndale Avenue makes sense because it's a main corridor. Garfield Avenue is an interior residential street that's a half a block away from a park. I'm concerned about the possible height being up to 56 feet. I am concerned that this could conceivably, if this design come through, we could end up with a really hideous four story building. The four story building that was sided is actually on Lyndale. All of the apartments on Garfield are two stories plus a garden level apartment. They were all built in the 1920's, most of them, and we'd like to see that character preserved. I looked in the Center for Neighborhoods Minneapolis zoning basics to educate myself about what zoning is. The first paragraphs that I read in the residential districts... it says "to preserve and enhance the quality of living in residential neighborhoods. To regulate structures and uses that may affect the character and desirability of residential areas. To encourage a variety of dwelling types and locations and a range of population densities consistent with the comprehensive plan and to ensure adequate light/air privacy and open space". I feel like this proposal doesn't fit with any of these things. It totally cuts off light and air from the neighboring building to the north. Everything about it is undesirable and it's excessive in the size. I think it's quite a big jump to go from R2 to R5. We're concerned about the parking and traffic. I don't think six spaces is adequate. If you live on this block, or go anywhere near this block, people that live there currently cannot find on-street parking. As a female, trying to find a place to park at night, this is a huge concern. Even one more car, two more cars, three more cars is too many for this street. It's very highly populated on this street. We're also concerned any increase in traffic because this is right near a park. We're also concerned that the driveway is so enormous. It goes all the way from the front of the property to the back, practically. It goes down hill...

President Martin: Actually it doesn't. It comes in from the back now.

Holly Reckel: It comes in from the back, but it goes all along and it's very close to the neighboring building to the north. It seems like it would be better if the driveway went into the building and under and there was more green space. We don't like so much pavement there. It seems like some of the rationale for building such a big building is that the developers need to recoup the money that is invested to build on a lot that maybe shouldn't be built on because of the drainage and because of the soil problems that happened on the development two lots down. If you see that lot, you can just see that it dips down. We're concerned that, what if this gets developed and this one also doesn't last? Also, another thing, our neighborhood is often trying to address affordability issues. At the meeting, it seemed like each of these units, because it's going to be so expensive to build them, would be way outside of the range and probably pretty highly above the affordability level for people in our neighborhood.

President Martin: Anyone else wish to speak to item number 16?

Owen King (3415 1st Avenue S.): I am a member of the Lyndale Neighborhood Development Corporation Board. We saw this proposal and passed it on, we recommended passing it through the neighborhood. Because it did not get passed by the general membership, I wanted to come and speak on behalf of it. It was not only passed, but it was passed unanimously and there are actually more votes on that board than it took to shoot it down at our general membership meeting. There was unanimous support by the housing committee, unanimous support by the development corporation board and we are, as a board, sad to see that it didn't pass through the neighborhood. We think that this is exactly the type of development that we want in the neighborhood. There are many reasons. It suits the block very well. We have many residential blocks in our neighborhood that you see are mostly single family homes. I live on one that has a vacant lot right now and we're working on the development and we don't want something like this built there because it doesn't fit into the nature of the block. However, this development fits as we see it, very well into the nature of the block. The other thing is, these developers have come to us on their own accord. They didn't have to come through our housing committee. They came to LNDC and asked to meet with members of the neighborhood and do that prior to even coming to our board. The fact that they made changes based on the recommendations showed that they cared about our community. The fact that it is part of Minneapolis, the development group is on Nicollet Avenue, the people doing the developing live in

