

**Department of Community Planning and Economic Development – Planning Division**  
Rezoning  
BZZ-5648

**Date:** August 27, 2012

**Applicant:** Charlie Nestor, 1515 SIB, LLC

**Address of Property:** 1515-1515 ½ Central Avenue NE, 1600 Fillmore Avenue NE; 1611 Polk Street NE

**Project Name:** Not applicable for this application

**Contact Person and Phone:** Charlie Nestor, (612) 371-0123

**Planning Staff and Phone:** Aly Pennucci, (612) 673-5342

**Date Application Deemed Complete:** July 31, 2012

**End of 60-Day Decision Period:** September 29, 2012

**End of 120-Day Decision Period:** Not applicable for this application

**Ward: 1      Neighborhood Organization:** Northeast Park Neighborhood Association

**Existing Zoning:** I1 Light Industrial District and I2 Medium Industrial District

**Proposed Zoning:** I1 Light Industrial District, I2 Medium Industrial District and IL Industrial Living Overlay District

**Zoning Plate Number:** 10

**Legal Description:**

*For:* 1515 Central Avenue NE, 1515 1/2 Central Avenue NE and 1600 Fillmore Street NE

Parcel 1: Tracts B, C and D, Registered Land Survey No. 1375, Hennepin County, Minnesota.

Torrens Property- Certificate of Title No. 1188756.

Parcel 2: Sprinkler System and roadway easements as described in Agreement Establishing Reciprocal Easements dated November 11, 1999, filed January 25, 2000, as Document No 3247410.

Legal Description

*For:* 1611 Polk Street NE

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Parcel 1: The North 1/5 of the West Half of the East Half of the South 10 acres of the North 245 acres of the Northwest Quarter of the Northwest Quarter of Section 13, Township 29, Range 24, according to the United States Government Survey thereof.

Parcel 2: Lots 9 and 10, Block 2, "Harrison St. Supplement to the East Side Addition to Minneapolis", according to the recorded plat thereof.

Torrens Property – Certificate of Title No. 1054910.

**Proposed Use:** TBD; primarily office, industrial and art uses.

**Rezoning Petition:** to add the IL Industrial Living Overlay District to the existing I1 Light Industrial District and I2 Medium Industrial District.

**Applicable zoning code provisions:** Chapter 525, Article VI, Zoning Amendments, Chapter 550 Industrial Districts and Chapter 551 Overlay Districts

**Background and Analysis:** The applicant has submitted an application to add the Industrial Living Overlay District to the properties located at 1515-1515 ½ Central Avenue NE, 1600 Fillmore Avenue NE; 1611 Polk Street NE. The applicant also requested that the property located at 1620 Taylor Street NE be included in the rezoning request, however, because this property is located within a residential zoning district the overlay district cannot be applied at that location. The applicant has been informed that this property has been removed from the application.

The subject properties are currently zoned I1 Light Industrial District and I2 Medium Industrial District. There are currently five structures across the four parcels; two of the buildings located on the interior of the zoning lot on the 1515 ½ Central Avenue NE parcel will be demolished. The building located at 1600 Fillmore Street is currently occupied by a vehicle storage and office use for Dunbar Armored Car services. The building located at 1611 Polk Street NE is occupied by a light industrial warehouse and distribution use. The building at 1515 Central Avenue NE is vacant aside from a small portion of the building that is temporarily being used as a storage space. The two buildings located at 1515 ½ Central Avenue NE slated for demolition are entirely vacant. The applicants are requesting a rezoning to add the Industrial Living Overlay District (ILOD) to these properties to allow more flexibility in uses that reflect the changing character of the area.

The applicant is also in the process of constructing a new driveway accessed via an easement to the south of the building located at 1515 Central Avenue NE. With this the applicant will implement storm water management improvements on-site and will upgrade and add to the existing landscaping in and around the existing parking areas. These changes will improve access to the site and reduce the amount of vehicles traveling through the residential neighborhood to the site and improve stormwater systems. These improvements do not require land use applications and therefore are not included in the analysis below. In the future the applicants may submit an application for a subdivision to incorporate the new driveway into the subject properties.

Staff received a letter of support from the Northeast Park neighborhood association. Staff will forward additional comments, if any are received, at the City Planning Commission meeting.

