



**Excerpt from the  
CITY PLANNING COMMISSION  
MINUTES**

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**MEMORANDUM**

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DATE: June 9, 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 June 7, 2004

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The following actions were taken by the Planning Commission on June 7, 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**

Acting President Hohmann, G. Johnson, Krause, LaShomb, MacKenzie, and Schiff - 6

**CONSENT AGENDA –Committee of the Whole**

None.

**INTRODUCTION TO PUBLIC HEARING**

**PUBLIC HEARING**

**13. St. Anne's (BZZ-1687, Ward 3)**

**2300-14, 2320, 2324 and 2400 West Broadway and 2519, 2523, 2527 and 2531 Queen Avenue North** (Hilary Watson) *This item was continued from the May 3, 2004 meeting.*

**A. Rezoning**

Application by Lisa Kugler, on behalf of St. Anne's Community Development Corporation to Rezone the properties located at 2519, 2523, 2527 and 2531 Queen Avenue North from R1A to C2 with the Pedestrian Oriented Overlay District.

**Motion:** The City Planning Commission recommended that the City Council adopt the findings and **approve** the rezoning petition to change the zoning classification of the properties located at 2519, 2523, 2527 and 2531 Queen Avenue North from R1A to C2 with the Pedestrian Oriented Overlay District.

**B. Rezoning**

Application by Lisa Kugler, on behalf of St. Anne's Community Development Corporation to rezone the properties located at 2312, 2314, 2320, 2324 and 2400 West Broadway from C1 with the Pedestrian Oriented Overlay District to C2 with the Pedestrian Oriented Overlay District.

**Motion:** The City Planning Commission recommended that the City Council adopt the findings and **approve** the rezoning petition to change the zoning classification of the properties located at 2312, 2314, 2320, 2324 and 2400 West Broadway from C1 with the Pedestrian Oriented Overlay District to C2 with the Pedestrian Oriented Overlay District.

**G. Vacation**

Application by Lisa Kugler, on behalf of St. Anne's Community Development Corporation for a vacation vacating all of the North-South alley, not previously vacated, Block 2, Wenz' Addition to Minneapolis for the properties located at 2300-14, 2320, 2324 and 2400 West Broadway and 2519, 2523, 2527 and 2531 Queen Avenue North.

**Motion:** The City Planning Commission recommended that the City Council adopt the findings and **approve** the vacation application (Vac1436) for that part of the north-south alley, not previously vacated, Block 2, Wenz Addition to Minneapolis subject to retention of easements by Qwest and Xcel Energy as follows:

Qwest: A 10.00 foot easement along the southwest right-of-way of that part of the north-south alley, not previously vacated, Block 2, Wenz Addition to Minneapolis.

Xcel Energy: The westerly 5.00 feet of that part of the north-south alley, not previously vacated, Block 2, Wenz Addition to Minneapolis.

Acting Commission President Hohmann opened the public hearing.

No one requested to speak to the item.

Acting Commission President Hohmann closed the public hearing.

Commissioner Krause moved staff recommendation on the consent agenda (LaShomb seconded).

The motion carried 4-0 (Schiff not present at the time of the vote).

**14. West Bank Music School (BZZ-1260, Ward 2)**

**1813 South 6th Street** (Michael Orange)

**A. Rezoning**

Application by Ruth Giegerich to change the zoning classification from R4, Multiple-Family District, to C1, Neighborhood Commercial District to allow the existing vocational school to remain at 1813 South 6th Street.

**Motion:** The City Planning Commission recommended that the City Council adopt the findings and **approve** the rezoning of 1813 S. 6th St. from R4 to C1.

Acting Commission President Hohmann opened the public hearing.

No one requested to speak to the item.

Acting Commission President Hohmann closed the public hearing.

Commissioner Krause moved staff recommendation on the consent agenda (LaShomb seconded).

The motion carried 4-0 (Schiff not present at the time of the vote).

**18. Elliot Park Lofts (BZZ-1692, Ward 7)**

**907-917 Portland Avenue** (Hilary Watson) *This item was continued from the May 3, 2004 meeting.*

**A. Rezoning**

Application by Richard Parks with Built Form, on behalf of Tandem Developers LLC, to rezone the property located at 907 Portland Avenue South from R6 to OR3.

**Motion:** The City Planning Commission recommended that the City Council adopt the findings and **approve** the rezoning petition to change the zoning classification of the property located at 907 Portland Avenue South from R6 to OR3.

**B. Rezoning**

Application by Richard Parks with Built Form, on behalf of Tandem Developers LLC, to rezone the property located at 917 Portland Avenue South from OR2 to OR3.

**Motion:** The City Planning Commission recommended that the City Council adopt the findings and **approve** the rezoning petition to change the zoning classification of the property located 917 Portland Avenue South from OR2 to OR3.

Staff Hilary Watson presented the staff report.

Commission Krause: Hilary, this issue of the commercial uses on the first floor. I didn't catch what you said about the potential for office functions. So is it required to be retail?

Staff Watson: In the OR3 districts there's what you can have, it's called neighborhood serving retail sales and services. It's a very short list of uses that could go into the building in addition to offices. So the applicant could only put in two neighborhood serving retail uses in the building, but the offices are permitted uses. So if the applicant could not find a tenant to fill the 10,000 square foot retail space, they could break that up into three or four smaller offices, but they could only have two commercial uses in the building. Which I think would also meet the intent of the neighborhood by having smaller activities going on within the building at the ground level, whether that be the office of an insurance agent, or a coffee shop.

