

**Department of Community Planning and Economic Development – Planning Division**  
Historic Variance  
BZH-27254

**Date:** March 20, 2012

**Proposal:** Historic variance to reduce the number of required parking spaces

**Applicant:** Owen Metz of Dominion, on behalf of Minneapolis Leased Housing Associates IV, Limited Partnership

**Address of Property:** 301 Main Street SE, 413 Main Street SE, 300 2<sup>nd</sup> Street SE, 400 2<sup>nd</sup> Street SE, and 100 3<sup>rd</sup> Avenue SE

**Project Name:** A Mill Artist Lofts

**Contact Person and Phone:** Owen Metz, 763.354.5500

**Planning Staff and Phone:** Brian Schaffer, 612.673.2670

**Date Application Deemed Complete:** February 24, 2012

**Publication Date:** March 13, 2012

**Public Hearing:** March 20, 2012

**Appeal Period Expiration:** March 30, 2012

**Ward:** Ward 3

**Neighborhood Organization:** Marcy Holmes Neighborhood Association

**Concurrent Review:** Land use applications: Conditional Use Permit for a Planned Unit Development, Site Plan Review

**Attachments:**

**Attachment A: Materials submitted by CPED staff**

- A1. Map of Surrounding Area
- A2. Map of Historic District
- A3. Analysis of Effects of the Proposed Pillsbury "A" Mill Complex Project Minneapolis, Hennepin County, Minnesota. 2005 Bradley
- A4. Travel Demand Management Plan
- A5. Traffic Impact Study

**Attachment B: Materials submitted by Applicant**

- B1. Certificate of Appropriateness Application & Responses to Findings
- B2. Site Plan
- B3. Existing Site Plan
- B4. Parking Structure Plans, Elevations, and Details

**Attachment C: Public Comments**

*Letters of Support:*

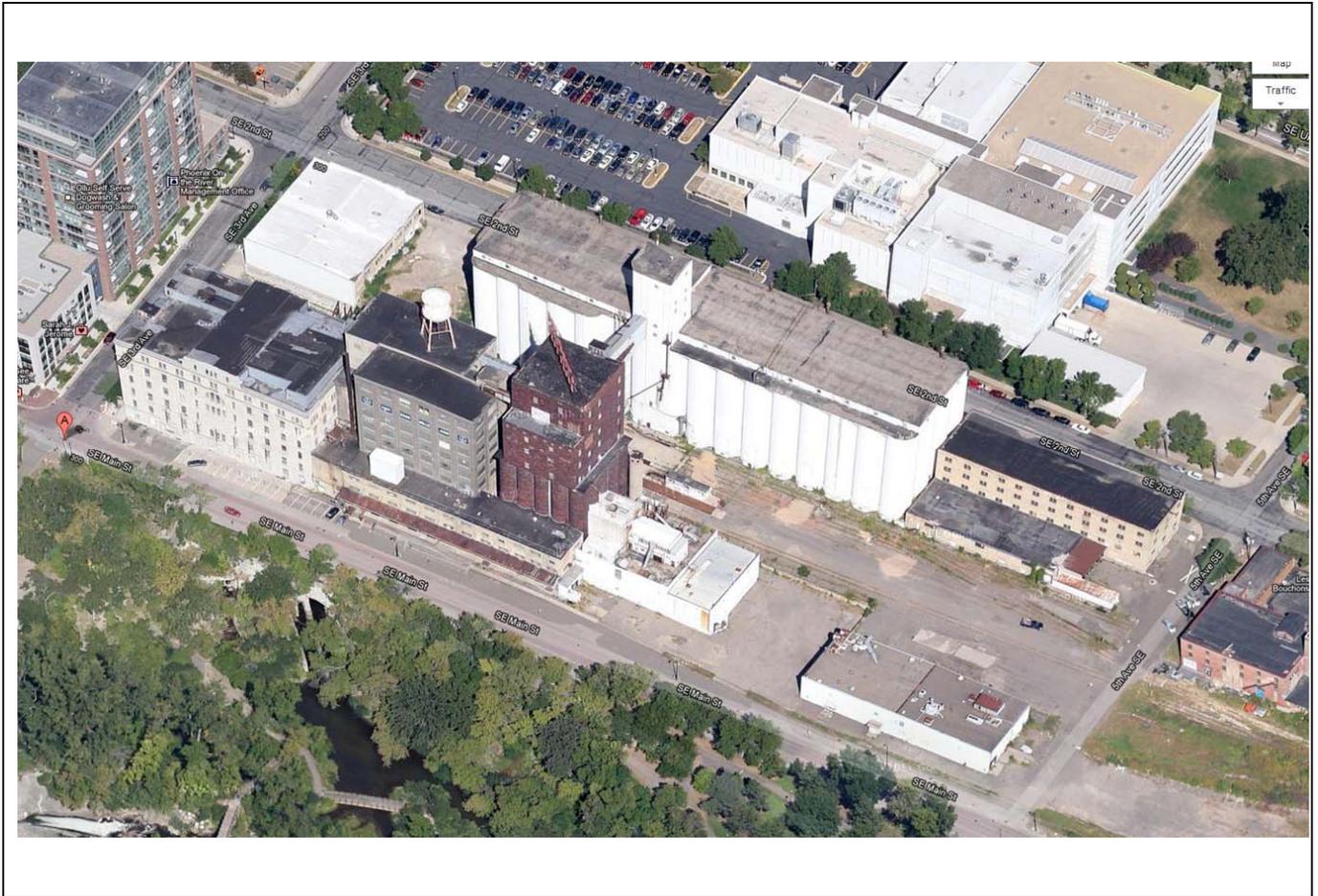
- C1. Marcy Holmes Neighborhood Association, Dated October 19, 2011
- C2. Soap Factory, Dated November 30, 2011
- C3. Friends of the Mississippi River, Dated January 13, 2012
- C4. National Trust For Historic Preservation, Dated January 18, 2011
- C5. Preservation Alliance of Minnesota, Dated January 13, 2012
- C6. Marcy Holmes Neighborhood Association (follow-up letter), Dated February 22, 2012

