

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

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MEMORANDUM

DATE: January 7, 2016

TO: Zoning and Planning Committee

FROM: Jason Wittenberg, Manager, Community Planning & Economic Development – Land Use, Design and Preservation

SUBJECT: Planning Commission decisions of December 7, 2015

The following actions were taken by the Planning Commission on December 7, 2015. 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.

Committee Clerk

Lisa Kusz - 612.673.3710

Commissioners present

Matthew Brown, President | John Slack, Vice President
Meg Forney | Ben Gisselman | Nick Magrino | Sam Rockwell

Commissioners absent

Alissa Luepke Pier, Secretary
Lisa Bender | Rebecca Gagnon | Ryan Kronzer

6. RISE at Prospect Park, 2929 University Ave SE, Ward 2

Staff report by [Hilary Dvorak](#), BZZ-7438.

The City Planning Commission adopted staff findings for the applications by Rick Filler with HIC/CA Prospect Park JV, LLC.

A. Rezoning.

Action: The City Planning Commission recommended that the City Council **approve** the application to rezone the property from the I1 Light Industrial District to the C3A Commercial Activity Center District and remove the IL Industrial Living Overlay District.

Aye: Gisselman, Magrino, Rockwell and Slack

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

B. Conditional use permit for a Planned Unit Development.

Action: **Approved** the application for a Planned Unit Development including 336 dwelling units, approximately 41,000 square feet of commercial space and a total of 358 parking spaces, subject to the following conditions:

1. The conditional use permit shall be recorded with Hennepin County as required by Minn. Stat. 462.3595, subd. 4 before building permits may be issued or before the use or activity requiring a conditional use permit may commence. Unless extended by the zoning administrator, the conditional use permit shall expire if it is not recorded within two years of approval.
2. As required by section 527.120 of the zoning code, the development shall comply with the standards for active liner uses as part of a parking garage, pedestrian improvements, a reflective roof, a pet exercise area, a recycling storage area, a water feature and participation in a district stormwater system from Table 527-1, Amenities totaling a minimum of 25 points.
3. To qualify for an additional amenity point, the pet exercise area shall include a pet washing area and play equipment.

Aye: Gisselman, Magrino, Rockwell and Slack

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

C. Variance to increase the gross floor area.

Action: **Approved** the application for a variance to increase the gross floor area of a retail sales and services use within the building from 4,000 square feet to approximately 30,118 square feet.

Aye: Gisselman, Magrino, Rockwell and Slack

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

D. Variance of the PO Pedestrian Oriented Overlay District standards.

Action: **Approved** the application for a variance of the PO Pedestrian Oriented Overlay District standard requiring a minimum of 40 percent windows for non-residential uses, subject to the following conditions:

1. To mitigate the reduced window area along University Ave SE, there shall be a large outdoor deck for dining and lighted art work on the wall.

Aye: Gisselman, Magrino, Rockwell and Slack

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

E. Variance of the PO Pedestrian Oriented Overlay District standards.

Action: **Approved** the application for variance of the PO Pedestrian Oriented Overlay District standard requiring no more than 60 feet of parking lot frontage, subject to the following conditions:

1. The parking lot shall be screened from both 4th St SE and 30th Ave SE with landscaping.
2. A large green space shall be located on the northeast corner of the parking lot which can be used for both passive recreation and for neighborhood events. The sod in this location shall be reinforced so it can sustain heavy foot traffic without damaging the soil or grass.
3. A permanent Nice Ride Station shall be located between the property line along 30th Ave SE and the parking lot.

Aye: Gisselman, Rockwell and Slack

Nay: Magrino

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

Not Approved by the Commission

F. Site plan review for a new mixed-use building including 336 dwelling units (547 beds), approximately 41,000 square feet of commercial space and a total of 358 parking spaces.

