



**Request for City Council Committee Action
from the Department of Community Planning and Economic Development –
Planning Division**

Date: April 5, 2007

To: Council Member Gary Schiff, Chair, Zoning & Planning Committee and Members
of the Committee

Referral to: Zoning and Planning Committee

Subject: Appeal of the decision of the City Planning Commission for the Hotel Uptown project located at 3017, 3021 and 3027 Holmes Ave S.

Recommendation: The following actions were taken by the Planning Commission on March 5, 2007 (BZZ-3417):

A. Conditional Use Permit: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a conditional use permit to increase the maximum permitted height allowed in the C3A district from 4 stories or 56 feet to 6 stories or 63.5 feet for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the application for a conditional use permit to allow an increase in height 4 stories or 56 feet to a maximum of 6 stories or 63.5 feet for the proposed hotel on the property located at 3017, 3021 and 3027 Holmes Ave S.

B. Variance: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a variance to increase the maximum permitted floor area ratio in the C3A district from the allowable 3.24 to 3.85 for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: Notwithstanding staff recommendation, the City Planning Commission **approved** the application for a variance to increase the maximum permitted floor area ratio in the C3A district from the allowable 3.24 to 3.51 feet for the proposed structure on the property located at 3017, 3021 and 3027 Holmes Ave S based on the following finding:

1. A portion of the subject properties were taken for public purposes (for the existing alley), which reduced the lot area.

C. Variance: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from north to south) from 6 feet, 6 inches to 0 feet due to the residential structure to the north for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from north to south) from 6 feet, 6 inches to 0 feet due to the residential structure to the north for property located at 3017, 3021 and 3027 Holmes Ave S.

D. Variance: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from south to north) from 11 feet, 6 inches to 0 feet due to the residential structure to the south for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance of the front yard requirement adjacent to Holmes Ave S along the west property line for the first 40 feet (from south to north) from 11 feet, 6 inches to 0 feet due to the residential structure to the south for property located at 3017, 3021 and 3027 Holmes Ave S.

E. Variance: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a variance of the rear yard requirement adjacent to the alley along the east property line from 15 feet to 13 feet 6 inches for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance of the rear yard requirement adjacent to the alley along the east property line from 15 feet to 13 feet 6 inches for property located at 3017, 3021 and 3027 Holmes Ave S.

F. Variance: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a variance to allow a driveway in the required interior side yard adjacent to the north property line for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance to allow a driveway in the required interior side yard adjacent to the north property line for property located at 3017, 3021 and 3027 Holmes Ave S.

G. Variance: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a variance of the on-site parking requirement from 38 to 35 spaces for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance of the on-site parking requirement from 38 to 35 spaces for property located at 3017, 3021 and 3027 Holmes Ave S.

H. Variance: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a variance of the loading requirement for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance of the loading requirement for property located at 3017, 3021 and 3027 Holmes Ave S.

I. Site Plan Review: Application by Curt Gunsbury, on behalf of Michael Karch and Nob Hill Investments, LLC, for a site plan review for a 6-story hotel in the C3A district for the properties located at 3017, 3021 and 3027 Holmes Ave S.

Action: The City Planning Commission adopted the findings and **approved** the site plan review application for property located at 3017, 3021 and 3027 Holmes Ave S subject to the following conditions:

1. Planning Staff review and approval of the final site, elevation and landscaping plans.
2. All site improvements shall be completed by March 5, 2008, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.

3. Any changes to the site plan as a result of Preliminary Development Review may result in another public hearing by the City Planning Commission if the Zoning Administrator deems such changes significant under sections 525.360 and 530.100 of the zoning code.
4. The landscape plan shall include a greater variety of plant types.
5. Incorporation of windows, entries, recesses, projections or other architectural elements along the north elevation to break up the blank uninterrupted walls that exceed 25 feet in width per Section 530.120.
6. All ground level windows must be transparent (non-reflective).

Ward: 10

Prepared by: Becca Farrar, Senior Planner, 612-673-3594 Approved by: Jason Wittenberg, Development Services Supervisor Presenters in Committee: Becca Farrar, Senior Planner
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Community Impact

- Neighborhood Notification: The applicant notified the East Calhoun Community Organization (ECCO) as required on February 2, 2007 informing them of the development project. Staff has not received official correspondence from ECCO stating a position prior to the printing of this report.
- City Goals: See staff report
- Comprehensive Plan: See staff report
- Zoning Code: See staff report
- End of 120-day decision period: June 5, 2007

Background/Supporting Information: The applicant, Curt Gunsbury, has filed an appeal of the decision of the City Planning Commission. The appeal is associated with the decision of the City Planning Commission to approve the application for a variance to increase the maximum permitted floor area ratio for the development known as Hotel Uptown from the allowable 3.24 to 3.51 and not the requested 3.85. The minutes from the March 5, 2007, City Planning Commission meeting are attached.

The appellant has stated that the decision on the variance to allow an FAR of 3.51 and not the requested FAR of 3.85 is being appealed for the following concluding reasons. The appellant states that the site has an extra wide alley that gives it permanent access to light and air and when the unused alley area is factored into the ratio of open space to floor space the effective FAR is greatly reduced. Therefore, the appellant contends that the FAR of 3.85 that they are seeking acts as an FAR of 3.54. The appellant further states that mixed use allows an FAR of 3.78 and the FAR they are seeking thus appears reasonable and well within the limits of best practices for this zoning district. The appellant continues that the Hotel Uptown is a classic design similar to other beloved neighborhood buildings and will serve as a thoughtful, well-crafted project that adds to the vibrancy of the Uptown neighborhood. The appellant's complete statement of the action being appealed and reasons for the appeal are attached.

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

250 South Fourth Street, Room 300
Minneapolis, MN 55415-1385
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(612) 673-2157 TDD

MEMORANDUM

DATE: March 22, 2007

TO: Steve Poor, Manager, Community Planning & Economic Development - Planning Division

FROM: Jason Wittenberg, Supervisor, Community Planning & Economic Development - Planning Division, Development Services

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

SUBJECT: Planning Commission decisions of March 5, 2006

The following actions were taken by the Planning Commission on March 5, 2007. 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:

Commissioners Present: Huynh, LaShomb, Mains, Nordyke, Norkus-Crampton, Schiff, Tucker and Williams – 8

Not Present: President Motzenbecker (excused) and Commissioner El-Hindi

12. Hotel Uptown (BZZ-3417, Ward: 10), 3017, 3021 and 3027 Holmes Ave S ([Becca Farrar](#)).

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7. Planning Staff review and approval of the final site, elevation and landscaping plans.
8. All site improvements shall be completed by March 5, 2008, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.
9. Any changes to the site plan as a result of Preliminary Development Review may result in another public hearing by the City Planning Commission if the Zoning Administrator deems such changes significant under sections 525.360 and 530.100 of the zoning code.
10. The landscape plan shall include a greater variety of plant types.
11. Incorporation of windows, entries, recesses, projections or other architectural elements along the north elevation to break up the blank uninterrupted walls that exceed 25 feet in width per Section 530.120.
12. All ground level windows must be transparent (non-reflective).

Staff Farrar presented the staff report.

Commissioner Norkus-Crampton: Becca, when you talk about the stepbacks, from viewing the site and from the Planning Department's perspective, how many feet stepback would you think would impact the overall massing or the sense of the overall massing of the project to mitigate the sense of the mass?