*Letters of Opposition:*

- C7. Email from Hugh Norsted dated March 5, 2011
- C8. Email from Chelle Stoner dated March 5, 2011 with the following attachments:
  - o Why the A-Mill Complex Proposal Should Be Rejected 2/7/12
  - o Hyperlinks to the following:
    - <http://www.minnpost.com/community-voices/2012/02/mill-site-deserves-something-unique-special-and-accessible>
    - <http://www.designcenter.umn.edu/documents/Arch8255-3.pdf>
- C9. Email from Chelle Stoner dated March 5, 2011, correcting typos from earlier correspondence
- C10. Forwarded email from Paul Snyder received March 9, 2012
- C11. Forwarded email from Aaron Mack. Dated March 5, 2012
- C12. Forwarded email from Dana Kirkemo Dated March 5, 2012
- C13. Letter from Nicollet Island – East Bank Neighborhood Association dated March 5, 2012



Oblique view looking northwest, circa 1948, Source: Minnesota Historical Society



Oblique View. Google Maps- Accessed March 2012

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| <b>CLASSIFICATION:</b>       |  |
|------------------------------|--|
| Local Historic District      | Saint Anthony Falls Historic District  |
| Period of Significance       | 1858-1941  |
| Criteria of significance     | Architecture and Social Significance   |
| Date of local designation    | 1971   |
| Applicable Design Guidelines | - Saint Anthony Falls Historic District Guidelines<br>- Secretary of Interior Standards for Treatment of Historic Properties |

| <b>PROPERTY INFORMATION</b> |  |
|-----------------------------|--|
| Current name                | Pillsbury A Mill Complex   |
| Historic Name               | Pillsbury A Mill Complex   |
| Proposed Address            | 301 Main Street SE   |
| Historic Address            | 300 2 <sup>nd</sup> Street SE, 400 2 <sup>nd</sup> St SE and 100 3 <sup>rd</sup> Avenue SE   |
| Original Construction Date  | <ul style="list-style-type: none"> <li>• Pillsbury “A” Mill (1880-1881)</li> <li>• Great Northern Railway Corridor (ca 1880-ca1916)</li> <li>• Red Tile Elevator (1910)</li> <li>• White Concrete Elevators (1914-1916)</li> <li>• Cleaning House (1914-1917)</li> <li>• South Mill (1916-1917)</li> <li>• Warehouse I (1917)</li> <li>• Warehouse II (1918-1919)</li> </ul> |
| Original Contractor         | N/A  |
| Original Architect          | Pillsbury A Mill: Leroy Buffington   |
| Historic Use                | Industrial   |
| Current Use                 | Vacant   |
| Proposed Use                | Residential  |