Action: **Approved** the application for a new mixed-use building including 336 dwelling units (547 beds), approximately 41,000 square feet of commercial space and a total of 358 parking spaces, subject to the following conditions:

1. Approval of the final site plan, landscaping plan, elevations and lighting plan by the Department of Community Planning and Economic Development.
2. All site improvements shall be completed by December 7, 2017, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.
3. Where utilized, fiber cement paneling shall not cover more than 30 percent of the elevation.
4. Wood mulch, or something similar, shall be used instead of rock mulch.
5. A total of five trees shall be planted along 30th Ave SE.
6. The parking lot shall be designed so all of the parking spaces are located within 50 feet of an on-site deciduous tree as required by section 530.170 of the zoning code. Trees located in planters shall count towards meeting this requirement.
7. All mechanical equipment shall be screened as required by the standards of Chapter 535, Regulations of General Applicability.
8. Exterior lighting fixture details shall be provided to ensure that the height of the lights are in conformance with the standards of Chapter 535, Regulations of General Applicability.
9. As required by section 530.160 of the zoning code, there shall be at least 12 canopy trees and 117 shrubs planted on the site.
10. The applicant shall work with staff to enhance the deck area along University Ave.
11. The applicant shall work with staff to add landscaping along the parking lot edges.

Aye: Gisselman, Rockwell and Slack

Nay: Magrino

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

Staff Dvorak presented the staff report.

Commissioner Slack: On the site plan, the two trees that are just north of the driveway, looks like they're planted in a boulevard condition. The boulevard doesn't look very wide, maybe two or three feet. Can you clarify that? I'm wondering if there needs to be a wider boulevard and the sidewalk can be shifted over on to private property and subsequently the bike station area being shifted as well. Second question is on the elevation as it relates to University Ave, I've always struggled with this grocery deck seating area and what that actually looks like from the street. It looks like it's a deck, it's raised, has posts. My sense walking along the street and there's a raised deck that is going to gather trash and is unsightly, if we could have a discussion about that.

Staff Dvorak: I'll get you the width of the sidewalk. I did have that same concern when I was reviewing the project and wondered what the underside of the deck looked like, if it was finished, covered or enclosed. I realize that I had the thought and didn't finish it in the staff report. We could ask the applicant or add a condition in the site plan about having that be a finished treatment on the bottom of that deck so you don't see posts, footings and whatever ground cover material they put under there. Something that goes with the building that doesn't allow trash to collect.

Commissioner Slack: It could add an industrial aesthetic that somewhat ties to the history of the area, but I believe it's a pretty tight right of way through there. Not to say a solid structure would be better, but I feel that being able to see underneath there and depending on the depth of that it could gather trash, it could be aesthetically displeasing.

Commissioner Magrino: Can you tell me where the Green Fourth plan is? Is that not adopted policy yet?

Staff Dvorak: That's not a plan. As I understand it, the design has been approved by the City Council, but it wouldn't necessary be a document. It's not like a small area plan, it's more of a design roadway enhancement.

Commissioner Magrino: More of a Public Works thing?

Staff Dvorak: Correct. When we had met at Committee of the Whole, I think that 75% level drawings had been approved by TPW and ultimately then City Council in that same cycle.

Commissioner Slack: As it relates to the Green Fourth plan, do you know contextually what this area will be doing from the standpoint of stormwater management, at least the area on the private property side? Or is that a question for the applicant?

Staff Dvorak: This is where their underground stormwater infiltration chambers will be located.

Commissioner Slack: For the development side or the public street side?

Staff Dvorak: The development side. These development parcels that are involved in that district stormwater system. This area of the Cornerstone property will be subdivided. This is going to be a rainwater infiltration area. Everything from these properties is going to flow to this location and then connect to an interceptor and then back into the city system. This site will drain into the 2929 University site and then cut over this way. They have their underground chambers here and the pipes from this location will come down that right of way, connect into it and then come across 4th St and then come across into the pipes that will drain back into the city system.

President Brown opened the public hearing.