Minneapolis and I think this speaks to exactly what we want out of the development that's happening in our inner city. We see a lot of larger companies come in and doing things and I think is a better suited option. A couple more specific points about the whole thing, I just wanted to point out that this building is set to be 46 feet high. This is a private deal that was struck between a person that owns this land and the developers. If this passes, it's not that it's going to be rezoned and somebody else is going to be doing the development. If this passes through the Commission here, this is going to be the developer and it is going to be 46 feet high. The fears about the height were something that were kind of brought to light in our general membership meeting by our council person and it was a personal issue on his part that he brought up and scared our neighborhood that this was going to be a towering building going on. That is not the impression that we got from the developers along the way and I've been dealing with them for a month now. I also feel like there is some anger in the neighborhood over his development over how it was done. The pilings being pounded in for hours upon hours and parking being lost on the street while it was being done. The developers have also talked to us about that and he's using entirely different techniques, once again, for the benefit of the neighborhood where they are actually drill piling the things so it's not as noisy of a process and it's much shorter of a process. All these things being done to accommodate the neighborhood and to try to make it a more worthwhile project. I feel, and worry, that these developers are being somewhat punished over some disgruntlement over prior activities on the block.

President Martin: Anyone else? Something we haven't heard?

John Sonderegger (3220 Garfield Avenue): Although I believe that the developers and the architect are trying to make a reasonable building in this space, it is not in the character of the neighborhood. In particular, if you look across the street on the east side of Garfield, all of those buildings are two stories or less, old brick buildings, and this new project would be a dramatic difference. I think the height is the greatest issue. I'm not sure that the design is at the point yet where people would be comfortable with it. I think it would have an affect on the overall appearance of the neighborhood if it's a very modern building.

President Martin closed the public hearing.

Commissioner LaShomb: I think this is an appropriate use of the property and I think three or four years down the road everyone is going to think it's incredibly compatible with this area. I used to ride my bike through this area all the time on the way to Lake Harriet and I just think this fits in very well so I am going to move the rezoning.

Commissioner Krause: Second.

President Martin: Commissioner Schiff.

Commissioner Schiff: My questions are for the architect based on some site plan issues.

President Martin: Do you want to hold it for the site plan or do you want...

Commissioner Schiff: Yeah, I'll discuss the rezoning first. It's a little disconcerting that the city down-zoned this block and no one seems to have the memory of the institution and no one remembers what the purpose was to downzone all these multi-family buildings that were built from the 1920's forward. I'm just wondering why we could create that many non-conformities on one side of the block. It seems like, if this side of the street was still single family homes – indeed this type of project would be out of character, but this is basically multi-family housing and a lot of the other buildings on this side of the block would need R5 zoning or R4 at the least in order to become conforming. I've never been a fan of using zoning in order to harm people's property values and to cause non-conformities and all that extra bureaucratic mess that comes with keeping up one's property when you're non-conforming. I think this whole side of the street should go back to what it was and if anyone in the Planning Department can remember why we down-zoned it, I'd appreciate that history.

President Martin: I suspect, Commissioner Schiff, that it was probably a reaction to the massive up-zoning that occurred in 1963 and 12,13, 14 years later people decided that maybe there was too much that was raised to R5 and R6 and pulled back, but who knows?

Commissioner Hohmann: I drove by, up and down the street, a few days ago and I had a concern about spot zoning. It's evident when you drive down the street that it was developed not as an R2 district. I think R5 zoning is appropriate.

President Martin: The motion is to approve the request for the rezoning. All in favor?

Motion carried 5-0.

Commissioner LaShomb moved approval of the conditional use permit. (Krause seconded).

The motion carried 5-0.

Commissioner LaShomb moved variances. (Kummer seconded).

President Martin: Any variance discussion? Is this where your concern was Commissioner Schiff?

Commissioner Schiff: Let me just see if... can we hold off on the variances until the site plan discussion?

President Martin: Ok. Commissioner LaShomb, will you withdraw your motion?

Commissioner LaShomb: Yes.

President Martin: Ok, so we will do the site plan first. Commissioner Schiff.

Commissioner Schiff: Two issues, one is height. Mr. El-Hindi, can you address why the first two floors of the building reach 12 feet in height and then the third floor reaches 10 feet and the fourth floor reaches 9 feet in height?