**HISTORIC BACKGROUND:**

The Pillsbury “A” Mill Complex is located in the Saint Anthony Falls Historic District. The Pillsbury “A” Mill is a National Historic Landmark, one of three in the City of Minneapolis. National Historic Landmark (NHL) status means the property is recognized as being significant to the history of the nation.

The NHL nomination form, prepared by Stephen Lissandrello, summarizes the significance of the Pillsbury A Mill succinctly. “Only one of the giant flour mills that made Minneapolis the milling capital of the nation from 1880 until 1930 still stands. The Pillsbury “A” Mill was the largest, most advanced mill in the world at its completion in 1881. The “A” Mill was a masterpiece of industrial design, a standard from which all other mills of its time were measured.”

The Pillsbury “A” Mill Complex contains ten contributing resources consisting of two structures and eight buildings; the complex also contains two non-contributing resources.

- Pillsbury Water Power System Infrastructure (1881) (*contributing structure*)
- Great Northern Railway Corridor (ca 1880- ca1916) (*contributing structure*)
- Pillsbury “A” Mill (1880-1881) (*contributing building*)
- Machine Shop (1916) (*contributing building*)
- Warehouse II (1918-1919) (*contributing building*)
- South Mill (1916-1917) (*contributing building*)
- Warehouse I (1917) (*contributing building*)
- Cleaning House (1914-1917) (*contributing building*)
- Red Tile Elevator (1910) (*contributing building*)
- White Concrete Elevators (1914-1916) (*contributing building*)
- Manildra Hydroprocessing Building (*non-contributing building*)
- Research & Development Annex Building (*non-contributing building*)

Together these historic resources functioned as an industrial machine that enabled the Pillsbury “A” Mill Complex to produce a staggering 17,000 barrels of flour a day, which could be visualized as a line of 25-pound flour sacks 56 miles long.<sup>1</sup>

Detailed descriptions, history, and statements of significance of each of these resources can be found starting on page AppendixA3 of this report. This appendix is a study entitled “Analysis of Effects of the Proposed Pillsbury “A” Mill Complex Project Minneapolis, Hennepin County, Minnesota.” The study was written by Betsy Bradley of The 106 Group in 2005 in conjunction with the Environmental Assessment Worksheet/Environmental Impact Statement for the previously proposed and approved development project. The following is a brief description of the Great Northern Railway Corridor.

### **Great Northern Railway Corridor**

The rail spurs that served the Pillsbury “A” Mill complex connected to the St. Paul, Minneapolis & Manitoba (StPM&M) Railroad Company line, which extended from St. Paul to Minneapolis across the Mississippi River on the Stone Arch Bridge. The StPM&M lines were leased to the Great Northern Railway in 1890 and sold to that railway in 1907, as all the properties controlled by James J Hill were consolidated in the Great Northern Railway.

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<sup>1</sup>National Register of Historic Places, St. Anthony Falls Historic District: St. Anthony Falls Waterpower Area. Prepared by Jeffery Hess and Scott Anfinson. 1992

The 2005 study identifies that there were two separate Great Northern Railway Spur corridors serving the Pillsbury “A” Mill when it was constructed in 1881 a mid-block spur corridor and a Main Street SE spur corridor. Both the spurs connected with the Great Northern Railway line near the foot of 9<sup>th</sup> Avenue SE.<sup>2</sup>

### **Mid-block Rail Spur Corridor**

The main spur ran along the alignment of a mid-block alley between Main and Second Streets SE. This spur ended at 3<sup>rd</sup> Avenue SE on the Pillsbury “A” Mill property. By 1890 this spur had expanded to have two additional lines and a series of sidings located between 4<sup>th</sup> and 6<sup>th</sup> Avenues SE. The number of spur lines was increased, probably in conjunction with construction of the Red Tile and Concrete elevators by 1916.<sup>3</sup>

The Bradley report concludes that one of the three main spur lines that terminated at 3<sup>rd</sup> Avenue SE, the one closest to Main Street SE, remains in situ on the former Pillsbury property. Additional information from Great Northern Railroad’s records indicates approvals of expenditures to update and replace tracks within the Pillsbury A Mill Complex. However, at this time this information does not indicate what tracks were repaired or replaced or if their locations were altered.