## **REZONING**

### **Findings As Required By the Minneapolis Zoning Code:**

**1. Whether the amendment is consistent with the applicable policies of the comprehensive plan.**

The subject properties are designated as mixed use and urban neighborhood on the future land use map in *The Minneapolis Plan for Sustainable Growth*. The mixed use designation allows for mixed use development, including mixed use with residential. Mixed use may include either a mix of retail, office or residential uses within a building or within a district. The urban neighborhood designation allows for predominantly residential uses with a range of densities, with highest densities generally concentrated around identified nodes and corridors. Other uses may include neighborhood-serving commercial and institutional and semi-public uses (for example, schools, community centers, religious institutions, public safety facilities, etc.) scattered throughout. A portion of the subject site is also located on Central Avenue NE, a designated commercial corridor. Commercial Corridors in the city serve as boundaries connecting a number of neighborhoods and serve as focal points for activity. Development and revitalization of these corridors helps to strengthen surrounding urban neighborhoods. The corridors support all types of commercial uses, with some light industrial and high density residential uses as well. These corridors frequently carry large traffic volumes and must balance significant vehicular through-traffic capacity with automobile and pedestrian access to commercial property.

**a. According to the principles and policies outlined in *The Minneapolis Plan for Sustainable Growth*, the following policies are relevant to the rezoning:**

**Land Use Policy 1.1: Establish land use regulations to achieve the highest possible development standards, enhance the environment, protect public health, support a vital mix of land uses, and promote flexible approaches to carry out the comprehensive plan.**

1.1.4 Support context-sensitive regulations for development and land use, such as overlay districts, in order to promote additional land use objectives.

**Land Use Policy 1.4: Develop and maintain strong and successful commercial and mixed use areas with a wide range of character and functions to serve the needs of current and future users.**

1.4.1 Support a variety of commercial districts and corridors of varying size, intensity of development, mix of uses, and market served.

1.4.2 Promote standards that help make commercial districts and corridors desirable, viable, and distinctly urban, including: diversity of activity, safety for pedestrians, access to desirable goods and amenities, attractive streetscape elements, density and variety of uses to encourage walking, and architectural elements to add interest at the pedestrian level.

**Land Use Policy 1.5: Promote growth and encourage overall city vitality by directing new commercial and mixed use development to designated corridors and districts.**

- 1.5.1 Support an appropriate mix of uses within a district or corridor with attention to surrounding uses, community needs and preferences, and availability of public facilities.
- 1.5.2 Facilitate the redevelopment of underutilized commercial areas by evaluating possible land use changes against potential impacts on the surrounding neighborhood.

**Land Use Policy 1.10: Support development along Commercial Corridors that enhances the street's character, fosters pedestrian movement, expands the range of goods and services available, and improves the ability to accommodate automobile traffic.**

- 1.10.1 Support a mix of uses – such as retail sales, office, institutional, high-density residential and clean low impact light industrial – where compatible with the existing and desired character.
- 1.10.2 Encourage commercial development, including active uses on the ground floor, where Commercial Corridors intersect with other designated corridors.
- 1.10.3 Discourage uses that diminish the transit and pedestrian character of Commercial Corridors, such as some automobile services and drive-through facilities, where Commercial Corridors intersect other designated corridors.

**Arts and Culture Policy 9.1: Integrate and utilize arts and culture as a resource for economic development.**

- 9.1.1 Create policies that define the city's role in the planning, development, operation, and management of cultural facilities throughout Minneapolis.
- 9.1.6 Encourage the implementation of the Northeast Arts Action Plan, and the creation of cultural plans for other neighborhoods and districts.
- 9.1.8 Make Minneapolis a more livable place for artists through support for arts initiatives that contribute to the city's community development priorities.

*Staff comment:* The adjacent uses along Central Avenue NE are a combination of commercial and industrial. The proposed rezoning request to add the ILOD will allow for a range of uses, such as general retail sales and services uses, theaters, minor sports and health facilities and residential development. The subject property is not located in a designated industrial employment district. Staff believes that the proposed rezoning is consistent with these goals of *The Minneapolis Plan for Sustainable Growth*.

**b. Consistency with plans:**

The subject properties are located within the study area of the *Central Avenue Small Area Plan* adopted by the city council on June 20, 2008. The land use map included in that plan designates the properties as mixed use (commercial and residential) and medium density housing that is urban-oriented with townhouses, small apartments, live/work, mixed-use buildings.