Walid El-Hindi: Right now, the design, shows the first unit on this level, which is giving a little bit more height to each unit – in terms of, that's one of things we wanted to give the tenants who would be living here is advantage in terms of height for their unit. The first floor and the second floor are 12 feet in height floor to floor. The upper unit, which actually is sort of a two-story unit, is a unit that has a two-story space, which is the living space with a lot of glass on the Garfield side and sort of a mezzanine level that overlooks that space, like a study space. From the street, it will look like it is a three story building, but in actuality code-wise, it is a four story building.

Commissioner Schiff: From the Garfield side then, the parking will be slightly raised above... and what's the reason for that? Is that just cost for going down deeper in excavation?

Walid El-Hindi: What we wanted to do is maintain...actually, every apartment building has about four or five steps up to the first level. We wanted to be within the character of the whole block and have something very similar to that. We came up four or five steps to our first level to give some privacy to the owners of the first level units so they are a little bit separated from the street and are not exactly at street level and it gives us the opportunity to have a shallow driveway so the ramp is not so steep and it's not something problematic. That's why we did that.

Commissioner Schiff: Ok. I'm hearing design choices, but there is nothing with soil conditions that would prohibit you from going deeper with the parking and thus lowering the height of the building overall.

Walid El-Hindi: We hope the soil conditions would not be a problem.

Commissioner Schiff: I'm going to encourage you to figure out some other way to reduce the size of the drive, particularly the turning radius that you have outside of the building. I think that can be provided for inside the building. I don't know how we'll come up with language to do that, but I just think you have too much pavement there and you don't really need it. To my colleagues I would suggest that the first two floors are lowered in their total height. I think the market forces here are certainly advantageous to the owner, but I think the neighborhood has a really good point about the height of this towering over the rest of the block. We're not going to see the rest of the block redeveloped any time soon. I think there is a benefit to having uniform height throughout all the buildings. I will make a motion to approve the site plan and a separate motion for an amendment of the site to reduce the first two floors to 10 ½ feet each, thus lowering the building by three feet in height.

President Martin: Ok. Is there a second?

Commissioner Krause: Second.

President Martin: Discussion?

Commissioner Hohmann: We have approved the rezoning and I don't think it's our role to work on the design details in terms of the height as long as the building falls within the current code limits.

Commissioner LaShomb: I don't want to get into design issues either, but I think higher ceilings are things people want as amenities in some places. I think that we're delving in an area we shouldn't be in. I don't think 46 feet is unreasonable. I think we've used 46 feet on some other projects that were quite reasonable. In fact, it was the baseline position so I am going to oppose any attempt get into this issue of the height of units on the first and second floor.

President Martin: Can we separate out your condition number 7 from the overall site plan?

Commissioner Schiff: Yes, that was what I was intending just so that can be voted on separately.

President Martin: Becca.

Staff Farrar: People are referencing height a lot and I think it's important to note that it's not actually 46 that they are looking to get to, it's 48.

Commissioner Schiff: Yeah, so my motion would lower it three feet down to 45 feet.

Commissioner Krause: I support Commissioner Schiff's amendment simply because I think this is a reasonable compromise. I don't think it does any great damage to the project and reflects the neighborhood's primary concern which is the height of the building.

President Martin: Ok. Commissioner Hohmann.

Commissioner Hohmann: What is allowed in R5, 56 feet?

President Martin: 56, yep. Commissioner Schiff, are you ok if separate out the condition about the height and you haven't yet said... the driveway?

Commissioner Schiff: Right. No I haven't. Yes...

President Martin: Ok. So we'll take those two. At the moment we have a motion to approve the site plan with the original six conditions, right?

Commissioner Schiff: Right. Then I moved an amendment.

President Martin: All those in favor of approving the six staff conditions in the site plan and the site plan itself? Opposed?

Motion carried 5-0.

President Martin: Commissioner Schiff, you have two additional conditions that you would like to...