Staff Farrar: I think we didn't necessarily have a specific prescription. I think that you, as a commission, have approved other buildings in the past where perhaps it's been five feet on one level and seven feet on the next. There have been certain combinations that have been utilized, typically for penthouses built on top of older historic buildings or

whatnot. I don't think we had a specific prescription in terms of saying that it was any certain amount; we just felt that any alteration could possibly reduce the impacts on adjacent properties.

Commissioner Norkus-Crampton: The building is massed right up to the sidewalk at this point, there isn't a setback...how wide is the sidewalk at that area?

Staff Farrar: I don't know if I can even read this site plan, it's very tiny. It looks like it's at least six feet to the propose tree grades. One of the comments out of PDR is that this project needs to implement or incorporate a boulevard on the property. Instead of seeing trees within grates, Public Works would prefer to see a boulevard restored on this property. It looks to be about five feet, 10 inches or about six feet wide.

Commissioner Norkus-Crampton: Just the sidewalk, not including a boulevard?

Staff Farrar: Correct, just including the sidewalk.

Commissioner Norkus-Crampton: Ok, thank you.

Staff Farrar continued with the staff report.

Commissioner Huynh: Can you address some of the issues that had been talked about at the COW meeting in terms of the alley vacation and also some of the requirements of what had happened since then? I believe that there is a 20 foot alley or driveway required now; can you talk a little bit more about that?

Staff Farrar: I'm sorry, I missed the first portion of your...

Commissioner Huynh: Well, I think that initially, at the COW meeting it was discussed that the applicant was going to request an alley vacation...

Staff Farrar: Yes.

Commissioner Huynh: I think that it has since turned into a 20 foot drive aisle. If you could address how that occurred.

Staff Farrar: They did submit an application to vacate the alley because the alley is 22 feet wide and it is much larger than the standard metropolitan alleys. Typically they range anywhere from 12 to 14 feet as a standard. That application came through the process and when it got through the process Public Works recommended denial. They withdrew their application before it even got to this point just because they really didn't necessarily need it to move forward with the project, they felt that it was a portion of the property they could vacate while still maintaining a commercial alley, it would add to their property area and then reduce the FAR variance request they were looking for. They did withdraw that application. Public Works felt that since it is such a busy alley and the majority of the properties on the alley that are commercial, utilize the alley for loading purposes and it's very congested. They didn't feel it was wise to move ahead with a vacation of the alley at this point. They felt it was more important to maintain it for public purposes.

Commissioner Tucker: I'm just trying to visualize meeting the FAR requirement. If they were to set back their top story all the way to the alley, that is eliminated, they would meet their FAR more or less, is that right?

Staff Farrar: Close.

Commissioner Tucker: Or if they were to take the top two stories and move them halfway back to the alley, that would accomplish the same thing. That setback would have to be about that big to get in the ballpark.

Staff Farrar: Yep.

Commissioner Tucker opened the public hearing.

Curt Gunsbury (2711 W 47th St): I'm the applicant. We're really grateful for working with Becca, she's done a great job. Also to work with ECCO, people are really straight forward and they put a lot of time and energy and a lot of meetings into trying to come up with good solutions for this project. We understand that seven variances really complicates things, especially, I think for you to understand what it is that we're actually looking for. Right now I'm going to just focus on the FAR variance request since I think we've come to good conclusions with the Planning Department about the other six variances. If you have questions, please feel free to interrupt and I'd be happy to give you our perspective. We've worked with ECCO, the neighbors of the project and the city for about 13 months now. We've had multiple ECCO and other public meetings to shape this building. We've tried to be as straight forward as possible. We feel that this building fits this site and fits the neighborhood and it will be a good long-term fit for the future development of the block and for Uptown as a whole. As Becca said, she showed you our context map earlier; our site is less than a block from the center of Uptown. It's literally half a block from Hennepin and Lake, which is one of the busiest intersections in the city. The current site is really an under-utilized surface parking lot. The existing use does not reinforce pedestrian orientation of the neighborhood. It is in a Pedestrian Overlay District. Currently, there are no eyes on the street at night at all. It's actually a fairly abandoned little strip of parking lots and somewhat crumbling buildings. There is a necessity for high density to pay for any parking that would occur on this site. Literally, for any development to occur on a site with this location and this cost of real estate, it requires fairly high density to develop. These are photographs of existing and adjacent buildings to the site and exposures on the alley side. As you can see, none of it right now is new development or, for many people, desirable development. It requires a lot of money, energy, time and imagination to fit the city codes and neighborhood requests to make something work on this site. About massing for this project, we've set the massing up so that it's symmetrical, it's u-shaped and it echoes the traditional building forms in the neighborhood. Just down the street from this project there is an old apartment building that looks a lot like what we've tried to do with this project. The recessed center, it appears small just from the elevation perspective, but it's quite large from the street perspective. It's 16 feet deep and it's 28 feet across. As you can see, the base, which is where the pedestrian feels the presence of the building, is clearly defined brick. It's friendly. It feels like a lot of the other neighborhood buildings. It looks very traditional. The top is a modern use of zinc, which is a very traditional material and it's actually a very environmentally friendly material. It takes about half the energy cost and energy input of copper to produce zinc, although it's about the same price. It's more durable than copper and it will retain its same color which is a warm brown. It looks kind of silver

in this picture. It's a material that's traditionally been used for roofing material in Europe for hundreds of years. In regards to the massing argument, the dotted line on this picture shows a 56 foot building, which is permitted for this site. If we had a 56 foot building with four stories, it would have 11 foot setbacks on the property line. As you can see, I think it'd be pretty hard for us to say which one of these buildings has a larger mass. They really are almost identical. The primary difference is that the surface of this permitted 56 foot building does not have to have a recess in the middle, does not have to look like it's layers of buildings, it doesn't have to look when you're walking down the street as if it's three buildings, which in effect, we've created a three building façade. I'll put a couple of pictures up here for comparison. The picture on the left shows our building design with the cut out, the recess, above the first floor. The picture on the right shows the 56 building that would be four stories. I think you can see, from a birds-eye perspective, I think the bird would feel a lot more freedom, air and light flying over this building than this building. Its presence, both in views from the city and views from the alleys would be much less felt at this building than this building. We've tried to be as creative as possible to make something work both for our business, but also within the zoning guidelines. This is a nearby beloved building on Calhoun. This is the Calhoun Beach Club on its west exposure. It's a classic u-shaped building. You can't see from the shadow of the trees here, but this side projects out exactly like this side. It has a two story façade on the front and then it's cut back in the middle. Classic buildings, typically, are not stepped back because they're meant to be somewhat impressive and cause heightened emotional appeal to their viewers. Our understanding is that floor area ratio is an argument. It's very much a question; it's something we can talk about. We do know that FAR is used to determine access to space and light and to implement overall density goals. For C3A, it's 2.7. FAR gives credits for enclosed parking and mixed use, including 20% for enclosed parking and 20% more for mixed use. That's what Becca was talking about regarding bonuses. Given enclosed parking, our FAR would increase to 3.24 from 2.7. From our point of view, given that hotels act as mixed use and mixed use by definition is where activity occurs around the clock in different settings and hotels truly are that way. Mixed use properties would have an FAR of 3.78. Given both mixed use and enclosed parking, the FAR would increase to 3.78 for our site. We truly think that our site acts like a mixed use property and we'd like it to be considered such. There are some specific elements of our property, which I believe you were asking about earlier. Our alley, right now, is 22 feet wide. In 1954 there was a taking of 10 feet of the rear of this lot for the alley. It expanded it to 22 feet. It didn't change the air and light accessible to this site. It's still exactly the same site as if that 10 feet were there as a part of the lot. When we include this permanently open space, since it is a public access, the true FAR of our structure decreases to 3.54. It acts like a significantly less dense structure than it might appear to, given the square outlines of the existing legal lines of the lot. As you can see also in this picture, our building really breaks up into different textures. On the sides we have insets for windows. On the front we have an inset. We changed the massing, which is actually very complicated to do for a hotel. I challenge you to find any hotel in the United States that looks even remotely like our hotel. They're typically large, blade type structures with very regular windows and look like office buildings. We've worked really hard to make this look like a residential building. My point is, we've broken up the south surface, we've broken up the north surface and we've significantly recessed the street face. In conclusion, Hotel Uptown is seeking an FAR that's effectively 3.54, the way that it acts on its site. While the use of our site suggests an FAR allowance of 3.78. Hotel Uptown uses a classic design that's in keeping with the context of other beloved neighborhood buildings. This hotel will serve as a thoughtful, well crafted project that adds to the vibrancy of the Uptown