Commissioner MacKenzie: One of the variances here is to increase the impervious surface in the lot coverage. Are we seeing any innovations in terms of stormwater treatment to compensate for that increase?

Staff Watson: We do have the pavers and then the sidewalk that connects the front yards of three townhomes out to Portland. As far as stormwater management, I'd like the applicant to respond to that specifically as to what they're going to do given that we have a high percentage of impervious [surface], we do have a lot of stormwater to capture. How they're going to do that I'm not quite sure.

Commissioner Schiff: What's the height of the Grant Tower high rise?

Staff Watson: In feet I don't know, it's 27 stories.

Commissioner Schiff: Well, that's relevant to my next question which was the number of feet. So is this shorter, taller, same height?

Staff Watson: I believe it may be shorter in feet. You know, to be honest, I can't answer that. It's 27 stories, and this one does say 28 stories – it's because we have one of those stories that's over 14 feet in height though it will have 27 stories of windows.

Commissioner Schiff: In the application for variance in floor area ratio, can you review again what the hardship is?

Staff Watson: As you know from the City Attorney, Carol Lansing, when approving a variance you can find strict hardship or you can find that what they're asking for is a reasonable use of the property. In this case, I think we're more on the side of this is a reasonable use given its location and proximity to downtown and also mass transit – the bus circulator systems, downtown lofts and light rail. And then, just in order to support a 24-hour downtown, you need the higher density residential located within and also on the proximity of downtown in order to support that type of activity.

Commissioner Schiff: Right, I noticed that the argument is there about proximity as hardship. It's a little nerve wracking because that's so broad – you say, you're close to the Mississippi River, then that's good, if you're close to the light rail...I mean thousands of parcels of land are close to the light rail in Minneapolis now yet high rises wouldn't be appropriate within 4 blocks of a light rail development.

Staff Watson: Right and again it's not necessarily a strict hardship, which I would agree it's not a hardship of the property to increase the FAR, but it is a reasonable use of the property which the City Attorney's office has indicated that we can use that when approving a variance.

Commissioner Schiff: And the Downtown East North Loop Master Plan doesn't cover this property?

Staff Watson: Correct.

Commissioner Schiff: So you talk a little bit about essential character of the locality? I know Grant Park is just down a couple of blocks away and that has forever changed the character of the Elliot Park neighborhood. So is that now the character, and are any other high rises in Elliot Park anywhere now essentially going to be deemed as part of the character of the neighborhood because we set a precedent. Because I thought that high rise is pretty far away on the edge of the neighborhood next to a freeway and that here this looks to be more in the heart of the neighborhood.

Staff Watson: Skyway News today had a really great photo of what this building looks like [shows illustration], but you can see that they are trying to maintain the character of the neighborhood by the design of the base of the building, the brick, the rounded corners, which matches a lot of other elements, a lot of other buildings within the neighborhood. Obviously, this tower, yes is not maintaining that character, but they've tried to disassociate the tower from the base of the building by using the different materials and different colors. So I wouldn't necessarily say that every tower would be approved because I do think we have to look at where it's placed in the neighborhood. Had this been three or four blocks further east, no, I don't think this tower would be appropriate, but I believe in this location it is. [Shows illustration provided by Bob Bistmy] That's the image that was in the paper today. That's the Rappahannock that has the curve...

Commissioner Schiff: I totally get the four floors at the bottom looking like the character of Elliot Park – it's the tower that to me seems like where it's in the neighborhood and with the number of variances that's [sic] being requested, that I'm having a hard time with the fact that the tower matches essential character of the neighborhood.

Staff Watson: Well I guess with Grant Park being kitty-corner from this site, I don't want to say that towers will be popping up all over Elliot Park because the rest of Elliot Park and attending their design charettes for two of the areas within the master plan, I know that that's not what the neighborhood envisions, but the neighborhood does want density and does want the retail and wants, needs the density to support the retail that they're looking for. Yeah, I guess I don't really know how to respond.

Commissioner Schiff: I'll wait for the public hearing because I'm just concerned that once this goes up, then of course that's the new benchmark for essential character for the next project that's a block away and how do we say no to that without getting ourselves in a real pickle of high rises that are the new character of Elliot Park.

Commissioner Krause: I know there are certain FAR bonuses downtown, one of which is related to green building strategies. Is this in that area?

Staff Watson: No, only the downtown zoning districts qualify for FAR bonuses.

Commissioner Krause: So we're what, a block, two blocks out?

Staff Watson: Right, across the street on Portland and 9<sup>th</sup> from a downtown zoning district.

Acting President Hohmann opened the public hearing.