Commissioner Schiff: The first one on height...

President Martin: Ok. Did you want to do a driveway thing?

Commissioner Schiff: I don't want to combine them.

President Martin: So you're suggesting that the commission add a condition number 7 which reduces the first two floors to 10 ½ feet, right?

Commissioner Schiff: Right.

President Martin: Commissioner Krause, you would approve that, or no?

Commissioner Krause: As I understand it, it reduces the height of the project to 45 feet without necessarily specifying the floors.

Commissioner Schiff: Madame Chair, that's my intention, lowering the height of the building three feet so if also comes out of sinking the garage level lower, that's also another option.

President Martin: Ok.

Walid El-Hindi: If we can lower the building to 45 feet, but actually keep our 12 foot floor to floor...

President Martin: Yeah, that's what we just said. Ok, further discussion? All in favor of adding condition to lower the building to 45 feet, however that gets accomplished, please signify by saying "aye".

Hohmann and LaShomb voted against. Motion carried 3-2.

President Martin: You wanted to do something with the driveway?

Commissioner Schiff: Yes, but I will wait for someone else to have the language. Commissioner Krause, you are the king of impervious surfaces and the protector of storm water... perhaps you have something in mind to reduce the size of this driveway.

Commissioner Krause: I don't think the applicant needs to have paved surfaces to store the snow so that area of the driveway that you originally intended for snow storage could be a pervious surface and that's what I would recommend whether we want to make it a condition or just a suggestion to the developer.

President Martin: You're making that as a motion?

Commissioner Krause: Yes.

President Martin: Is there a second?

Commissioner Kummer seconded the motion.

Commissioner LaShomb: I would like to ask the architect if the building is going to be 45 feet and you may be digging deeper into the ground to build the garage level, is that going to impact on how the driveway would look, or it doesn't make a difference?

Walid El-Hindi: I can't answer the question right now before studying it, but I feel like the three feet would impact the driveway in terms of ramping down. As far as the 10 feet, as I understand, the 10 feet may not be needed code-wise because we can back up inside. I feel like we'd have to study it before we could have a conclusion to what the solution would be.

President Martin: Commissioner Schiff, I am going to suggest that you withdraw that motion and that we suggest to Becca that she work with the applicant to get to... you have sense of what commission is after and to work with Mr. El-Hindi to achieve that.

Commissioner Schiff: Maybe we just make that a staff direction. If we just withdraw the motion and we just say "directed to work with staff to minimize impervious surfaces, particularly with the area of the extra 10 feet of the drive aisle that was intended for the outdoor turnaround".

President Martin: Second?

Commissioner LaShomb seconded the motion.

President Martin: All in favor of that direction to staff?

Motion carried 5-0.

President Martin: We have to do the variances.

Commissioner LaShomb moved the variances. (Kummer seconded)

Commissioner Schiff: Is the full 11 feet necessary or can this be done smaller? What's the most narrow?

Staff Farrar: I guess I don't understand the question.

Commissioner Schiff: On item C, the request is to reduce the interior sideyard setback along the north property line from 22 feet to 11 for the proposed driveway.

Staff Farrar: It's to one foot for the proposed driveway, 11 feet for proposed building.

Commissioner Schiff: Can it go any further to reduce the driveway further or is the driveway at the minimum?

Staff Farrar: It's at 10 feet right now for minimum width and I think that's cutting it close.

Commissioner Schiff: Is that our minimum code for width?

Staff Farrar: For driveway width? For a standard parking stall it would be. For a drive width, I think that would more than suffice. I don't know specifically whether that's a code requirement or not.

President Martin: We have a motion to approve the variances as stated.

Motion carries 4-0 (Commissioner Hohmann not present for vote).

17. Bradan Automotive (BZZ-1117, Ward 1), 831 Hennepin Avenue East (Lonnie Nichols). This item was continued from the July 12, 2004 and September 13, 2004 and October 25 meetings.