Rick Filler: Developer for the project. We're proud of what we've accomplished in working with the green initiative on 4th St. The district stormwater, even adding compose shoots throughout our project, these are things we feel we're bringing into this district and we're pleased with where we're at today. As it relates to the parking lot and all that Hilary is talking about, I think we're doing some things that are really innovative there also. We have a grocery store that is sorely needed in this area. We have walkable green pavers that meld almost into a plaza. We've given up all of our street parking in that area and added more green depth to 4th St. It was a challenge to try to fit within all the rules, but I think there are some neat innovative things that are going to happen here and create a nice public space. The decking on University Ave, we can work with staff and get that covered up. What's important about that whole aspect of it, that sidewalk is sloping and we want to activate University. The grocery store has replanned their insides. They put a point of sale in the front of the store and brought their deli section up to that area. The idea is that people will go in there, buy their deli and then that will all be seating area. It's not a static deck along there, it's designed to have furniture, people eating and we can cover the bottom up.

Commissioner Slack: We saw this at least twice at Committee of the Whole and I do think that at least the architecture aspects of the design evolved. I know we had struggles with massing and some of those things early on. I think that this has an opportunity to be a really great project. I still struggle with that variance for to PO overlay district as it relates to that parking. I feel like adding that much frontage of parking on to what's going to be this signature green infrastructure street is a mistake. I appreciate the fact that it is part of a larger system that's all interconnected. Maybe there's an opportunity to enhance the design a little bit in that green area. Maybe what I'm struggling with is the fact that it's so permeable. I understand there could be events on 4th St that could spill into your parking lot, but there are some landscaped areas adjacent to the north entry, maybe that needs to be more solid to help break up the overall length of that parking area and maybe that will help. Maybe there needs to be more trees on that edge to help break it up a little. It is still a lot of parking. I'd like to thank you for making the changes you've made.

John Kari (169 Malcolm Ave SE): I've been a resident of Prospect Park for 43 years. I have been a part of PPERIA and now Prospect Park Association as a board member on and off for at least 20 of those years. I also been a member of the Southeast Minneapolis Industrial committee that looked at this area back in the 80s and 90s. As a part of that vision, we thought about housing being on the avenue and jobs back inside. This project is consistent with that general overview of an objective. I've also been a part of the master planning and vision committee, which came up with the basic framework for the redevelopment and enhancement of this area. I think this project is in keeping with the objectives and vision that we laid out. I'm currently a member of the zoning committee and have reviewed this and worked with the developer over the last years. I think the evolution of this project has been very positive. We see that in the project before you. I support the staff recommendations for the projects. The neighborhood has wanted a grocery store for decades. In order to get that grocery store we need rooftops. In order to get rooftops we need density. This project does both of those things and I think does it quite well. Another thing we wanted was to build on the asset of the green line. We, as a neighborhood, took on the idea of working with developers to achieve what we'd like to see and I think this project is emblematic of that. The other thing we really stressed is access to University. University Ave today is not a pedestrian friendly environment. With the addition of Green Fourth, we will have a pedestrian bike and car access that will provide a green experience and will be pedestrian friendly that can then enjoy and it will help foster development north of University Ave.

Florence Littman (76 Clarence Ave SE): I've lived in my house since 1963. I've been involved with PPERIA since about 1970. I've been vice president of PPERIA, president three separate times, chair of the zoning committee and now I'm on the zoning committee. I have dealt with many developers. I must say, there are only two that I really have respect for and one of them is the Barnhart's. They have always been honest with us. They've talked about this development and it was very important to them that they pick a developer who would work with the neighborhood. They've been to many meetings. I think Jeff and David could have PhDs in this project, that's how long they've worked on it. They've always been honest with us and I appreciate that. They haven't done anything without telling us. We're delighted to have the grocery store. I support the planner's report, I think it's an excellent report.