Paul Benson (Tandem Developers): I thought I would give a little bit of background about our company and the project and how we got here today. Tandem Developers specializes in residential development in urban areas. We have active projects in Chicago and Milwaukee currently. For a number of years we've been wanting to develop in Minneapolis. We're very excited to be coming to Minneapolis. We see it as a tremendous opportunity in a city that's right on the verge of having all the perfect parts of a real urban 24-hour city. Everything is coming together at the right time, the right people and the right market. We've been trying to find the perfect spot in Minneapolis for a number of years and we really feel that we have found that in Elliot Park. What's so wonderful about Elliot Park itself is its proximity to downtown, right on the edge of the city. That it's a real neighborhood with a real neighborhood fabric. As has been mentioned, homes, duplexes apartments and now high-rises all coming together to make a real, urban downtown neighborhood. Once we identified this corner of 10<sup>th</sup> and Portland, we immediately began to interact with the community and have gone through a fantastic process with the Elliot Park neighborhood Association to come up with a real collaborative effort to develop, design and build a building that will fit into the fabric of the neighborhood which will be positive and meet their goals, needs and desires. We listened to what they had to say, we went to them for preliminary approval. We were aware they had a master plan in place and that we were asking for something that wasn't in their current master plan. We explained what we were trying to do, a high-density urban development, and it's been fit in with what the neighborhood wanted. Based on that we received preliminary approval from the neighborhood association and they formed a task force to guide the development, to let us know what was needed. We talked already today about the desire for retail, the desire for it to fit into the neighborhood, the desire for it to be reasonably priced that is something that we specialize in. We really focus on entry level, first time buyers and worked with the neighborhood to come up with a design that would work on all of those levels. And we worked hard with a task force which consisted of members of the community and got the task force approval and ultimately the Elliot Park neighborhood for the approval of this project. We're quite proud of the process and of the building itself and what it provides. I think that we as a company can add to the groundswell of downtown Minnesota [sic] development. We're going to do a quality project and I think that to be an asset to the community. We've put together a great local team of excellent advisors and consultants including Adolphson and Peterson Construction, Cunningham Group, Built Form Architecture, Maxfield Research, we really tried to do our homework and go through the process to come up with a quality development. Again, we're really excited to be doing business here and we'll do a quality job. As far as the specifics of the project, I thought Bob Bistry, the chief designer, could walk you through in a little more detail and I'll give over the floor if any questions.

Bob Bistry (Built Form Architecture, 311 North Abernethy, Chicago): I'd really like to start by also thanking the Elliot Park Neighborhood Group, the Minneapolis Planning Department, the neighbors in the area from residents such as the Rappahannock Group right next door-they're all part of this collective collaborative effort. There are a number of images [handout] this is just a couple of the snapshots of the process because it really was a process. When we started this we originally had the fundamental approval to engage in this task force meeting or task force development knowing that a density of around 300 units in a tower was appropriate, at least in

the neighborhood's eye. So we started with that, sort of those ground rules. Some of the images I'm passing around were again snapshots of that. We built a number of massing models of the neighborhood to understand the context that exists there now as well as study different configurations and orientations of the tower. There have been some of the images I think you do have a copy of some of the shadow studies, again that further analyze what the impact of those forms were. I think we also got the message that we heard from the Elliot Park Neighborhood Group was that they wanted the density, they wanted retail and an active street front, so how we developed the elevations of the base of the building were different than the tower, with the goals in mind of having active use on 10<sup>th</sup> Street as well as Portland. We respect our most immediate neighbor, the Rappahannock. We're right up against it, there's an existing building that literally is a party wall to it, so sort of detailed design review of what the courtyard that we eventually developed was its function of how it looked. And then also the fact that the building needed to meld into the community on one level, but also stand out and have its own identity on another. With that, just a follow up, really I'm with what Hilary's presented. I'll try to be brief and then your questions. There's a board again here giving sort of an overall context to the fact we're at 10<sup>th</sup> and Portland, proximity to the new Grant Park development kitty-corner. To explain some of the plan issues: This is the diagram of the first floor plan. Again what you see in this light here is the retail. The corner anchor retail, again to try to design the size of that so it's a viable retail space that can actually survive. It had a lot to do with that size as well as its positioning on the corridor, but also being conscious of the fact that this secondary retail tenant that we're telling this could be a possibility of a coffee shop, sandwich shop, something smaller. Again the retail helping to make this neighborhood livable or walkable so that you things you don't have to drive everything isn't oriented around a vehicle. Again that has a lot to do with its ground point function. What you see in blue is the entry to the tower itself and some of the other things that were reactions and part of the process were in effect that we have this landscaped courtyard, but we now have three townhome units on it, instead of an articulated wall, it's not a blank wall, it's something the community said and we heard that they wanted active use so there's actually people with front yards and there are three units along that façade. It's also that we have access to the parking from both Portland and 10<sup>th</sup>, again to minimize the impact on any one street or any one point. That was another suggestion from the Planning Department actually. We have one level of below-ground parking and then the general parking you see in gray is the parking plate, what is in this mustard color are the units. So we have a fully enclosed indoor parking garage even when I get to the elevation, most of it is stringed by real units too, it's not just a fake wall so there's actual activity you're seeing. And on the alley side, it's a matter of the articulation of the façade. Going to the upper portions of the building, again this is the top level of parking; this is basically the first level of units and function for the tenants. This I can answer a little bit about the stormwater management. We have not engineered this fully, but the intentions here are trying to incorporate as much of an environmentally sustainable system including green roof and other things that help mitigate some of those stormwater issues. That's something we'll be ameniting [sic] not only to the tenants, but actually visually as people from the tower buildings are looking out, it's not just a black roof. That would be in this zone. And then the rest of the tower. And you can see the orientation of the tower is rotated with its thin end toward Portland. And again part of the studies you see in the model massings that we did were really to look at different view corridors to the City, through the neighborhood and filling down Portland to see how it works with the Grant Park tower and how to minimize that impact and not create a wall. One of the other interesting things about the shadow study is that because this grid is on a 45 degree angle almost with the sun, its orientation really helped that-it wasn't a broad face that's blocking sun. This is the colored image [shows picture]. Again talking about a ground planted landscape design as Paul had mentioned. Speaking on behalf of our whole team, the Cunningham Group and Bob Close Landscape Architecture who were part of the actual master plan development and what the community was looking for from a landscape design, what you