D. Vacation: Application by Dan Lovestrand, dba, Bradan Automotive, for a vacation of the stub end of Tyler Street for an automobile repair shop in an existing building located at 831 East Hennepin Avenue in the I-1 (light industrial) zoning district.

Action: The City Planning Commission recommends that the City Council accept the findings and **approve** the vacation to vacate a remnant of Clayton Street (now known as Tyler Street NE) measuring 39.30 feet by 66 feet as dedicated on Ramsey Lockwood & Others Addition To St. Anthony which lies southerly of the easterly extension of the Northerly line of Lot 29, Block 21, said addition, and Northerly of a line drawn parallel with and 7.00 feet Northerly of the South line of said Lot 29 and its Easterly extension., subject to the retention of an easement by Xcel Energy.

Commission President Martin opened the public hearing.

No one requested to speak to the item.

Commission President Martin closed the public hearing.

Commissioner LaShomb moved approval (Krause seconded).

The motion carried 5 – 0.

19. Bluff Street Development (BZZ-1956, MS -121, Ward 2), 520 2nd Street Southeast (Jim Voll). This item was continued from the September 27, 2004 and October 13, 2004 and October 25, 2004 meetings.

A. Rezoning: Application by Steve Minn, Bluff Street Development for rezoning from I2 to C3A for property located at 520 Second Street SE.

Action: Notwithstanding staff recommendation, the City Planning Commission recommends that the City Council **approve** the rezoning application from the I1 and I2 Districts to C3A Districts and to remove the ILOD for property located at 520 2nd Street SE.

Staff Voll presented staff report.

President Martin: Questions? Commissioner Krause.

Commissioner Krause: Jim, are any areas on Main Street in the activity center or considered part of the activity center? It's pretty busy down there.

Staff Voll: I'm not sure. The C3A zoning goes a little bit on Main Street, I'd have to look at the zoning plate. I can't remember where it stops. We did have that discussion as to whether Main Street is part of the activity center or not and it was our opinion that we would not consider it part of the activity center. Maybe sometime in the future if the whole area develops it could be something we could revisit...

Commissioner Krause: Or sometime in the past, maybe it was an activity center.

President Martin: It is seasonably an activity center at the moment.

Staff Voll: I agree with you, it's an interesting place and I have spent a lot of time there. When you look at the standards and the comprehensive plan that we use to designate what an activity center is

and when we looked at what we were doing with activity centers, we did not expect that to extend more than a couple of blocks beyond that area. That's just following the comprehensive plan.

Staff Anderson: Pedestrian overlay district goes down to 3rd and Main.

Staff Voll: The C3A as well? It's a little west of 3rd I think.

Staff Anderson: C3A also goes down to 3rd.

President Martin: Alright, so it's three blocks away. Ok. Other questions?

Commission President Martin opened the public hearing.