neighborhood. We've made sure through our designs that this hotel could easily be converted to other uses. It can be offices, it can be condominiums, it can be a true mixed use project with residential above and retail below if the building does not work as a hotel. There aren't many other hotels that will ever work that way. We've worked really hard to make it go for the benefit of Uptown and the benefit of the neighborhood.

Commissioner Huynh: My question is regarding any neighborhood impact or reaction from your current design, if there's been approval or denial of your current proposal in front of us.

Curt Gunsbury: We met with the neighborhood group, I believe in February and there was not a negative opinion in the entire group. There were about 20-22 people there, including many people who were not on the standing committee. It was very positive. People are excited about the project. They're excited to see something new that's a business and not condominiums or a tower going into their neighborhood and something that they can actually use and access and they like the design.

Commissioner Norkus-Crampton: The zinc material that you're talking about, is this like a bronze metallic? I'm trying to get a sense of the material; I'm not sure...so this is a metal?

Curt Gunsbury: It's interlocking metal panels. They're very typical on rooftops in Europe and upper stories in Europe.

Commissioner Norkus-Crampton: I'm just trying to get the appearance of it. Is it a bronze metal?

Curt Gunsbury: I'd say it's warm gray.

Commissioner Norkus-Crampton: Kind of a sheen sort of a metal?

Curt Gunsbury: It's a matte finish. It wouldn't reflect any light at all.

Commissioner Norkus-Crampton: Ok. Thanks.

Commissioner LaShomb: What's the hardship on the FAR? You're requesting a variance on the FAR so what hardship are you asserting?

Curt Gunsbury: We think it's a condition of the lot. We have a lot that was cut off at the back, but the alley still acts as air and light that surrounds this property. It lowers our effective FAR.

Commissioner LaShomb: So, effectively, what you're saying is that you could not put this property to reasonable use without a 3.85 FAR?

Curt Gunsbury: Not as a hotel, which the site is zoned for. We're trying to achieve a high level of exterior finish and interior finish in a way that really compliments the neighborhood.

Commissioner LaShomb: Economics isn't supposed to be a part of this discussion I guess, but if you were required to go down to 3.24, how many rooms would you lose in this building?

Curt Gunsbury: We would lose 22 rooms.

Commissioner LaShomb: Twenty-two rooms out of how many?

Curt Gunsbury: Out of 114. It would be economically unfeasible.

Commissioner LaShomb: Ok.

Sharon Eiden Cornejo (3039 Humboldt Ave): I've lived in my house for 15 years. I'm one block west of the proposed Hotel Uptown. I'm against all the requested variances proposed by the developer. The site at 3017, 3021 and 3027 Holmes Avenue South is in a C3A zone, but Holmes Avenue is unique; it's shared with an OR1 zone, Neighborhood Office Residential District. Holmes Avenue is currently a nice transition street from commercial to residential. The height of the proposed building will infringe on access to light and air surrounding the properties and shadow the residential properties and public spaces. This building will block the lake views of the new condos at Calhoun Square. Now that the Calhoun Square project has been approved, doesn't the community have an obligation to make sure their property is protected and successful? The developer will show you various shadow renditions, but he will not show you the shadow his building will cast over mine and my neighbors home in the summer at 7 a.m. The buildings proposed footprint is not to scale and character of the surrounding buildings. The developer wants to use every square inch of the property for his building, leaving little or no green space which is a huge concern of the community. Using the words from the Planning Division's report, this is creating a Block E appearance. The developer had the attention of a huge audience at the ECCO board meeting August 3 to discuss his hotel. The developer concentrated on the height of his building and parking at the presentation. The developer failed to bring up the additional variances he would be requesting. That would have been the appropriate time to get the community's input on the additional variances. It begs the question: why did they leave out this important factor in the presentation? One of the developer's request, a variance right up to the property line at 3029 Holmes, this will block the apartments on the north side of the building of light and air. How is this long-time owner expected to rent those units? I have a serious concern about the traffic impact in ECCO. Northbound traffic on Holmes can only east on Lake Street. All westbound traffic will need to go west on 31st Street and through the ECCO residential neighborhoods. Over the last few years, the city has approved buildings that require variances. Thanks to the wisdom of the City Council, the moratorium was put on place in October and recently extended. The moratorium needs to have teeth. It needs to start somewhere, let it start now or it will become as useless as our city's zoning codes. Council Member Remington has done a fantastic job engaging the community in the process of developing the Uptown Small Area Plan. The residents and business owners of Uptown are the people that have made this area desirable. They deserve the time to complete their vision for the future identity of Uptown and the surrounding neighborhoods. Uptown needs developers who respect the community's commitment to the small area plan. I would like to see Uptown Small Area Plan completed before additional projects, such as Hotel Uptown, get the city's approval. I am for smart development. I'm for development on this site as long as it's in step with the current zoning or developed after the Uptown Small Area Plan is complete. If Mr.

Gunsbury wants to move forward with this plan, the development should be within the current zoning.

Michael Karch (3027 Holmes Ave): I am the property owner of 3017, 3021 and 3027 Holmes. I have been in that area doing business for almost 35 years. My family has owned that property back in the mid 70s. We've had businesses on Hennepin and Lake and I still own two properties that are on Hennepin, directly across from Calhoun Square. Over that time, I have had the opportunity to be a part of changes in that area. It's been my livelihood, my businesses have been there. I've been on the Uptown Association, I served as its president. I was involved in the change for the Uptown Art Fair. I was involved in the development of Calhoun Square. Over a period of time, I have seen a lot of changes in Uptown and I have to tell you, as tough as it is and the decisions that we've made... I still remember today the ones going through when Calhoun Square was coming in and taking some of those businesses out of there, they were really necessary to keep the area going and to keep it vibrant. Over the past five or six years, I've been called a number of times asking to put up condos, a bar, this and that and whatever. When Mr. Gunsbury called and said he wanted to put a hotel, I wanted him to tell me more. I was very impressed with the way he went about this. I have been to the neighborhood meetings. I thought that Mr. Gunsbury and his architectural staff did an excellent job listening to the community. That building was about 30 feet higher when they first went there. They tried to put in the design of the neighborhood. They're concerned about the neighbors. The feedback that I got from the neighborhood was very positive. That being said, I just wanted to say, having been in that area for 35 years, I think to keep it vibrant you have to make to changes. I think that Mr. Gunsbury and his staff have done a great job of coming up with a project that will be very helpful in keeping the Uptown area very vibrant in years going forward.