see is the street right of way, a public sort of feeling with the streets and the planter boxes that we're asking them to incorporate. As you get to the entry of the building, the design is relieving, so we do not have a full, block-long façade. We stepped it back at the entry of the tower and further in the courtyard so that it didn't feel like one mega sized project. The designs, the elevations all show as articulated and smaller facades and again what we call, this is sort of the semi-public area, where the overflow of not only the entry to the building, but the retail, could if it's a coffee shop or what that function becomes, it could be some public communal activity and then that really transitions into this semi-private garden which is shared and enjoyed not only by the Rappahannock but the new three townhomes with private yards and this is again semi-private, it's not gated and I think what Hilary spoke to is being conscious of that design. Now being a 4-foot fence everything's acceptable but it's really in its detail to infer a barrier but not a locked situation. I'll refer back to the 3 dimensional. I think the very first meeting we had on this building and what the architecture should be about was first and foremost addressing its contextual nature, what the neighborhood is about. And they're four story, five story, red brick buildings. We followed the scale and the material exactly of what the Rappahannock is. We're also noticing in a close analysis of the neighborhood is that most of the historic buildings are in a red brick, many of them are actually in a buff brick, many of the return sides and back sides of the red buildings are in the buff color. So there's really a blend of those two predominantly masonry materials. What we tried to do is by orienting the tower in the way we have and allowing the building material of the tower which we're proposing to be a pre-cast panel, rusticated joints in the buff color, we're hoping to maintain the character of that fabric of the four to five story red buildings. This next image is showing the courtyard elevation of those townhomes, this corner tower element that is set back off of Portland and off of the courtyard, and then really, this is the same line drawing, this is a color rendition of what was presented earlier today about what this façade may be and we're proposing a [tape unclear] on the elevation in a masonry material, the same masonry material that's on the courtyard façade. So it's a high level material. Now it's more of a matter of how we integrate the louvers that you need when you completely enclose a parking garage with some architectural interest. This image again helps an artists rendering of what the character of that may be with the retail, the residential units above it, and then the tower being set back. One of the other things that were a result of those massing studies was that this building is really not central between 10<sup>th</sup> and 9<sup>th</sup> Streets. It's set back off of both 9<sup>th</sup> and 10<sup>th</sup>, and it is not going to impose or restrict those sort of vehicle orders. It is set back off of this façade. The summary that's planted, there were a couple of other images if I could just to start. The intent there was to maintain that fabric of red and not to distract from it and to also, the lighter color of the precast and a little bit of mass that wasn't a bookend for the existing neighbor. That is (I apologize for the size) a montage of what the proposed building would be and it shows the idea of stitching that base fabric in and trying to minimize the mass of what a darker material may be.

Commission President Hohmann: I have a question on the alley side. I think Hilary mentioned something about working something out to do the elevation?

Bob Bistry: If I could point that elevation out again. This is an image with basically the same line work that they have, but this is showing some of the material we submitted would not have the color detail. And I think our team is committed to actually with this approval, continuing to work with the Elliot Park neighborhood group to finalize any details and this is certainly an area that could be considered for that. Again, it's a matter of how do you take a completely enclosed parking garage, because what we did not want to do is open that up. Obviously you don't see the lights or other visual issues with an open parking deck, but you have, it will be opaque and now it's a matter of just adding enough detail for the reason. On the end here you're seeing the red which is the return side of the units actually from 10<sup>th</sup> Street.

Kent Bakken (resident 622 E 16<sup>th</sup> Street, Board member of Elliot Park Neighborhood and task force that has been working with the task force and City Planners): I would like to repeat what you've heard about the task force process that we went through. I thought it was very positive, very productive and I'd like to say that Tandem listened very carefully to our input and they responded properly and creatively to what we had to say. I wish you could see as I have seen the way design evolved as we have worked on it together. There are a number of changes I think just have given us a very good final result. If I could back up just a little bit, I believe that the numbers you're looking for is that Grant Park is 294 feet and this is 291 feet, so they are essentially the same height. Also to address your question about the tower, I think the task force has wrestled with that, not only with this project but also about what will the place of towers be and how does this change things? Initially we objected to the height of the tower on this and after looking it over we realized that there was an advantage to it. It would give us the kind of density that we want to have the population of the neighborhood increase, the dynamic lively neighborhood, the kind of place that will be able to support retail, entertainment and other amenities like that. We also realized that this kind of high rise development is necessary to keep prices under control, to make this much more broadly affordable and that's something we had to consider carefully. One thing I think that a place like Elliot Park worries about is gentrification and being able to offer more reasonably priced units like that is the one thing we can try to do to try to control that. And also, I think the one thing we considered in terms on the task force is looking at this project in terms of operating at two very different levels. This is a perspective that I tried out by walking around downtown quite a bit, looking at some of the towers that are out there, especially at Grant Park from a distance of close up and a distance of a few blocks. I think that many of us concluded that a project like this contributes to the streetscape, in this case, the historic character of South 9<sup>th</sup> Street historic district and a stretch of Portland. On the base levels, in this case the bottom 4 stories, which I think have the massing, the texture, that will compliment the historic character. While the tower is not invisible from a block or two away, it's not the part of the project that you notice when you are close up to it. That's something you observe from a distance of a few blocks. I've noticed that Grant Park, for example that is attractive near it, but it is much more pleasant from a distance of a few blocks. So I don't see the presence of towers in this part of downtown as being prominent. Our master plan basic concept was that there would be a higher development on this western edge of downtown; it would step down into the neighborhood where you're getting into single-family homes and smaller buildings. I think that we still stick with that principle, but it seems that in the master plan process we misjudged the height, practical and feasible. After looking at a lot of different configurations on this and considering a lot of matters, in general we've come to see thoughtful [tape unclear] as an asset. And I think this whole project is very much an asset to the neighborhood and I very much hope to see this going up soon. I live just three blocks down from here – I walk my dog there every day. Just one thought to leave you with: The nature of the collaboration of the task force working with Tandem, I'm excited looking at renderings because I can pick out the parts here that the ideas and contributions came from the neighbors, not just the architects and construction people, from the people who live right here. So I can look at these pictures and say wait, that was our idea. In just a modest way, it's Tandem's property, but it's also our property. Thank you.