Theodore Tucker (319 5th St. SE): I am representing the Marcy-Holmes Neighborhood Land-use Committee and also a joint taskforce of neighborhoods including Marcy-Holmes, Nicollet Island, some owners adjacent – Soap Factory, Forbes, Schafer Richardson and now Bluff as well. We try to get everybody together and talk about things. We haven't quite talked it to a solution yet. About this project, the developers for Bluff clearly have read the Marcy-Holmes master plan and it responds in many ways. To note a few, the change from industrial to residential we anticipate. It increases a percentage of owner occupancy in Marcy-Holmes. It takes care of likely parking demands. The façade responsive design guidelines in the plan, particularly putting doors on Second Street bringing the façade right up to the property line which we want to see on that part of Second Street. In the course of their design, they reduced curb cuts from two to one which we think helps enliven the street. We hope that there might be some solution where we could get rid of even that one, but that's not up to us, it's up to others. In the redesign of their façade, which you see here, they have added a horizontal emphasis which connects the Soap Factory and Forbes and we were pleased to see that. We have had many discussions with Bluff and its architects. Back in September we asked for a number of changes, this was before the City Council acted on the height matter. We asked for façade changes and a 19 foot setback on the sides and back, not including the front 40 feet. At the time we supported the CUP for eight stories, but the HPC ruling and the appeal of the City Council changed all that and the developer redesigned. We met last Thursday with the architect to review plans and our letter of September 27th has to be amended. Item one, we have not changed our position on that. That was approved by the board back in September. We consider this to be spot zoning. We don't know what's going to happen with the other land if the whole area becomes C3A, but we know that you can't anticipate this project based on what some other developer has requested so we could consider this spot zoning and support staff position on this rezoning matter. On the CUP for units, we would support the 35 allowable for the ILOD. Item 3 is moot. We are not terribly enthusiastic about FARs going way over what's allowed by an ILOD. Number six, the setback, we had asked for 19 feet, now because it's a lower building, 15 feet, but without the balconies impinging, would be our position. We believe that the adjacent buildings, the Soap Factory and Forbes, will not always stay as they are. I know that Soap Factory right now is starting discussions with an architect and planner to see what they might do with their property. We can't be sure that buildings won't go up in that area. Similarly with Forbes, although part of Forbes that's right at the corner of 6th and 2nd is much beloved by all of the community. There is a part behind that concrete block of the 1940s that may get changed. We do not want to see a building similar to the one proposed here right next to it, leaving balconies 16 feet from each other, looking at each other. We want these setbacks so that you have a reasonable space and we think a 30 foot space, 15 from each property owner would make sense and allow the next developer to create a habitable unit. Number 8, no comment. Number 9, we are pleased with the changes they made. On number 10 we had no comment. What we need here is to have all the land owners, the City, the neighborhoods and its task forces to sit down and work out how this land should be used so that everyone maximizes their benefit. Pending a more comprehensive look at the three block area from Third Avenue SE to Sixth Avenue SE, we urge you to deny the application to spot rezone from I1 and I2 to C3A.

Commissioner Krause: Can you refresh my memory on the Marcy-Holmes plan and for this area. What do you think the neighborhoods position would be on the orderly extension of the activity center towards 6th?

Theodore Tucker: If it's orderly, if the whole thing is done as a unit and there is a plan where the activities should go, the neighborhood would be in support.

Commissioner Krause: Is that really possible given the way development occurs?

Theodore Tucker: That I don't know. The neighborhood would be in support of zoning that allows Main Street, on the ground level, to be a more active use rather than just residential.

Commissioner Krause: How deep back from the river does it go? There are some active uses on University. Isn't the area really the area from the river and Main Street to University and then from Sixth back to Central?

Theodore Tucker: That would be a reasonable study area. I don't know if that's the reasonable area to have a C3A that's why I think we need more discussion on that. I know we're proposing in an NRP Phase II funding to have a more detailed study of that whole riverfront transition area. In our plan, we didn't specify what the rezoning should be, we merely noted that rezoning would be likely and that uses were changing. On the C3A, there is a project that hasn't come to you yet for... just behind me on St. Anthony Main, which is asking for C3A and we approved that as a natural extension of the area of St. Anthony Main because it's going from Main Street up to Second, has mixed use residential mixed use and residential on Main and that's what we wanted to see there. That may give you some indication of our position. How far that would go I don't know, but it certainly wouldn't go down to the freeway.

President Martin: Others who wish to speak to item number 19?

Jack Forman: I want to make myself available for questions in regards to the design and to go over the plans or elevations. This project has been going through some design revisions and we haven't had a chance to illustrate those except for what's in the packet. We wanted to take the opportunity to answer any questions. We do have property on the west side so we did not...there is not a variance here because we have 20 odd feet here of property that... there is a variance here. The whole issue of these variances was to maintain the continuity of the street edge as you went down Second. This is the area where we are in compliance, except for the balconies.