Shawn McCully [not on sign-in sheet]: I've known Curt for a number of years, but wanted to speak on behalf of this project. As a resident of Uptown, I think we all have an interest in making this community economical vibrant.

Commissioner Tucker: Do you have new information; we want to move along here.

Shawn McCully: Not really, but I think the critical issue is Holmes Avenue is somewhat blighted. I think it's a beautiful design. I think it serves the interest of the neighborhood. We should support it.

Commissioner Tucker closed the public hearing.

Commissioner Norkus-Crampton: Becca, in dealing with this FAR issues versus massing, regardless of what the zoning is for the height or whatever, the FAR...when we're figuring out the FAR for an area, can you speak to some of the issues that were brought up by the proposer as far as the mass of the proposal versus FAR or versus possible FAR if it was at 56 feet or... can you elaborate on that a little bit? They were trying to make a correlation between that if it was at four stories we would still require the variances, we would still need some of the variance to fulfill the scope of this project. I'm just trying to understand how that would play out if it was a 56 foot proposal.

Staff Farrar: Specifically, on this site, I haven't actually seen a proposal that fit within the guidelines. As it was eluded to before, it was a much bigger proposal initially and the proposal that's before you this evening is certainly a proposal that's been in the works

and been modified several times through the course of the last year and a half or however long they've been trying to engage the neighborhood and trying to make modifications to the design. Specifically, as I was trying to correlate the two applications, certainly the bulk of that they're proposing on site... in theory, if they were to adhere to all required setbacks and meet the height guidelines, essentially the FAR would come out equal. That's why I was trying to correlate as that, because they are asking...the height increases coupled with the FAR variance, is a direct correlation because if it was four story or 56 foot building that met all the setback requirements, based on the size of the building, essentially the FAR should be a wash. I think that's a fair way to characterize it. But because they are asking for something that's above and beyond as well as a height increase, that's why I was saying that if essentially looking at the floor plates from the second story and above, essentially it's about 10,400 square feet and the request, even with the 20% bonus from 3.24 to 3.85 is essentially 10,000 square feet. Essentially one floor would have to be removed from the structure in order to comply with the allowable FAR on site.

Commissioner Norkus-Crampton: Thank you. I'd like to move the staff recommendation for everything. I live in the East Calhoun neighborhood and I know that the proposer's did deal with the neighborhoods very early in the process and they are to be commended for coming forward early to try to hear out what the community was looking for. In this particular proposal, as far as comparing this building to the scale of the Calhoun Beach Club, that's on the other side of the Lake, it's in a different kind of a context. The context of this area, the zoning does change very rampantly. There are two and half and three story brownstones right next door, this is sort of a transition area between the most commercial part of Uptown and the community. I think that the community certainly embraced...gaging at the meetings that I was at, certainly there was an embracing of the use of the area. They thought a hotel would be a nice amenity to the area, but the issue has always been scale, character, and things like that. This proposal was brought down much closer to address some of the community concerns. I do agree with the staff recommendation that I think that with the reason the thing that they try to deal with the hardships to get all these variances and everything else. We have no setbacks practically on this site and that is to try to deal with the goals of the proposer as well as trying to have some sensitivity to its context. I think that what the Planning staff, in recognizing that there are some massing issues, I think that if we got the FAR down to where it should be we could deal with stepbacks on the top two stories or top story or however we want to do it, but that way we deal with the massing issues that are visible on the ground that impact the surrounding communities. It would also uphold the FAR that's desirable for this area. Uptown is in the middle of a small area planning, there is a lot of decisions that are going to be made. I just got a notice today that Calhoun Square is now on the market, it's for sale. It's hard to say what's really on the books and what's really happening. Things are still kind of in flux. I think that this hotel could be a good neighbor, but I think the attention the scale and massing issues could be addressed very well and correlate very nicely with the more desirable FAR that's appropriate for this area. That is the reason I am moving the staff recommendations as a whole.

Commissioner Tucker: Did we get a second on that? We might want to break it up into pieces. You did second it, ok.

Commissioner Williams: Is this upscale, mid-scale, low cost? What's the range? What market are you seeking to reach?

Curt Gunsbury: Our room rates, is that what you're looking for? Our room rates are going to be around \$180 a night average. Probably around \$130 and \$250 which is low to mid for comparable properties. That price point is probably similar to what the Double Tree in St. Louis Park charges. It's much lower than what downtown hotels charge and lower than the Sheraton Midtown and Chicago and Lake.

Commissioner Huynh: I have a question for Ms. Farrar. In terms of Planning recommendation, you have eluded to working with the applicant and stepping back the massing and would that be a condition of approval of variance B and then having an additional condition that the applicant work with the staff in stepping back the façade or adding on a condition number seven?

Staff Farrar: Jason might be able to chime in, but I think it probably could be accomplished both ways. Either you could implement the same condition under that specific variance or you could incorporate it into the site plan review. I think it could be done either way.

Staff Wittenberg: Ultimately, our approach was to essentially say that there is simply too much bulk here. We didn't have a specific solution that we wanted to mandate for the applicant. Our approach was that it would be up to the applicant to decide where to remove that bulk should the Commission agree with the staff recommendation. There would be, as you're aware, some precedent for an action that the Commission could take to require a certain stepback on upper floors above what's allowed by the base zoning.

Commissioner Huynh: I just wanted to add that although we have a great design in front of us, I do agree with the staff's recommendation to deny the one denial that we have here in terms of the variance just because of the massing. It's not so much of a density issue or a height issue, but because it feels like in context it doesn't fit with the two residential neighbors directly to the north and south of the property. I think I would encourage, instead of adding a condition, the applicant to work on stepping back the west façade so that it respects the character and context of the neighborhood a little bit more, but go ahead with staff's recommendation of all the items in front of us.

Commissioner Norkus-Crampton: I'd be happy to do it one at a time if it makes people more comfortable, but if we're all in agreement...

Commissioner Huynh: I wanted to add on, although we're not approving item B, the variance for the FAR, I'm not sure how appropriate it is to add on a condition that the applicant works with Planning staff to accommodate an FAR that works, not necessarily saying that we would only approve it or not approve it at 3.24, but there may be some intermediate ground that visually is more aesthetic with the neighborhood and context of this site that you could work with over the next couple of weeks with Planning staff. Is that something that we could do even though we're just not approving item B?

Staff Wittenberg: Commissioner Huynh, I'm not sure I completely understand the intent of the motion. Would it be that the applicant would simply work with staff to accomplish the 3.24 or whatever it was that was allowed if the Commission agrees with the denial recommendation?

Commissioner Huynh: It's not necessarily meeting the FAR of 3.24, but it could be meeting 3.24, it's looking at several options of decreasing the massing on the site and looking at stepping back perhaps not only on the west façade, but north façade. It's wherever the architect and applicant feels appropriate and then work with the neighborhood, but also Planning staff on what works better there than what we have in front of us tonight.

Commissioner Norkus-Crampton: I think that that's a reasonable approach as long as... we are dealing with a height moratorium and we are making an allowance for the 63.5 feet. As long as we can accomplish it within the existing massing, the existing scale, and that would keep sort of with the spirit of the intention of the Planning staff. Would it be helpful if I just moved forward one of the variances, one at a time?