Gerry Berglin (3424 46<sup>th</sup> Ave South, Board Member, EPNI): I want to put a little perspective on this. I remember 8 years ago when we were looking at the lack of ownership housing in Elliot Park and it has been one of my goals for a number of years and built into the master plan. We're looking at housing, particularly ownership housing. I used to live in Bloomington for quite a few years and I would drive in on 35[W] every day and I've been back in Minneapolis because I grew up in Minneapolis, Longfellow area, and now I'm back in Longfellow and extremely happy

about that. But when I would come in you literally get off at Elliot Park on 10<sup>th</sup>. When the Grant Park proposal came in, I was a little bit dubious about it. Then I started thinking about it and what kind of impact that would have on the community. I am extremely happy with the Grant Park project. I think it sets off Elliot Park and the downtown when you enter. It's almost a masterpiece frankly. And I think this proposal does something different but also being literally across the street, fits into that same perspective. One of the things that we are very concerned about in Elliot Park is ownership housing. There are types of ownership housing. I think Kent already explained that in regard to ownership housing that is more affordable. This project meets that goal. It's hard to do without adequate density. Frankly, from my perspective as a board member, if this project was a couple of blocks east from where it is, it wouldn't have my support. And as Kent said, the location of the project allows the height, allows that kind of design. As a person who has been involved in this for quite a few years, I just wanted to lend that perspective and support. Thank you.

Millie Schafer (1515 Elliot Avenue): I'm Chair of the Building and Land Use Committee for Elliot Park, a member of the board, and a long-term resident of the area. I can't add much to what Kent and Gerry have said except to add my support to what they have already said. Also, to let you know that as a neighborhood, we support this type of development.

Heather Holscher (resident at the Rappahannock): In addition to the support that you have heard so far, I just wanted to voice my support as well. I have lived there for 5 years and am looking forward to hopefully having the Elliot Park Lofts as a neighbor.

Kristina Kliber (926 13<sup>th</sup> Avenue South, Vice President of the Board EPNI): I would like to read a letter from the president of the board of Elliot Park, she is a resident of the Rappahannock Flats and she wrote this letter to Zoning & Planning as she was not able to be here tonight. She writes: 'As a property owner in Elliot Park and resident of the Rappahannock Flats condominiums, I wish to voice my support of plans for development of the property directly behind the Rappahannock [tape unclear] at 10<sup>th</sup> and Portland. I am impressed with the level of attention Tandem has given the closest neighbors during the design process and am enthusiastic about having new neighbors rather than vacant buildings directly behind my home. Please support the variance requests that Tandem has submitted. Thank you. Signed, Julie Kerns, Board President, EPNI'. I just wanted to add that Tandem actually has been really great to work with. They have really taken our ideas and requests and have been very responsive and I'm personally very excited about having more retail in the neighborhood. I walk my son every day around the neighborhood (that's the point of living downtown in an urban area) and there's not nearly enough retail business in our little pocket of the neighborhood and I think it's great that there will be two extra spaces there and that there's going to be a real mix with the more affordable property owners in the new building.

President Hohmann closed the public hearing.

Commissioner LaShomb moved the rezoning, items A and B (MacKenzie seconded).

Commissioner Schiff: Ms. Watson, the neighborhood has a plan, has that plan been adopted by the City Council?

Staff Watson: It was, yes.

Commissioner Schiff: And that was just before we adopted the Downtown East North Loop Master Plan.

Staff Watson: Correct.

Commissioner Schiff: Was there ever a process to take that plan and look at the rezoning of the neighborhood in conjunction with that plan to see if changes need to be made?

Staff Watson: Possibly Jack Byers or somebody from EPNI could address that, I wasn't closely related to the neighborhood master planning process.

Commissioner Schiff: What exactly was this site referenced as in that plan?

Staff Watson: It depends on which map you look at, or what context plan you look at. It's located within the 9<sup>th</sup> Street Historic Area which is one of the areas within the plan which calls for the 2-5 story development maintaining the historic character of the buildings, but again this isn't located within the 9<sup>th</sup> Street historic district, it just falls into one of the circles on the plan, but it could have put it in a few, but it seemed mostly to be in this one.