Commissioner Hohmann: In the existing zoning, there are 35 units and under the C3A it's 45 units. What's the height?

Jack Forman: It's four stories. I can show you the elevations. This is our primary façade off of Second Street here. We have units at the street level here for the first floor, which is approximately equal to the 19 up to the second floor of the Forbes building.

Commissioner Hohmann: Forbes is one story...

Jack Forman: It's actually two story. It's 19 feet. This is an open space here, which is a loading area for the Soap Factory. This is there three to four story building here.

President Martin: Anyone else?

Jackie Cherryholmes (1216 Sheridan Ave N): I want to talk about the neighborhood process because I think we have come a long way in that process over the course of the last four to six months. We've been attending a number of meetings with the neighborhood as Mr. Tucker talked about. When we met last Thursday evening, the design issues have been resolved and I think everyone was in agreement that the building is going to be an asset in the community if it's built as presented. The

challenge continues to be the issue of C3A and how to begin that orderly progression as Commissioner Krause referred to of that C3A in the neighborhood and Bluff Street started out looking at C3A as an option because that is what was referenced in the EIS that came forward from the Schafer Richardson project. Trying to get a vision of what might happen down the road and begin to advance that discussion. I think the relationship with the neighborhood has been greatly enhanced over the course of the last few months as we have worked through a number of issues together. We will continue to work with the neighborhood as we address ongoing issues.

Steve Minn (Bluff Street Development): I'm going to discuss, from our perspective, the merits of the C3A. I would ask, recognizing the detail of the staff report, if we're not able to convince the commission today to adopt the C3A, I'd like the opportunity before you take action on the other items, to come back and give you what we think is also a discussion about how calculations might be done in the existing district which is the ILOD. We think the C3A is the appropriate district. We embrace the C3A for a variety of reasons. One is the acknowledged disclosed intent by both Schafer Richardson and ourselves in the EAW documents that this is what believe was the trend for the area. We recognize that trend based on a reading of the code as to what a community activity service center would be. We took a look at the uses of the area, the waterfront activity area, the upcoming plans for the waterfront park, a recognition that the Stone Arch Bridge is no longer just a tool for conveying freight locomotives but is also a pedestrian link to Waterfront Park on the other side. It connects the Father Hennepin bluffs park with the ruins park. We recognize that the Sixth Avenue stretch from the bridge all the way to University Avenue is now a recognized gateway for the neighborhood with artwork along it and a focus on it. The Soap Factory to our immediate west is not residential. It is clearly a destination use. One that we hope will favor this project that we are doing here. From all perspectives, the waterfront park, notwithstanding if that every happens, we felt that the trend in the area was much more toward community use and an activity that is more than just residential which is what an OR district or a residential district would imply and certainly not an ILOD. An ILOD is essentially legitimate spot zoning in an industrial area given existing buildings. We have been respectful of our neighbors, Metal Matic, to the north. We have not had the alleged conflicts that they assured us would happen that the projects themselves, the two buildings of Stone Arch, are successful at 97% leased. We feel that we accomplished the objective which was to be respectful of the existing industrial uses without creating a burden upon them. We took the burden upon ourselves and designed our building to address the noise absorption. Here on this site, we clearly see the trends away from industrial uses. Forbes is a building, in our opinion, that cries out conversion to some type of retail use on this block. It can't be torn down, it's a protected property, we wouldn't want it torn down. We have already disclosed in our EAW for our project across the street at 521 Second Street that we'd like to have some retail presence. We feel that retail presence off the bridge should not only be at 6th and University, but also at 6th and 2nd and 6th and Main because that's where the activity is. We don't want to dilute the Hennepin and Central Avenue community service activity, that's not our intent. We think C3A is a far more appropriate district than an R district or an ILOD because of the multiple types of uses that the C3A district permits. We think that 45 units is about the threshold that we can do. When a project of this size gets further reduced to 35 units, now we're talking about a much lesser quality project. It's just inevitable. It would a stick frame project, it would be four stories. As it is, we're constrained in getting the kind of heights that we think are appropriate for this area and the type of volume in our units that we think is appropriate. It is a constraining use intended for a much more lugubrious transition to residential use and clearly we're on a fast track in this area with much more conversion of industrial property than residential. I ask that you deliberate on the merits of C3A, but I would like to come back and talk about calculations if we're forced to stay in the ILOD.