Commissioner Tucker: I think we seem to be ok with all nine at the same time. I think if you do take it as a package it does leave the applicant with the ability to choose to lower it by one floor, setback two floors...all sorts of different ways to get there, all of which will help the shadowing or the impact on the street. Any other discussion on items A through I?

Staff Wittenberg: Just to clarify, was the Commission accepting Commissioner Huynh's friendly amendment?

Commissioner Tucker: Were you asking for a seventh condition there?

Commissioner Huynh: Yes. I was asking for a seventh condition.

Commissioner Tucker: Is that acceptable to you?

Commissioner Norkus-Crampton: Can you repeat the condition?

Commissioner Huynh: For the applicant to work with Planning staff and the neighborhood on good faith in working on design attempts, I guess, on the FAR and massing of the building, keeping within the current form, I guess, of the proposal tonight.

Commissioner Tucker: The essence is they will work with staff and neighborhood to reduce the FAR.

Staff Farrar: Can I make a comment real quick? I don't know if we want to put some sort of cap. If you look at the 20% bonus, it would be 3.78. If you're being suggesting that there's some sort of range that's appropriate between 3.24 and what they're proposing, maybe it's capping it at what the 20% bonus would be if it were to have mixed use so that it's not so open-ended.

Commissioner Tucker: That would be suggesting that if they had asked for a different FAR...

Staff Farrar: Right. Unless if you're saying that it doesn't have to be 3.24, which is sort of what I was hearing.

Commissioner Norkus-Crampton: My understanding is that we agree with the staff recommendation that it should be at 3.24. Is there something that we're saying that isn't clear on that?

Commissioner Huynh: I guess my recommendation is that I was implying that it didn't have to be at 3.24 if the massing worked at 3.3 or 3.4 depending on what Planning staff and the neighborhood worked with.

Commissioner Norkus-Crampton: How about if we said nothing over 3.4. We're trying to keep with what's reasonable on the site considering the sensitivity of what's around it and the adjacentness of neighboring residential properties. I would like to have some kind of a top line on that.

Commissioner Tucker: If I could make a suggestion, we could approve B, the FAR, but not at the number they're requesting, but some middle number assuming the 20%, would that not give you the range to work with?

Commissioner Huynh: I actually like Ms. Farrar's approach in terms of capping at the 20% density bonus. I think 3.78, not necessarily saying that they have to design to 3.78, but their range is from 3.24 to 3.78, what is agreeing with the ECCO neighborhood but also Planning staff.

Commissioner Tucker: Could I ask staff to clarify the middle number you were suggesting that would reflect the extra 20%?

Staff Farrar: With two 20% bonuses what would be permitted on site is 3.78.

Commissioner Tucker: Could I suggest that we modify the motion to approve B, but at 3.78?

Commissioner Norkus-Crampton: 3.85 is what they're proposing and the massing is pretty intense so I don't see why we're even talking about if we're the idea is to reduce some of the massing so it fits in more character-wise. If the staff was recommending 3.24, I can see up to 3.5 or something, but I think the issue is the massing and we're looking for some kind of ways to make this more adapted to the site considering that we have all the sideyard variances and everything that increase the impact on the surrounding properties.

Staff Wittenberg: Commissioners, if you are looking for some sort of middle ground here without being arbitrary and actually having some kind of rational number, I was just looking at the numbers. If you were to accept the applicant's argument that the alley part that was taken for public purpose at some point, if you were to consider that as a unique circumstance associated with this particular site, I just did the calculation and came up with the same thing that the applicant did that the result would be a permitted FAR of 3.51 if you were to consider that as lot area but then subtract it out for the purposes of FAR.

Commissioner Tucker: Commissioner LaShomb, do you have a solution for all this?

Commissioner LaShomb: I'm totally confused. If the applicant's not totally confused at this point, I'm wondering what's wrong. I guess I don't like them in mass because I was

intending to vote no on a couple of them, but I guess I can do that later. I think we should do variance B first because that's the cliffhanger. I'm going to make a substitute motion that we focus on B which is the FAR and my amendment to the variance would be something to the affect of allowing an FAR of up to 3.51.

Commissioner Tucker: Ok. Can I have a second on the substitution (Commissioner Norkus-Crampton seconded). All in favor of substituting that motion?

Commissioner LaShomb: Then I would make a substitute motion regarding A and add language to the recommended motion to basically say "approve the application for a conditional use permit to allow a maximum increase in height four stories or 56 feet to six stories" so that what we're basically saying is that if they can get it up to six stories at the lower FAR fine with them. I think if you change the FAR it kind of changes the rules about a lot of things so I would rather just make it a maximum so if they can get it up to six floors at an FAR of 3.51 fine with me.

Commissioner Tucker: If I understand, you're moving staff recommendation on A and then when we get to B you will probably be recommending approval but at 3.51.

Commissioner LaShomb: Right.

Commissioner Tucker: Why don't we just take A and get that out of the way, can we do that?

Commissioner LaShomb: What I'd like to do is add language under the recommended motion to allow a maximum increase in height four stories or 56 feet to six stories or 63.5 feet so that...

Commissioner Tucker: That's already in A though, isn't it?

Commissioner LaShomb: The maximum is not in A. In the recommendation it doesn't say "maximum". It says "allowed".

Commissioner Tucker: It allows it, but if you want to say "maximum" then let's put "maximum". We have a motion for item A, conditional use permit, adding "maximum" before "six stories", correct?

Commissioner LaShomb: Right.

Commissioner Tucker: Any further discussion? All those in favor? Opposed?

The motion carried 5-0 (Schiff and Mains not present for the vote).

Commissioner LaShomb: Have we done B? I recommend that we allow from the allowable 3.24 to 3.51.

Commissioner Tucker: And we will approve at that number? So the motion is to approve item B at 3.51, is that correct?

Commissioner LaShomb: Right.

Commissioner Tucker: Any further discussion? All those in favor? Opposed? Ok, we need findings because we're going against staff recommendation.

Commissioner LaShomb: I think Jason alluded to it if you count the alley issue.

Commissioner Tucker: Alright, we're fine.

The motion carried 5-0 (Schiff and Mains not present for the vote).

Commissioner Tucker: Do you want to move the rest of the variances?

Commissioner LaShomb: I will move the rest of the variances (Huynh seconded).

Commissioner Tucker: Any further discussion? All those in favor? Opposed?

The motion carried 5-0 (Schiff and Mains not present for the vote).

Commissioner LaShomb: On the site plan, I know there's an argument about adding language referring to working with the staff. I always have trouble with when you're making that a mandatory requirement that you work with somebody to do something. I'm sure the developer's going to sit down and work with the staff. My sense is that we should put one through six in and not seven, but I'm not going to fight about it. I just think it's kind of one of those mom and apple pie kind of things.

Commissioner Tucker: Well, since condition number one is that Planning staff review and final approval of the site, it will be there. Did you want to try to add that
Commissioner Huynh?

Commissioner Huynh: Actually, no. I'm fine. I think that we came to a conclusion about what the FAR is. I think that took care of it in terms of determining what the massing outcome would be so therefore one through six as conditions are good.

Commissioner Tucker: Any further discussion? All those in favor? Opposed?

The motion carried 5-0 (Schiff and Mains not present for the vote).