Jack Byers (City of Minneapolis Community Planner for Downtown): I have a copy of the Elliot Park Master Plan if you would like to see that. The specific land use and density of the site is not designated in the master plan. I should correct the record that the site is within the Downtown East North Loop Master Plan, and the site does not call for in the master plan for high density development. Both of those plans have been approved by both the Planning Commission and the City Council. So I would like to say that this has been a year-long process and I'd like to say something about the essential character of the neighborhood because I think it's important for you to recognize the process that the developer, the neighborhood, and the staff have been through. With the exception of East Village and Grant Park, the essential character of Elliot Park has not changed dramatically since the Metrodome and HCMC were built in the 1970's and early 1980's. Elliot Park is an impacted neighborhood. They have not seen a great deal of development, they are looking for development. The design of the building directly correlates to the number of units in the building, the price point of those units and the homeownership population in the neighborhood. The neighborhood has been very creative and I would say in my experience they have been more creative than most neighborhoods I know of to actually go out and seek development proposals on various sites where they see opportunities. They were the ones who came forward to the Planning staff and said, look, we had a developer here, we're interested in talking about an 8 to 10 story building on the [tape unclear] site. We want to talk about that issue. The 8 to 10 stories is not approved in the Elliot Park Master Plan, it's not approved in the Downtown East North Loop Master Plan; however, one of the things that the discussion began with is that if the development had only been 4 to 5 stories, first of all, there would have been very few developers who would have been able to put that together, second of all, it would have been very challenging to put the parking requirements for that on site, and third of all, the price point for those units would have been significantly higher in the range of \$400,000 to \$500,000. So the Elliot Park Building and Land Use Committee took a decision that they then sent to their board, their board then approved the decision to go forward and form a task force with Tandem Development and with Hilary and myself. That task force met from late last summer until about January 1 last year. We had a number of different meetings with all of the folks from EPNI as well as Tandem and their consultants and representatives. That task force sat and grappled with all of the issues of the height and the massing of the building relative to the neighborhood concerns in terms of the social character of the neighborhood and the physical character of the neighborhood and how those both could be met. I think there are a number of things in the site plan that have been spoken about, but maybe haven't been brought home to you as much as you need to hear them. One of the hardships that the developer has is

that the staff and the neighborhood pushed very hard for this to be a liner development project. As you know in other places around the city, it's extremely difficult to persuade a developer to do liner housing on a full block site. This is less than a half-block site. The developer and the developer's architects have been very creative in coming up with a liner solution for this parcel. Initially, they came up with a liner solution that actually had the blank wall of the parking garage facing the Rappahannock and Hilary and I said that was not acceptable. Quite frankly, the residents of the Rappahannock were not very glad about that either. But again the developer went back to the drawing board and it's not just a design issue, it's not an aesthetic issue, it's not just about landscaping, it's about the unit counts and the price point of those units and the affordability of those units and the developer came back and put units in to face the courtyard so that it could be a common area and the folks in the Rappahannock would not see the blank wall of a parking garage. Believe me, we went through schemes that had very beautiful blank walls for the parking garage, but we now have schemes that have active uses and people facing that parking ramp. So, while I will concede that this particular design is not going to win the Pritzker this year, though I think Bob Bistry and his colleagues are well on their way to getting one, this is a very good building that meets the needs of the neighborhood and the developer and the plans for the area, if not in letter, in terms of the actual character of the neighborhood and proving the character, both socially and physically of the neighborhood, so I think that's important to keep in mind.

Commissioner Schiff: The original plan, I see 4 to 8 stories listed here. You said the developer came forward with a plan for 8 to 10 stories. Would that have been allowed under the existing zoning?

Staff Byers: That would not have been allowed. And to get back to your original question, the City Planning Commission adopted the Downtown East North Loop Master Plan last October, as you know the City Council subsequently approved it. My work plan for the year 2004 at the very top of my work plan is to make sure that the changes in the zoning code are brought forward to make that commiserate with both the Downtown East North Loop Plan and the Elliot Park Master Plan.

Commissioner Schiff: And if zoning only does so much, you need variances and FAR ratios changed to get other things built in those zoning categories.

Staff Byers: That's exactly right. In context with the rest of the neighborhood, the entire neighborhood needs to be rethought in terms.

Commissioner Schiff: How many more high rises of this size and massing are planned for this neighborhood?

Staff Byers: To the best of my knowledge, one – 505 East Grant.

Commissioner Schiff: No, I mean under the plan.

Staff Byers: Under the plan? The plan calls for another high rise development over on 35W in the far east reaches of Elliot Park in what's considered behind the Metrodome, although we're trying to change the perception that it's behind.

Commissioner Schiff: So one more.

Staff Byers: One more is in the plan.

Commissioner Schiff: And the rest are not in the plan, as this wasn't in the plan either. It could be built because...

Staff Byers: That's correct. And it is entirely possible that this will set the tone that further large-scale, high-density developments could be built in Elliot Park. That could be seen as a bad thing. In my experience, the neighborhood has not seen that as entirely a bad thing on the edges of the neighborhood, particularly those edges closest to the LRT line and the existing downtown corridor. The neighborhood would like to see a step-down zone between the high-rises of the downtown corridor and the character of the single-family neighborhood. So, it's true that other developments would come forward. I think this sends a good signal, not only that development is possible in Elliot Park and it's not a place you should stay away from, but it also sends a very good signal that you have to work closely with the neighborhood in order to make sure that their goals are being met and they're not just throwing away all of their goals in order to get development at any cost.