President Martin closed the public hearing.

Commissioner Hohmann: I frequent the corner of University and Sixth a lot, there's a Dunn Bros. there and a wine bar there and a little grocery store. I drove by the area today. I came down Main Street. You have the Stone Arch Bride and Stone Arch apartments in here. I recognize that the development process is opportunistic. It happens where people can make something happen – when they can do it and how they can do it. I would rather see a six story project here than a four story. I

support the up-zoning. Basically because I think a lot of projects are going to be coming in here. You can call it spot zoning or you can call it part of the development process in that opportunistic mode that I referenced where you get projects where you can get them in order to make the developments move.

President Martin: Second for the rezoning?

Commissioner Krause seconded the motion.

Commissioner LaShomb: I agree. Having walked across the Stone Arch Bridge many times, there is a lot of activity on both sides of the river. I think if we didn't grant the rezoning what we would be doing is turning our heads from what's inevitable. I think we're going to see this area very commercial at some point. Spot zoning isn't always bad, sometimes it's good. I think this is one of those situations where maybe the spot zoning is the lead in to what the area should really be so I think he ought to do this and recognize that it's inevitable and probably not very far away. Why hold someone back who wants to develop 45 units by saying it's spot zoning?

Commissioner Krause: I'm always struck by how, when we get these projects that are really the kinds of things we want and like, that it takes 10 or 12 different applications of variances and adjustments in the code and flexibility in the code to get them done. That suggests to me that we don't necessarily have... there's a problem there in that the code doesn't always direct the development that we might want to get. I think the C3A is going to get the neighborhood and the City, more of what we want in this area. I think it will move developers towards more of the active uses at the street level and perhaps even a level above that with housing mixed in. That would be a tremendously positive use for this area. In some ways, the ILOD strikes me as a transitional zoning tool. It's a recognition of an area that is in a state of flux. A few years, when this was all designated as ILOD, I think we were recognizing that it was moving in a certain direction. There isn't any direct impact on the residential areas of Marcy-Holmes by doing this. If there were, then we'd have more of a problem. For me, the key consideration here is that orderly development of C3A gets done in the context of the very important historical assets that we have in this part of the City, it's the birthplace of the City. With that caveat, I think the C3A is appropriate.

President Martin: The motion on the floor is to approve the rezoning to the C3A. All in favor?

Motion carried 4-0. (Commissioner Kummer not present for vote)

Commissioner Hohmann moved first CUP. (Commissioner LaShomb seconded)

Motion carried 4-0. (Commissioner Kummer not present for vote)

Commissioner Hohmann moved second CUP. (Commissioner LaShomb seconded)

Motion carried 4-0. (Commissioner Kummer not present for vote)

President Martin: We have five variances before we get to the site plan. Well, we have four because we returned "E". We have D,F, G, H.

Commissioner LaShomb moved D,F,G and H. (Commissioner Hohmann seconded)

Motion carried 4-0. (Commissioner Kummer not present for vote)

Commissioner LaShomb moved site plan review. (Commissioner Hohmann seconded)

Motion carried 4-0. (Commissioner Kummer not present for vote)

Commissioner Hohmann moved J (Commissioner Hohmann seconded)

Staff Voll: I wanted to point out, on item J, it should just be “approve the minor sub-division application” and all the stuff about the site plan review and the conditions goes away, that shouldn't have been in there.

Motion carried 4-0. (Commissioner Kummer not present for vote)