Tamara Johnson (152 SE Bedford): I'm on the PPA board, I'm the treasurer and I'm also the chair person of the master plan committee, which started about eight years ago. We wanted to be able to do outreach to people we thought were doing really great projects and bring them to us so we didn't end up with University Ave being a bunch of fast food places or the kinds of development we didn't want to see with the green line going in. The master plan committee has worked with not only the PPA board members, but has done outreach to the community many times. We would invite people to come see what we were envisioning for north of University. A main component of that was high density. We wanted high density and taller buildings

on the north side of University so then we could keep the smaller historical district on the south side of University. We've gotten consensus from the community that they're in agreement for what we're pushing for. I'm very excited to have the grocery store and a lot more people and action on University Ave. I see this as being something that really gets people moving out on the street and get people seeing each other so it feels more like a community. We support this project. Thanks.

Richard Gilyard: I'm a member of the board as well. We envisioned this really rich mix of places to live, work, learn and do business. The neighborhood endorsed that vision and then we went on this proactive program to promote that. Over time we've turned our neighborhood efforts into a much larger effort with the University district. We felt it was through the district systems that the real potential of this area would be unlocked. The particular value of this project over and above having the grocery store and bringing a large number of high quality units to the site is what it does for these district systems. It really sets the mark and by buying into the concept for district energy and buying into the concept of district stormwater management they really are laying down the beginning modules of these systems. Had the project not been of this scale and of this quality of design it wouldn't have carried with it all those extras we believe this project does at this time. We very much support this project. Thank you.

John Wicks (1501 E River Parkway): I've been a board member of PPERIA for about a decade. I'm the chair person for the Prospect Park Association Zoning and Project Review committee. We've worked with the developer and the property owners for nearly two years on this project. There's been a great sense of cooperation between our organization and the development group. We formed a subcommittee and met with them on a very regular basis to go over many of the details of the project. They were exceedingly cooperative. They didn't always like some of the things we asked for, but in the end they were very generous in showing their interest in providing us a good solution. As others have said, the project has many features we've been looking for in the neighborhood for many years, including a higher density tower as well as lower rise residential. The grocery store has been mentioned, but there will be additional commercial that this area hasn't had and is losing at this time. We hope for a replacement of some of the commercial that has been there as well as the parking. We support the increased height as well as the exterior landscaping landscaping improvements surrounding the building and the building massing as a whole. We went so far as to develop a memorandum of understanding between the neighborhood and the developer which has been signed, as well as an understanding of the University District Alliance Design Principles that you might be familiar with that we worked with on other developments. We will be utilizing this memorandum to keep track of the project in the future. I request that you support the project.

Tina Porte: I'm not against this building. I'm thrilled there's a grocery store planning to be there. There's nothing in the zoning code, the comprehensive plan or the university design district principles that this will support the density, height or scale of the proposed plans. Please consider there have been people who have objected to the height, not the project, at the Prospect Park Neighborhood board meetings for the past three months. Many commercial and multi-unit residential buildings in this area already have chronic vacancy problems. Almost every building for blocks have for lease signs on them. I live at 2900 across the street and we've had units empty for years that are still empty. All the units at 2900 University facing 2929 would lose their only view of daylight if the building is that high. The Prospect Park neighborhood already has weekly incidents of assaults, robberies, property crimes and not enough on-street parking, particularly when there's events at the stadium. All of these problems could become much worse because 2929 is asking for variances to build 15 stories. I don't know why the height variance is not included on today's agenda. There are 41,000 commercial square feet and rental apartments totaling 547 beds, meaning a possibility of 1000 people added to that one block. These plans violate the city statutes and the reasons why are repeated several times in the zoning code and comprehensive plan, including the beginning of the zoning code where it says "to protect