The corridor enters the Pillsbury “A” Mill complex property at 6<sup>th</sup> Avenue SE and terminates at 3<sup>rd</sup> Avenue SE. The rail line that remains in situ is identified as rail line #2 in Appendix A6. The usage of this rail line defines the southern edge of the rail corridor. At 6<sup>th</sup> Avenue SE the rail line is located 9 feet from the north property line of the Pillsbury “A” Mill Complex. Where this rail line meets the Red Tile Elevator it is 22 feet from the north lot line.

The rail corridor is not defined by the extent of the rail line; the function of the rail line is to carry rail cars which were wider than rail lines. A standard rail car was 10 feet 8 inches wide and the car typically overhangs the rail lines by 3 feet. This edge defines the functional use and configuration of the rail line and the southern edge of this rail spur corridor. At 6<sup>th</sup> Avenue SE the edge of the rail spur corridor is 12 feet from the north lot line. At the Red Tile Elevator the edge of the rail spur corridor is 25 feet from the north lot line.

The northern edge of the rail spur corridor is defined by the consistent rear building wall of the adjacent buildings.

### **Main Street SE Rail Spur Corridor**

Another group of spur lines ran along both sides of Main Street SE. A line on the north side of the street extended as far northwest as the Salisbury & Satterlee Company property [now St. Anthony Main]. A spur on the south side of Main

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<sup>2</sup> Betsy, Bradley, “Analysis of Effects for the Proposed Pillsbury ‘A’ Mill Complex Project, Minneapolis, Hennepin County, Minnesota,” February 2005, 18-19, prepared by the 106 Group.

<sup>3</sup> Ibid., 18-19

Street SE had a siding that served lumberyards along the Mississippi River. By 1912 a spur on the north side of Main Street SE provided a siding that terminated in front of the Pillsbury “A” Mill. The configuration of the spur and siding along Main Street SE remained the same.

The Main Street SE rail spur corridor that served the Pillsbury “A” Mill complex enters the Pillsbury “A” Mill Complex site at 6<sup>th</sup> Avenue SE and terminates at 3<sup>rd</sup> Avenue SE. At 6<sup>th</sup> Avenue SE the northern portion of the rail line is 7 feet from the southern property line. The line curves slightly to the north after it passes the 5<sup>th</sup> Avenue SE right-of-way so that it can serve Warehouse I and the Pillsbury “A” Mill. When the rail reaches Warehouse I it is 3 feet south of the adjacent loading dock.

The Great Northern Rail Spur Corridor is a contributing resource to the St Anthony Falls Historic District and the Pillsbury “A” Mill Complex. The resource was present throughout the period of significance.<sup>4</sup> The 2005 study states that the corridor was “an essential transportation link that delivered grain to and transported flour from the facility.” The rail spur was purposefully designed and integrated in the design and function of the Pillsbury “A” Mill and the other contributing buildings of the Pillsbury “A” Mill Complex. The rail spur corridor is representative of both the industry and transportation areas significance identified in the 1971 St. Anthony Falls Historic District nomination form.

## **SUMMARY OF APPLICANT’S PROPOSAL:**

Dominium has a purchase agreement for the eight contributing buildings of the Pillsbury A Mill Complex. Dominium’s agreement includes portions of the Great Northern Railway Spur Corridor, a contributing resource to the St. Anthony Falls Historic District. Dominium’s proposal includes plans to rehabilitate the Pillsbury A-Mill, South Mill, Cleaning House, Warehouse I, Red Tile Elevator and Warehouse II into approximately 252 affordable live-work apartments with shared common space in the A-Mill Complex of building. Dominium plans to sell the Machine Shop to a commercial user and plans to retain in-place the White Concrete Grain Elevators.

The Applicant is proposing structured parking that will be constructed on the site between the Machine Shop and the White Concrete Grain Elevators. The parking will be built into the grade change of the site. The roof of the structure will be used for parking and will be at the grade of 2<sup>nd</sup> Street SE. and from this location it will appear to be a surface parking lot adjacent to the Machine Shop. In total, including the roof of the structure there will be four levels of parking.