**Department of Community Planning and Economic Development –
Planning Division**

Conditional Use Permit, Variances and Site Plan Review
BZZ-3417

Date: March 5, 2007

Applicant: Michael Karch, Nob Hill Investments, LLC, 9036 Grand Avenue South, Bloomington, MN 55420, (612) 554-0220

Addresses of Property: 3017, 3021 and 3027 Holmes Avenue South

Project Name: Hotel Uptown

Contact Person and Phone: Curt Gunsbury, 2711 West 47th Street, Minneapolis, MN 55410, (612) 598-9416

Planning Staff and Phone: Becca Farrar, (612)673-3594

Date Application Deemed Complete: February 5, 2007

End of 60-Day Decision Period: April 6, 2007

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

Ward: 10 **Neighborhood Organization:** East Calhoun Community Organization
(ECCO)

Existing Zoning: C3A (Community Activity Center) District, PO (Pedestrian Oriented Overlay) District

Proposed Zoning: Not applicable for this application.

Zoning Plate Number: 24

Lot area: 16,146 square feet or .37 acres

Legal Description: Not applicable for this application.

Proposed Use: A six-story hotel in the C3A district.

Concurrent Review:

- Conditional Use Permit to increase the maximum permitted height allowed in the C3A district from 4 stories or 56 feet to 6 stories or 63.5 feet.
- Variance to increase the maximum permitted floor area ratio in the C3A district from the allowable 3.24 to 3.85.

- Variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from north to south) from 6 feet, 6 inches to 0 feet due to the residential structure to the north.
- Variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from south to north) from 11 feet, 6 inches to 0 feet due to the residential structure to the south.
- Variance of the rear yard requirement adjacent to the alley along the east property line from 15 feet to 13 feet 6 inches.
- Variance to allow a driveway in the required interior side yard adjacent to the north property line.
- Variance of the on-site parking requirement from 38 to 35 spaces.
- Variance of the loading requirement.
- Site Plan review for a 6-story hotel in the C3A district.

Applicable zoning code provisions: Article VII, Conditional Use Permits, Article IX, Variances, Chapter 530 Site Plan Review.

Background: The applicant proposes to construct a new hotel development located on the properties at 3017, 3021 and 3027 Holmes Avenue South. The properties are currently zoned C3A and located in the Pedestrian Oriented (PO) Overlay District. The applicant proposes to construct a 114 guest room, 6-story or 63.5 foot tall hotel on the subject site. The hotel as proposed would have a small meeting area, exercise room and hospitality area which are intended to be utilized by hotel guests only. Hotels are permitted uses in the C3A district; however the district has a maximum height of 4 stories or 56 feet. Therefore, a conditional use permit to increase the maximum permitted height is required. Additionally, the applicant is proposing numerous variances which include: (1) A variance to increase the maximum permitted floor area ratio in the C3A district from the allowable 3.24 due to a bonus for enclosed parking, to 3.85; (2) variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from north to south) from 6 feet, 6 inches to 0 feet due to the residential structure to the north; (3) variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from south to north) from 11 feet, 6 inches to 0 feet due to the residential structure to the south; (4) variance of the rear yard requirement adjacent to the alley along the east property line from 15 feet to 13 feet 6 inches; (5) variance to allow a driveway in the required interior side yard adjacent to the north property line; (6) variance of the on-site parking requirement from 38 to 35 spaces; (7) and a variance of the loading requirement. Site plan review is also required.

The applicant was recently granted a waiver by the City Council from the Uptown Moratorium (BZZ-3417) in order to proceed with the submittal of formal land use applications for the proposed development. In October, the City Council approved a moratorium on building construction that exceeds the maximum height permitted as of right by the zoning code in the area of the Uptown Small

Area Plan. As previously noted the applicant proposes to construct a 6-story, 63.5 foot tall structure which triggered the need for a waiver request from the moratorium. The applicant was able to meet the findings for the granting of the waiver by demonstrating a financial hardship as well as indicating that the granting of the waiver wouldn't result in an interference with the purposes of the moratorium. The Uptown Small Area Plan is underway and still in the early stages.

Staff has not received correspondence from the East Calhoun Community Organization (ECCO) or any neighborhood letters prior to the printing of this report.

CONDITIONAL USE PERMIT – to increase the maximum permitted height from 4 stories or 56 feet to 6 stories or 63.5 feet.

Findings as Required by the Minneapolis Zoning Code:

The Community Planning and Economic Development Department – Planning Division has analyzed the application and from the findings above concludes that the establishment, maintenance, or operation of the proposed conditional use:

- 1. Will be detrimental to or endanger the public health, safety, comfort or general welfare.**

Staff does not generally believe that allowing a structure that is 7.5 feet or 2-stories taller than what is permitted in the underlying C3A district would be detrimental to or endanger the public health, safety, comfort or general welfare. The design of the structure, despite the U-shape as proposed, has an overall blocky appearance. Overall, the height of the structure is not as great of a concern as the appearance of the structure as the massing and overall blocky appearance could potentially be detrimental to the comfort or general welfare of the immediate neighbors. Staff believes that with the addition of height, the top two stories should step-back in order to provide visual relief as well as reduced impacts on adjacent properties. Staff will encourage the applicant to modify the proposal to step-back the top two stories of the proposed structure.

- 2. Will be injurious to the use and enjoyment of other property in the vicinity and will impede the normal or orderly development and improvement of surrounding property for uses permitted in the district.**

This property is located in a fully developed area. It is possible due to the design of the proposed structure that the increase in height and overall massing could be injurious to the use and enjoyment of other property in

the vicinity particularly given that the height increase is coupled with variances to reduce required yards as well as an FAR variance. However, it is Staff's position that with minor modifications to the proposed top two stories of the structure the potentially impacts would be reduced enough so as not to have injurious effects. It is unlikely that the increase in height would impede the normal or orderly development and improvement of surrounding property for uses permitted in the district, however.

3. Adequate utilities, access roads, drainage, necessary facilities or other measures, have been or will be provided.

The site would be accessed off of Holmes Avenue South. The Public Works Department has reviewed the Travel Demand Management Plan (TDMP) and has determined that the plan is approvable. Public Works has also reviewed the preliminary plan and will review the final plan for compliance with standards related to access and circulation, drainage, and sewer/water connections. The applicant would be required to work closely with the Public Works Department, the Plan Review Section of the Inspections Department and the various utility companies during the duration of the development should the plan be approved. This would be required to ensure that all procedures are followed in order to comply with city and other applicable requirements.

4. Adequate measures have been or will be provided to minimize traffic congestion in the public streets.

The additional height proposed for the development should have no effect on the traffic congestion in the area. Measures have been provided in regard to minimizing traffic congestion from a parking perspective as the applicant would be providing adequate off-street parking for the proposed development.

5. Is consistent with the applicable policies of the comprehensive plan.

According to the *Minneapolis Plan*, the subject parcels are zoned C3A which is a Community Activity Center District, located within a designated Activity Center (Hennepin Avenue and West Lake Street) and less than a half block off of West Lake Street which is a Commercial Corridor. According to the Principles and Policies outlined in the *Minneapolis Plan*, the following apply to this proposal:

4.1 Minneapolis will support development in Commercial Corridors where it enhances the street's character, improves its ability to accommodate automobile traffic and foster pedestrian movement, and expands the range of goods and services offered.

Implementation Steps:

- Support a mix of uses on Commercial Corridors – such as retail sales, office, institutional, higher density residential, and clean low-impact light industrial – where compatible with the existing and desired character of the street.
- Ensure that commercial uses do not negatively impact nearby residential areas.

4.4 Minneapolis will continue to provide a wide range of goods and services for city residents, to promote employment opportunities, to encourage the use and adaptive reuse of existing commercial buildings, and to maintain and improve compatibility with surrounding areas.