Commissioner LaShomb: I have a concern about high-rise buildings popping up all over the place too. I wish we'd pop some more up around light rail stations and get some density there, and maybe that's going to happen. I lived down in the Loring Park community for about 17 years and some of you may know, if you walk out behind the Hyatt Regency, the buildings get kind of tall back there. I always had kind of mixed feelings about that. I always liked tall buildings, because I think that's what downtown's are about, but I also had this feeling about there was a certain kind of canyon effect that after a while, you lost the sun until you got toward the end of the walkway down at the park. So I'm always a little wary when people say we ought to cluster residential high rises, so we ought to build the Heritage, and then across the street we ought to build another high rise, and then next to that, another high rise residential building. I don't have any problem with the fact that there was some space between these buildings. I don't know how many high rise buildings are being built in Elliot Park. Sometimes you have to take them as they come and see whether you want it. I think this is a good project, I think they worked well with the community on this project, a lot better than some folks that have come here, so I just think we ought to get on with this and approve the zoning and all the other things and my big question is going to be, if the Sunday paper is any indication, are you going to be able to sell these? We seem to be building a lot of housing at least on the higher ends.

Commissioner MacKenzie: As a sidebar, I agree with Commissioner LaShomb, we should just move on, but I think maybe what we're saying here is sitting as Commissioners trying to place this specific proposal which has tremendous merit, both in its design and in its process, and it has worked with the neighborhood and it's clearly articulated its interest to the neighborhood, is we're looking for a little more guidance, a little bit more of a roadmap, that bridges us between the Master Plan and the Downtown East Plan to say there are some places on the edges, and you just referred to it Jack, there are some places on the edges where the density is welcomed. The mechanics to make the neighborhood work as it looks to the future, but we want to have a better sense of the geography before we sort of feel we have to react to a proposal and turn down one proposal, but not another and are we grounded enough that our grounds to do that, that we feel good from a policy perspective. So I am sure that you all realize that, but I just want to articulate it because that is kind of what we need.

Staff Byers: Mr. Chair, Commissioner MacKenzie, I whole heartedly agree and I feel very strongly that we should not take this as a piece by piece process as new proposals come forward, that this area, as well as the North Loop need to be rethought of in their zoning and you have all seen those presentations and grappled with those issues and you know that's the next step and it

really does need to be looked at in a comprehensive way in terms of what is the existing zoning that works and what is the existing zone that is really prohibiting development and keeping development out of the neighborhoods and more importantly, not giving us the handle that we need to actually encourage development and make sure that it's modified in a way that's productive to the City of Minneapolis.

Commissioner Krause: The one drawing, the montage, I think you took that from my living room window (I live at Centre Village). I'm also trying to put this in context and really struggling with it because I remember some battles, not all that long ago, over where we going to try to accommodate future office tower growth, and at the time I remember 5<sup>th</sup> Avenue being the line drawn in the sand, beyond which the office tower shall not go without fierce political battles and then, also from my living room window, I can see a lot of lots that are now virtually empty, or significantly underdeveloped between downtown (behind me) and this building in Grant Park in front of me. So, what happens to that Krause Anderson block that's now surface parking? What happens to the half of the block that's behind the CCHT housing just to the south of that? What happens to the Normandy Hotel block, which you might argue is underdeveloped, or Smith Brothers? There's a lot of those blocks now where now we've put two towers, big towers, several blocks afield from that and we've left this hole between that and what we used to consider really the core of downtown where we were going to try to focus that office development. And I frankly don't know what that means. I'm having a hard time trying to figure out what's going to happen between these projects, Grant Park and this one and the rest of downtown. I think what Commissioner MacKenzie was saying and why there's a bit of an unease here is not so much about this project, but something about this feels to me like we are taking a step towards something and I can't tell what it is.

Commissioner Schiff: I've supported every housing project that has been before us. I'm not going to be supporting this one today. I have the same unease that Commissioner Krause has and I think other Commissioners have expressed as well. They may be supporting this today, but I can't. I am going to create blasphemy as well and say for the record I don't like Grant Park. I don't like the massing of it. I met with the architects and I told them I thought it looked like an oversized hotel on steroids. And I think it's the massing that's wrong and out of context with the neighborhood, but that was on the edge and that was approved at least three years ago. I'm looking at all these surface parking lots and I'm seeing a new trend of what the bulk and the massing of the buildings are in this neighborhood and this is the future. Nobody on the Planning Commission was here 3 years ago and at that, none of us will be here 3 years from now when the next proposal comes along. I'm really happy the neighborhood has had a great process and I'm glad that you're happy with this building because I think it's going to pass and you're going to get it. But I don't think you're going to like what comes next. Because we can't make decisions based on price points. You like the affordability and what this brings to your neighborhood, but the next time there's a project of similar density that you don't like the price points for, we can't make a decision based on that. You like the design of this project, but we can't make a decision based on design because we don't have formal design review in the City of Minneapolis, so for all the reasons you're comfortable with this, are exactly the kind of reasons that we're not going to be able to say no in the future because we are setting precedence here. Yeah, I can see this whole line being filled up with buildings of similar size and scale and I don't think the neighborhood will like it. And I don't think the Planning Commission in the future will understand why this is OK, but something identical to it two blocks away is not OK, particularly with the way the rationale is written here about proximity being something that qualifies and the definition that this doesn't change the unique circumstances or the essential character of the neighborhood. I think this dramatically changes the essential character of the neighborhood. I think essential character of the neighborhood is low rise, historic brown brick buildings and I

think you could find a developer to build stacked townhomes on these vacant lots in Elliot Park without resorting to this kind of tower. I'll repeat what I said to the architect when I met with him, it looks like the island of Doctor Moreau architecture to me. Where this half doesn't match this half, it's just been plopped in, maybe dropped in from Nicollet Mall, the Target Towers revisited with a little top of the U S Bank tower on top. It's not contextual, it doesn't meet the neighborhood at all. Even the pre-fab concrete jutting balconies that are post-modern in their essential character, they have nothing to do with the brownstones that are across the street. So I like the design, I don't like what I think is around the corner for Elliot Park so I won't be supporting this.