The structured parking will be accessed from the proposed drive aisle in the mid-block rail corridor. This level is considered level one- the level of the rail corridor. It will provide access to the second level of structured parking, which sits above the first level, and access to the lower level, which is below. The lower level extends between the historic buildings and structures of the Pillsbury A Mill complex below the Mid-block Rail Spur Corridor. It runs below

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<sup>4</sup> Ibid., 19

the rail corridor to the southern (downriver) extent of the White Concrete Grain Elevators and provides 109 parking spaces.

- Site Plan: See I-L100
- Parking Floor Plans: Sheet I-A020; Sheets I-A100A through I-A102
- Parking Elevations: Sheet I-A500

The lower level of parking, below the rail spur corridor, can be accessed from the basement levels of the Pillsbury A Mill Complex and the Red Tile Elevator. The proposal reuses below ground infrastructure that was previously used to transfer grain from rail cars and trucks within the rail corridor to the Red Tile Elevator. This infrastructure will now be reused to give residents below ground access to the complex. There will also be a new underground entrance to the Pillsbury A Mill from the underground parking.

The Applicant is providing 152 parking spaces in the underground parking structure and 31 surface spaces in the Great Northern Railroad Corridor for total of 183 parking spaces for the residential tenants of the Pillsbury A Mill Complex.

The proposed surface parking between the Machine Shop and the Warehouse II contains 21 parking spaces, which are dedicated to the eventual user(s) of the Machine Shop.

#### **ANALYSIS:**

The proposed project consists of 252 units of housing and contains an approximately 4,500 square foot interpretive museum. The property is zoned C3A, Community Activity Center District and is within the UA University Area Overlay District and the MR Mississippi River Overlay District.

Per the University District Overlay (551.1320) the housing component of the project is required to have at a minimum the greater of (1) .5 parking stalls per bedroom or (2) 1 parking stall per unit. The proposed project has 320 bedrooms and at .5 parking stall per bedroom that would be 160 parking spaces. However, the 252 proposed units would require 252 parking spaces for the residential component of the project.

The proposed museum requires three parking spaces.

Dominium's proposed residential rehabilitation project requires 255 on-site parking spaces.

The Machine Shop is approximately 27,000 square feet and under a general retail sales and services use, as defined in the Zoning Ordinance, it would have a parking requirement of 35 spaces.

In total, the parking requirement for the entire Complex is 290 parking spaces. The proposed project provides 204 on site parking spaces.

The Applicant's Travel Demand Management Plan (TDMP) identifies two public parking facilities nearby. The plan is included in the attachments. The following is an excerpt of the plan.

"The parking lot owned by Impark on the northwest corner of 2<sup>nd</sup> Street SE & 3<sup>rd</sup> Avenue SE offers monthly parking for \$50 per month as well as daily parking and has roughly 370 total spaces in the lot. Based on a site inspection, it appears the lot is currently less than half utilized. The St Anthony Falls Ramp on the northwest corner of 2<sup>nd</sup> Street SE & 2<sup>nd</sup> Avenue SE offers monthly parking for between \$50 and \$85 per month. This ramp also offers daily parking and has seven available levels of parking with over 600 total spaces. It is believed the ramp currently has capacity to accommodate at least 150 monthly contract vehicles."

While the Applicant can certainly encourage tenants and users of the building to utilize these parking facilities, under Section 541.170(e)(1) of the Zoning Ordinance these facilities cannot be used to provide the required parking to satisfy the zoning requirements.

**PUBLIC COMMENT:**

Public hearing notices for this Certificate of Appropriateness application were mailed on March 6, 2012. As of March 10, 2012 several letters have been submitted. Copies of the letters are located in Appendix C.