Implementation Steps:

- Encourage the economic vitality of the city’s commercial districts while maintaining compatibility with the surrounding areas.

The proposal is in conformance with the above noted principles, policies and implementation steps of the comprehensive plan.

6. And, does in all other respects conform to the applicable regulations of the district in which it is located.

With the approval of the conditional use permit, variances and the site plan review this development would be in conformance with the applicable regulations of the zoning code.

ADDITIONAL STANDARDS TO INCREASE MAXIMUM HEIGHT

In addition to the conditional use standards, the city planning commission shall consider, but not be limited to, the following factors when determining the maximum height:

1. Access to light and air of surrounding properties.

Staff is concerned about the cumulative impact of the conditional use permit and yard variances on the amount of light and air that surrounding properties receive. However, by themselves, none of the requests for exceptions are particularly major, but as a whole there are impacts from the overall bulk of the structure. Staff’s position is that the impacts could be reduced or mitigated by stepping-back the building at the top two stories while allowing the proposed height in order to provide visual relief as well as reduced impacts on adjacent properties. Staff does not have specific recommendations in regard to where specifically the additional gross floor area proposed could be removed from, however.

2. Shadowing of residential properties or significant public spaces.

There are adjacent residential properties that surround the site; however, there are no significant adjacent public spaces. Staff would expect that the shadowing impacts on the adjacent properties would be negligible, especially if the minor alterations to the proposed structure encouraged by Staff are incorporated into the final design. The shadow survey which was submitted is attached for reference. Basically, as one would expect the shadow study indicates that greater shadowing will occur in December and less shadowing in June.

3. The scale and character of surrounding uses.

The scale and character of the buildings as well as the architectural styles of the surrounding properties in this area are varied. Relative to similar developments within the general vicinity, Staff believes that the proposal would be compatible with the scale and character of other buildings in the area should the proposed development be modified to step-back the building at the top two stories. It is likely that with those slight modifications, the design and allocation or distribution of height on site would be compatible with the surrounding uses. Recent developments in close proximity were approved at similar heights. The Calhoun Square redevelopment at Lake and Hennepin was approved at both 6 stories or 64 feet and 9 stories or 85 feet, the Portico development at Lagoon and Irving was approved at 6 stories or 69 feet, the Aldrich Apartments received approval at 6 stories or 68 feet and the Mozaic development on Lagoon was approved at 10 stories or 112 feet.

4. Preservation of views of landmark buildings, significant open spaces or water bodies.

There are no landmark buildings, significant open spaces or water bodies near the development site that would be affected by significant shadows.

VARIANCE – **(1)** Variance to increase the maximum permitted floor area ratio in the C3A district from the allowable 3.24 to 3.85; **(2)** Variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from north to south) from 6 feet, 6 inches to 0 feet due to the residential structure to the north; **(3)** Variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from south to north) from 11 feet, 6 inches to 0 feet due to the residential structure to the south; **(4)** Variance of the rear yard requirement adjacent to the alley along the east property line from 15 feet to 13 feet 6 inches; **(5)** Variance to allow a driveway in the required interior side yard adjacent to the north property line; **(6)** Variance of the on-site parking requirement from 38 to 35 spaces; **(7)** Variance of the loading requirement.

Findings as Required by the Minneapolis Zoning Code for the Variances:

1. The property cannot be put to a reasonable use under the conditions allowed and strict adherence to the regulations of this zoning ordinance would cause undue hardship.

Variance to increase the maximum permitted floor area ratio from 3.24 to 3.85: Staff would argue that the property could be put to reasonable use under the conditions allowed and that strict adherence to the regulations of the zoning ordinance would likely not cause undue hardship. The base FAR in the C3A district is 2.7 and with the 20% bonus for enclosed parking, the development is allowed an FAR of 3.24. Even if the development were to include mixed-use, thus qualifying for another 20% bonus, the allowable FAR would only be 3.78. The request to increase the allowable FAR to 3.85 is approximately equal to an additional allowance of 10,000 square feet on site or a little less than one standard floor plate of the hotel.

Variance of the front yard along the west property line for the first 40 feet from 6 feet, 6 inches to 0 feet (north to south) and for the first 40 feet from 11 feet, 6 inches to 0 feet (south to north): The property could likely not be put to a reasonable use under the conditions allowed and strict adherence to the regulations of the zoning code would cause undue hardship. The property, despite being zoned C3A, is in a unique situation as both of the adjacent properties to the north and south have residential uses (as well as OR1 zoning to the south). Typically, the property would be subject to a zero front yard setback in the C3A District, however due to the residential uses on both sides and the OR1 zoning on the south side of the subject property, a front yard is required for the first 40 feet from each boundary that is equal to the established setback of the existing residential structures. To require that the hotel development conform to two front yard setbacks which vary from 6 feet, 6 inches for the first forty feet from north to south and from 11 feet, 6 inches for the first forty feet from south to north would result in an irregularly shaped structure that would not reinforce the street or make the best use of the site. The proposed setback reductions would still maintain the character of the existing area along the Holmes Avenue frontage.

Variance of the rear yard along the east property line from 15 feet to 13 feet 6 inches: The property could likely be put to a reasonable use under the conditions allowed however, strict adherence to the regulations of the zoning code would cause undue hardship. The alley located at the rear of the structure is approximately 22 feet wide which is much larger than most alleys in the City of Minneapolis. With the proposed setback of 13 feet 6 inches from the rear property line, the space between the rear face of the proposed structure and the property line across the alley will be over 35 feet. The proposed structure is

located much farther from the rear property line than other developments sharing the same alley.

Variance to allow a driveway in the required interior side yard adjacent to the north property line: The property could likely not be put to a reasonable use under the conditions allowed and strict adherence to the regulations of the zoning code would cause undue hardship. The location of the driveway within the interior side yard is the only means for egress on site from the underground parking garage. The underground parking garage entry is not located in the interior side yard as the ingress/egress points are separate but adjacent to another. In order to maximize the number of parking spaces provided in the underground garage as well as to accommodate adequate maneuvering areas and proper circulation, the driveway exit is located in the interior side yard.

Variance of the on-site parking requirement from 38 to 35 spaces: The property could likely be put to a reasonable use under the conditions allowed however, strict adherence to the regulations of the zoning code would cause undue hardship. A total of 36 parking spaces and a bike rack (in lieu of one required parking space) are being provided for the development in the underground garage for a total of 37 parking spaces. Based on the 38 required parking spaces, a total of 25% or 9 parking spaces could be compact parking spaces per Chapter 541. The applicant is proposing 11 compact parking spaces or 2 more compact spaces than what is permitted. Consequently, the applicant is requesting to vary the parking requirement from 38 spaces to 35 spaces. Requiring additional parking spaces would require that another level of underground parking be created which would cause undue hardship.

Variance of the loading requirement: The property could likely not be put to a reasonable use under the conditions allowed and strict adherence to the regulations of the zoning code would cause undue hardship. Chapter 541 requires two large loading spaces for the proposed hotel development as it is deemed a medium intensity use due to its size. The applicant is proposing to locate a 12 foot by 36 foot loading space in the rear yard adjacent to the alley. The applicant has stated that the singular loading space will be more than adequate for hotel needs. The majority of the businesses sharing the alley utilize the alley for loading and have no specific designated loading space on their property.

2. The circumstances are unique to the parcel of land for which the variance is sought and have not been created by any persons presently having an interest in the property. Economic considerations alone shall not constitute an undue hardship if reasonable use for the property exists under the terms of the ordinance.