President Hohmann: I'll just take an opportunity to add a little balance here. I like the project and I think the design on the lower levels does tie to the neighborhood, I like the density. I think price point is important because a building like this with the costs the way they are will allow a lot of people of moderate income, downtown workers, to live within walking distance of downtown and I think we need more of that in the downtown area. The high price point units are nice but a lot of folks can't afford those kind of units downtown and I think this kind of thing really meets a need.

Commissioner Krause: I'm a little uncomfortable too with the increase in the FAR. We've got an 80 percent increase. We start out with a fairly significant FAR to begin with and then we're going to grant an 80 percent increase. Now, everywhere else that we've done that, we've tied that to certain other policy goals that we have or other kinds of design goals that we have, whether it's the green building standards or whether it's the affordability or whether it's the enclosure of parking – that's how we get to those FAR bonuses. I don't have the same clear sense of what we are getting and as soon as we start granting FAR bonuses by variance, then we undercut what we're trying to do by having FAR bonuses granted towards these policy goals, so I'm uncomfortable with that as well.

President Hohmann: The motion is to grant rezoning to OR3 for both A and B, for both properties.

The motion carried 3 to 2 (Schiff and Krause opposed).

Commissioner LaShomb moved the conditional use permits, items C, D and E (G. Johnson seconded).

The motion carried 3 to 2 (Schiff and Krause opposed).

Commissioner LaShomb moved variances F, G, H, I, J, K, L, M, N and O (G. Johnson seconded).

Commissioner Krause: I just want to point out what we're doing in item J, since we're approving these in whole lots, this is really another precedent that concerns me. The idea that we're going to grant a variance for the maximum impervious surface with these large projects – that is really not what we're trying to do elsewhere in the city with broader policy initiatives, we're trying to do more, we're trying to transfer more of our stormwater management out of a more mechanical publicly funded system and build it in across our design landscape and that is not what we're doing here. In addition to my other more general problems with the project, this is one where I have a particular problem granting this variance.

Commissioner G. Johnson: I would agree with that. Take J out of this, separate it.

President Hohmann: The motion is all the variances other than I and J.

The motion carried 4 to 1 (Schiff opposed).

Commissioner LaShomb moved items I and J (G. Johnson seconded).

Commissioner Schiff: I'm just clarifying if you could Hilary, I see green stuff on the rooftop and I don't know if those are trees or not. Is this a green roof – are there plantings up on the roof that will absorb rainfall?

Staff Watson: I wish to have Bob Bistry answer that.

Bob Bistry: Yes, that's what the design calls for. The amount and how it equates to actual stormwater retention is something that has not been engineered. By separating those two, is that something that can be conditional on the green roof supplementing that impervious surface? Because we were looking to also in an economical sense have this be an environmentally sensitive building as much as a tower can be.

Commissioner Krause: If in fact these variances don't pass, then I would propose staff work with the developer on an alternative which is to get to compliance and allow alternative compliance in the form of green roof. In other words, count that square footage.

Commissioner LaShomb: That's a friendly amendment. He said if they are not granted, so.

Commissioner Krause: If they're granted, then the developer doesn't have to do it.

Commissioner Schiff: Clarification from Neil, can staff administratively approve something by (because I assumed this didn't have green roofs, that's why the variance was necessary, because I thought that the green roofs would be captured in the calculation) building permits, or do they need a variance recognizing the existence of the green roofs.

Staff Neil Anderson: I think they can handle that administratively, without having to come back for a variance.

Staff Watson: I just want to point out for lot coverage, that has nothing to do with the green roofs or landscaping, that's how much of the lot is covered by a building, not impervious surface.

Commissioner Krause: You're right, technically that's true but I'm saying that the green roof can be alternative compliance with the lot area coverage because the lot area, there may be a structure underneath it, when you've got green space on top of it, that could be a form of alternative compliance that reduces the need for a variance of lot area.

Staff Watson: Not lot area, but the impervious surface coverage. Lot area just deals with how much of the building is covering the lots to allow for open space on a property. Impervious surface has to do with filtration of storm water.

Bob Bistry: With regard to the lot area coverage, I think one of the things we did try to do with the design process is match the setback plans and build to lines on Portland and on Penn, that has a lot to do with what the coverage is, and the actual detail design is the courtyard next to the Rappahannock. I mean, we had looked at wider setbacks there actually, and it created a much

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less intimate space. So although I think we can accommodate the sustainable aspect with the green roof and the impervious surface issue, the lot area coverage would just result in a larger setback at some point.

Commissioner LaShomb withdrew the motion on I and J and instead moved staff recommendation for I (G Johnson seconded).

The motion carried 4 to 1 (Schiff opposed).

Commissioner LaShomb moved staff recommendation (to deny) with the recommendation to address any language concerns (G Johnson seconded).

Commissioner Krause: I don't think we need a language change, we need to not grant this one, and that requires them to meet the 85 percent.

The motion carried 5 to 0.

Commissioner LaShomb moved the site plan, item P (G. Johnson seconded).

Commissioner MacKenzie: Friendly amendment, just to restate the need to see more design details for a rooftop garden to achieve stormwater quality objectives.

The motion carried 3 to 2 (Schiff and Krause opposed).