**FINDINGS REQUIRED FOR A HISTORIC VARIANCE:**

**Before recommending approval of a Historic Variance, the commission shall make the following findings**

**A. The variance is compatible with the preservation of the property and with other properties in the area**

The Applicant's proposal is compatible with the preservation of the property. The proposal retains the historic integrity of the Mid-Block Rail Spur Corridor and of the Pillsbury A Mill while accommodating enough parking to make the rehabilitation of the Pillsbury A Mill Complex feasible from a market perspective. The Applicant has a purchase agreement for the Pillsbury A Mill, Warehouse I, Cleaning House, South Mill, Red Tile Elevator, Machine Shop, White Concrete Grain Elevators, Warehouse II and the portion of the Great Northern Rail Spur Corridor between the 3<sup>rd</sup> Avenue SE and the former right-of-way of 5<sup>th</sup> Avenue SE. The only available land to provide parking that does not include buildings is the Great Northern Rail Spur Corridor, a contributing resource to the St. Anthony Falls Historic District, and the space between the Machine Shop and the White Concrete Grain Elevators.

To accommodate any more on-site parking would result in the destruction of contributing historic resources, the inability to implement the adopted Marcy Holmes Master Plan, and result in the loss of integrity of the entire St. Anthony Falls Historic District.

The Great Northern Rail Spur Corridor is a contributing resource to the St. Anthony Falls Historic District. It is paramount to understanding the historic significance of the Pillsbury A Mill Complex, its buildings and the historic district. Placing more surface parking than proposed within the mid-block rail corridor would undermine the integrity and significance of the entire Pillsbury A Mill Complex by inhibiting its ability to convey its intended function and use. The only way to accommodate parking in this area is below ground, which the Applicant is proposing. The area to provide below ground parking at this location is limited by the foundations of the nearby historic buildings.

The space between the Machine Shop and the White Concrete Grain Elevators can be used to provide below ground parking, which the Applicant is proposing. As is the situation with the Great Northern Rail Spur Corridor, the site is constrained by the foundations of the adjacent historic resources. Constructing an above ground parking structure would be visually detrimental and not be compatible with the preservation of the surrounding historic buildings.

**B. The variance is necessary to alleviate undue hardship due to special conditions or circumstances unique to the property and not created by the applicant.**

The proposed variance is necessary to allow for the rehabilitation of the Pillsbury A Mill Complex for any proposed rehabilitation, not just this proposed project. The Applicant has proposed as much parking as can fit within the physical constraints of the site and still preserve the integrity of the Pillsbury A Mill Complex.

The size of the proposed underground parking structure is limited to what is proposed due to the depth of bedrock below the site, the existing foundations of adjacent contributing buildings, and the need to manage stormwater on-site.

The Pillsbury A Mill Complex has been broken-up for the disposition of the site by BNC Bank, who retained the property through foreclosure. The breaking-up of the Complex removes alternative locations for additional parking to be provided within the Pillsbury A Mill Complex resulting in the proposed project and historic variance.

This parking variance is not created by the Applicant's specific rehabilitation proposal. Any feasible reuse of the Pillsbury A Mill Complex will require similar parking solutions that protect the historic integrity of the Mid-Block Rail Spur Corridor as well as the integrity of the Pillsbury A Mill Complex. A strictly commercial reuse of the building would carry a higher parking requirement than the proposed use. It is likely that any reuse would require a variance from the parking requirements of the Minneapolis Zoning Code.

**STAFF RECOMMENDATION:**

The Department of Community Planning and Economic Development - Planning Division recommends that the Heritage Preservation Commission adopt the above findings and **approve** the historic variance to reduce the number of required parking spaces for the properties located at 301 Main Street SE, 413 Main Street SE, 300 2<sup>nd</sup> Street SE, 400 2<sup>nd</sup> Street SE, and 100 3<sup>rd</sup> Avenue SE subject to the following conditions:

1. All workmanship must be completed in conformance with the Secretary of Interior Standards, see: <http://www.nps.gov/history/hps/tps/standguide/>
2. The Applicant shall obtain all other necessary City approvals prior to the commencement of work.
3. CPED-Planning Staff shall review and approve the final plans prior to building permit issuance.
4. Approvals for this Historic Variance shall expire if they are not acted upon within one year of approval, unless extended by the Planning Director in writing prior to one-year anniversary date of approvals;
5. By ordinance, all approvals granted in this Historic Variance shall remain in effect as long as all of the conditions and guarantees of such approvals are observed. Failure to comply with such conditions and guarantees shall constitute a violation of this Certificate of Appropriateness and may result in termination of the approval;