the character and stability of residential, commercial and industrial areas within the city and to promote the orderly and beneficial development of those areas, to provide adequate light, air and privacy, to prevent the overcrowding of land and the undue concentration of population, to provide the safe and efficient circulation of all modes of transportation with particular regard to the avoidance of congestion.” I understand that some people’s dreams for Prospect Park include high density housing. In the past five years the population of Minneapolis has risen by only 5000 people. Adding 1000 of them to one block is clearly too dense. Minneapolis already has big buildings that have been built for the past 40 years that never got the surrounding density they were designed for and now they’re grossly out of scale with their neighbors. Clearly there’s no need to repeat that failed experiment at 2929. The height limit of C3A zoning is four stories. It’s commercial space limit is 8000 square feet. Those limits should be respected as appropriate guidelines. They’re asking for 15 stories, which is 11 stories higher than that. In order to fulfill the actual needs of the Prospect Park businesses and residents, I ask that you continue your vote on the height variance so that you can properly discuss that particular issue and change the proposed plans for RISE so that it’s no taller than five stories and be no taller than nine stories so it’s not to exceed the height of both the Hampton Inn under construction across the street and the height of the commercial building directly to the west of 2929 University Ave SE. Thank you.

Tammy Cocher: We purchased the commercial space across the street from 2929. We were also tenants of 2929. We’re a non-profit social service agency that has moved in there and we’re in support of this project. The land owners are fantastic to work with and they’ve done a tremendous job accommodating the needs of the neighborhood and have taken so much consideration into what the needs of the residents and community are. I support this project.

Richard Poppele (97 Arthur Ave S): I understand that some people may be nervous about a lot of density occurring in the neighborhood, but the fact is that we’ve been looking at this issue for many years. We’ve talked about this area and its future development in terms of increased density because we understood that that density was going to bring the amenities that Prospect Park has missed for a long time. Prospect Park used to have many businesses and a grocery store. With development over the last 10 or 12 years, particularly in Stadium Village, Prospect Park today doesn’t have any of those things. The dream of having a community and urban village has been one that we’ve really struggled with and tried to come up with a way to realize that over the last several years. As we looked into it and hired consultants to work with us on market analysis and understanding these issues thoroughly, we began to see that the way we were going to get the amenities that Prospect Park has long desired was by increasing the residential density of the area to be able to attract that density, such as the grocery store. We have made it clear to our neighborhood that this density will be achieved through height. We feel that height is a way of getting density without taking up all the ground. We want the green space too. The grain elevators that are right behind this development, that we’ve been looking at for over 100 years, are over 14 stories high. We’re not doing damage to the elevations in this area by proposing other buildings. We had a scale model built of this area in which we put in buildings showing what these 10, 12, 14 story buildings would look like. That’s been widely accepted through many workshops and meetings we’ve had in the neighborhood. Thank you.

Jeff Barnhart (2929 University Ave): I think this is going to be an outstanding project. I think we’ve got tons of support here. I can’t please everybody, but I’ve tried very hard to accommodate everyone on the Green Fourth design team. I know what is needed for the parking requirement and what this plaza friendly environment needs to be like, also knowing that the stormwater is under there and there’s pipes and all that going to the new system. I’ve worked hard to get the property sold to the right developer. I think this will be an amazing project.

President Brown closed the public hearing.

Commissioner Magrino: It looks like it's nestled in item E; I'd like to make a motion to deny the application for the variance for the PO overlay district (Gisselman seconded). I do this reluctantly because I think it is fantastic to have a neighborhood group here that is in support of density and redevelopment. I'm not against the idea of this project, I think it's a fantastic project in theory with a mix of uses right next to a light rail station. What I don't support is taking a site that's right next to a light rail station, in the pedestrian oriented overlay district and leaving it something like a fourth to a third surface parking. I would take issue with the point in the staff report that the size of the lot is an obstacle in complying with the ordinance here. If you started with a whole block and a half and you were going to tear down the existing structure and build down two floors, it's sort of hard to imagine how you wouldn't be able to comply with that if you weren't working under the assumption that you were going to get the variance. Because of this location right here, it is sort of an out of the way industrial part of the city right now, but given the pace of development around the university and rest of the city, I think it's pretty likely this is going to be developed in the near future and I don't think we want to have a surface parking lot right on that corner right there. The applicant did work with us a little bit by adding landscaping and other features to that corner, but I've seen some renderings of parking lots and parking lots in watercolor but at the end of the day when you walk by them it's usually not that pleasant of a thing to walk by. There are a lot of examples through the last few years of grocery stores being built around Minneapolis that don't have surface parking so I don't know that that is a deal breaker by itself. I support the idea of this project and I think the height and intensity are fine, I just don't support the parking lot on the corner there.