The following recommendations from the *Central Avenue Small Area Plan* apply

- Combine industrial land use with commercial and mixed-uses along Central Avenue to offer opportunities for an arts presence on the Avenue
- Provide opportunities for artists to live, work, produce, create, display, sell, and show their work in existing and new buildings.
- Designate the South Segment as urban-oriented to help facilitate a more active streetscape.

*Staff comment:* Adding the ILOD to the subject site will allow more flexibility in uses and could accommodate a mix of residential, arts and retail in this area combined with the existing industrial uses permitted in the area. Staff believes that the rezoning request is consistent with these policies outlined in the *Central Avenue Small Area Plan*.

**2. Whether the amendment is in the public interest and is not solely for the interest of a single property owner.**

The amendment is in the public interest and not solely that of the property owner. The proposal to add the ILOD to the subject properties will allow more flexibility in uses while maintaining the underlying industrial zoning districts. Adding the ILOD to the existing I1 and I2 Districts will allow for additional general retail sales and services and other limited commercial uses that are typically found on a commercial corridor and will allow for residential use. Staff believe that this is consistent with the goals for this area outlined in finding number one above.

**3. Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of particular property.**

The primary zoning classifications of the I1 and I2 Districts will remain on the properties. The properties to the north along Central Avenue NE are a mix of industrial and commercial districts. The properties to the north that are not located on the corridor are zoned residential and the properties to the south along Central Avenue NE are zoned industrial. There are a mix of uses in the area, including single and two-family dwellings to the north off of the corridor, industrial uses to the north, south and west and commercial and high-density residential uses further to the north along Central Avenue NE. Given the surrounding uses and zoning classifications, the amendment of this zoning classification to add the ILOD is compatible with the immediate area.

**4. Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of particular property.**

The use of the property has historically been industrial in nature and the I1 and I2 Districts allow for these types of uses. In addition to industrial uses, the I1 and I2 Districts allow a limited number of commercial uses, including the following:

- Art gallery
- Art studio
- Building material sales
- Child care center
- Contractor's office
- Day labor agency
- Farmers' market
- Liquor store, off-sale
- Motorized scooter sales
- Neighborhood electric vehicle sales
- Office supply sales and service
- Photocopying
- Offices.
- Catering
- Coffee shop, with limited entertainment
- Nightclub
- Restaurants (limited to 5,000 square feet of gross floor area)

The addition of the IL Overlay District will expand the number of commercial uses allowed to include the following:

- General retail sales and services uses.
- Antiques and collectibles.
- Banks and financial institutions.
- Bookstore, new or used.
- Grocery store.
- Laundry, self service.
- Performing, visual or martial arts school.
- Reception or meeting hall.
- Sports and health facility, minor.
- Theater, indoor, provided live performance only.
- Video stores up to four thousand (4,000) square feet
- Dwelling units and supportive housing

Staff believes that the existing zoning classification with the addition of the ILOD will allow for uses characteristic of a commercial corridor and allow for reasonable use of this property.

**5. Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of particular property.**

The subject properties have been zoned industrial since 1924, the first year the City of Minneapolis had a codified zoning ordinance. The *Central Avenue Small Area Plan* notes that Central Avenue and the surrounding neighborhoods are constantly changing and that currently the corridor does not substantially or adequately serve its neighborhoods. Over time, this area has developed into the Northeast Arts District through the reuse of several existing industrial and manufacturing buildings into artist studios. The *Central Avenue Small Area Plan* recognizes that the large-scale buildings,

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large open spaces, and unique frontage conditions are characteristic of this area and ideal for artists of many different types of media. Staff believes that the character and trend in redevelopment of the area is moving towards the types of uses allowed in the ILOD and that the proposed amendment will be in character and consistent within the surrounding area.

**RECOMMENDATION**

**Recommendation of the Department of Community Planning and Economic Development – Planning Division for the rezoning:**

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission and City Council adopt the above findings and **approve** the rezoning petition to add the IL Industrial Living Overlay District to the existing I1 Light Industrial District and I2 Medium Industrial District for the properties located at 1515-1515 ½ Central Avenue NE, 1600 Fillmore Avenue NE; 1611 Polk Street NE.

**Attachments:**

1. Rezoning matrix
2. Zoning map
3. Future land use map
4. Statement of proposed use and findings submitted by the application
5. Correspondence to neighborhood association and council office
6. Correspondence from neighborhood association
7. Survey and plans submitted by the application
8. Photographs of the site and surrounding area