Commissioner Rockwell: I struggle with the surface parking lot as well. I think there's a lot of conflicting elements going on. This project is difficult, particularly in that it has three sides of front doors. It creates a tough scenario in that we're trying to activate three sides of a block. We talked about this at the Committee of the Whole meeting. There's a vision for district parking in the area. I look at the total parking requirements in our staff report, which are 252 for the whole project and we've got 358 proposed which is significantly more than required. If we move forward with this lot, I encourage the communication and collaboration between the neighborhood and the developer and land owners over the long term to continue so that if there's underutilized parking spaces in the development, the first to go are those along Green Fourth. This is about the grocery store that says it won't be there without surface parking. We need to build something that works today, but also something that works tomorrow and that's difficult, but we need to do it.

Dave Barnhart: I'm the owner of the property, along with my brother in law, Tom. When the light rail was first proposed and built, we've been constantly contacted by people who want to build student housing. I've been a member of PPERIA for over three decades and I learned during that time that the neighborhood is disappointed with all the student housing that keeps encroaching on the neighborhood. I asked them why they didn't like it and they said they aren't permanent residents and it's not real neighbors. As my son Jeff said, that's why we didn't put this property on the market. We were contacted by Tushie Montgomery and they asked if they could help us and we told them we didn't want student housing. They came to us with Fresh Thyme who wanted to open stores in MN. The grocery store is really the key. If we don't please the grocery store, I don't think we have a development. The grocery store and non-student housing is what drove us in the first place. I'd hate to start over and fight off all those student housing developers and try to find a different way to do it. I ask you to do as we've done and accept something that looks a little less than ideal and allow the grocery store to have that surface parking they feel is vital. Thank you.

Commissioner Slack: What I struggle with is that corner. New development will be looking over a parking lot. The massing and building placement on other street frontages works pretty well. For me, it's the location of the parking lot and that it's such a large frontage without a building.

President Brown: I can live with the parking lot as it's designed. I raised the issue at CoW and do have some concerns about the suburban appearance of that 4th St frontage, but I do think the applicant did a good job of trying to mitigate that with more green space and having that more active gathering area at the corner. I think the staff laid out the reason for granting the variance to the width of that parking lot frontage pretty well. It makes sense. Overall this is a fairly dense development and I think the amount of density elsewhere on the site can adequately compensate for the fact that there is a surface parking lot there. The overall project does meet the parking requirements so it's not overparked per the code.

Aye: Magrino

Nay: Slack, Rockwell, Gisselman, Forney

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

Commissioner Gisselman: I'll make a motion to approve staff recommendation for item A (Slack seconded).

Aye: Gisselman, Magrino, Rockwell and Slack

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

Commissioner Gisselman: I'll move staff recommendation for item B (Rockwell seconded).

Aye: Gisselman, Magrino, Rockwell and Slack

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

Commissioner Gisselman: I'll move staff recommendation for items C and D (Slack seconded).

Aye: Gisselman, Magrino, Rockwell and Slack

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

Commissioner Gisselman: I'll move staff recommendation for item E (Slack seconded).

Aye: Gisselman, Rockwell and Slack

Nay: Magrino

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier

Commissioner Gisselman: I will move staff recommendation for item F (Slack seconded).

Commissioner Slack: I'd like to add a 10th condition. I'd like the applicant to work with staff to better enhance the design of the deck area along University Ave. I'd like to add an 11th condition to request that the applicant work with staff to add additional landscaping along the parking lot edges.

Aye: Gisselman, Rockwell and Slack

Nay: Magrino

Absent: Bender, Forney, Gagnon, Kronzer and Luepke-Pier