Variance to increase the maximum permitted floor area ratio from 3.24 to 3.85: The circumstances are not necessarily unique to the parcel of land for

which the floor area ratio variance is being sought. The need for increased floor area above what is permitted even with a 20% bonus appears to be more tied to economic considerations as the increase in floor area has a direct correlation with the number of guest rooms.

Variance of the front yard along the west property line for the first 40 feet from 6 feet, 6 inches to 0 feet (north to south) and for the first 40 feet from 11 feet, 6 inches to 0 feet (south to north): The circumstances are unique as the subject parcel is adjacent to residential uses on both the north and south property lines (as well as OR1 zoning to the south). Typically, the property would be subject to a zero front yard setback due to its zoning classification of C3A, however due to the residential uses on both sides and the OR1 zoning on the south side of the subject property, a front yard is required for the first 40 feet from each boundary that is equal to the established setback of the existing residential structures. To require that the hotel development conform to two front yard setbacks which vary from 6 feet, 6 inches for the first forty feet from north to south and from 11 feet, 6 inches for the first forty feet from south to north would result in an irregularly shaped structure that would not reinforce the street or make the best use of the site. Further, the site is situated uniquely as the property is zoned C3A and located in an Activity Center. Typically, Staff would encourage buildings located within these areas to be constructed up to the sidewalk to reinforce the street edge, facilitate pedestrian access and provide natural surveillance. Allowing the front yard variances due to the uniqueness of the site seems a reasonable use of the subject parcel.

Variance of the rear yard along the east property line from 15 feet to 13 feet 6 inches: The circumstances could be considered unique to the parcel of land as the alley located at the rear of the structure is approximately 22 feet wide which is much larger than most alleys in the City of Minneapolis. The proposed structure at 13 feet, 6 inches would be located much farther from the rear property line than other developments sharing the same alley. Additionally, at one time approximately 8-10 feet were taken from the subject properties for alley widening.

Variance to allow a driveway in the required interior side yard adjacent to the north property line: The circumstances could be considered unique to the parcel of land as the applicant is trying to accommodate the parking in an underground garage and in order to accommodate a point of egress from the garage a driveway is necessary within the interior side yard setback. The applicant has designed the garage so that both points of ingress and egress are off of Holmes Avenue as opposed to an already congested alley at the rear of the site. Allowing the driveway in the required interior side yard while constructing the building at the required setback would be a reasonable use of the subject site.

Variance of the on-site parking requirement from 38 to 35 spaces: The circumstances could be considered unique to the parcel of land as the applicant is attempting to accommodate as much required parking as possible in an underground garage on site. Essentially, the applicant is providing a total of 37 parking spaces (36 parking spaces and one bicycle rack in lieu of a parking space); however, due to constraints within the interior of the underground garage a total of 2 less full sized spaces can be accommodated. The applicant is providing those two spaces as compact spaces, in order to still accommodate parking spaces yet maintain the functionality of the underground garage. Staff believes that relaxing the off-street parking requirement from 38 to 35 spaces is a reasonable request.

Variance of the loading requirement: The circumstances could be considered unique to the parcel as the majority of businesses that share the alley at the rear of the property conduct their loading within the alley. The applicant is providing a smaller loading space than what is required to serve the hotel use, however it will be on the subject property and not within the alley. Public Works has reviewed a TDM for the subject development and did not have concerns regarding the reduced size of the loading space or number provided on site.

3. The granting of the variance will be in keeping with the spirit and intent of the ordinance and will not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity.

Variance to increase the maximum permitted floor area ratio from 3.24 to 3.85: Granting the variance to allow an increase in the maximum permitted floor area ratio to 3.85 would likely not be in keeping with the spirit and the intent of the ordinance and could potential alter the essential character of the locality and be injurious to the use and enjoyment of other property in vicinity. The C3A District allows a greater FAR than other commercial districts. The applicant has also been awarded a density bonus for providing enclosed parking, which would allow a building with a substantial amount of floor area relative to surrounding buildings. Staff will encourage the applicant to step-back the top two stories of the proposed structure. Staff has no specific recommendations in regard to where the additional gross floor area proposed for the project should be removed from, however.

Variance of the front yard along the west property line for the first 40 feet from 6 feet, 6 inches to 0 feet (north to south) and for the first 40 feet from 11 feet, 6 inches to 0 feet (south to north): Granting the front yard setback variances would likely be in keeping with the spirit and the intent of the ordinance. Further, granting the setback variances for the proposed development would likely not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity. The property, despite being adjacent to two residential uses, is within a designated Activity

Center and is zoned C3A. The property as it currently exists contains surface parking and a single-story concrete building. Allowing a building constructed up to the property line along Holmes would be an appropriate use of the subject site.

Variance of the rear yard along the east property line from 15 feet to 13 feet 6 inches: Granting the rear yard setback variance would likely be in keeping with the spirit and the intent of the ordinance. Further, granting the setback variance for the proposed development would likely not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity. As previously mentioned, the majority of the buildings in the immediate vicinity are located closer to the alley than the proposed structure. A setback variance of 1 foot, 6 inches, adjacent to a 22 foot wide alley would seem a reasonable and appropriate request.

Variance to allow a driveway in the required interior side yard adjacent to the north property line: Granting the variance to allow a driveway in the interior side yard setback would likely be in keeping with the spirit and the intent of the ordinance. Further, granting the variance would likely not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity. The driveway will not be visually obtrusive to the property to the north as the driveway is screened by plantings along the north property line. The driveway essentially allows for adequate egress out of the underground parking garage on site.

Variance of the on-site parking requirement from 38 to 35 spaces: Granting the variance to allow a reduction in the on-site parking requirement would likely be in keeping with the spirit and the intent of the ordinance. Further, granting the variance for the proposed development would likely not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity. It is Staff's position that adequate measures have been taken to provide as much required parking as possible on-site. An overall reduction in three full sized spaces should not have negative impacts on the surrounding area. Further, the area is very well served by transit.

Variance of the loading requirement: Granting the variance of the loading requirement would likely be in keeping with the spirit and the intent of the ordinance. Further, granting the variance would likely not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity. The loading space proposed to be located in the rear yard on the subject property should be adequate for the needs of the hotel and should not have negative impacts on adjacent properties.

4. The proposed variance will not substantially increase the congestion of the public streets, or increase the danger of fire, or be detrimental to the public welfare or endanger the public safety.

Variance to increase the maximum permitted floor area ratio from 3.24 to

3.85: Staff believes that the granting of the floor area ratio variance would likely have little impact on congestion of area streets or fire safety, nor would it be detrimental to the public welfare or safety.

Variance of the front yard along the west property line for the first 40 feet from 6 feet, 6 inches to 0 feet (north to south) and for the first 40 feet from 11 feet, 6 inches to 0 feet (south to north): Staff believes that the granting of the front yard variances would likely have little impact on congestion of area streets or fire safety, nor would the proposed setbacks be detrimental to welfare or public safety.

Variance of the rear yard along the east property line from 15 feet to 13 feet 6 inches: Staff believes that the granting of the rear yard variance would likely have no impact on congestion of area streets or fire safety, nor would the proposed setback be detrimental to welfare or public safety.

Variance to allow a driveway in the required interior side yard adjacent to the north property line: Staff believes that the granting of the variance to allow a driveway in the interior side yard would likely have no impact on congestion of area streets or fire safety, nor would the proposed setback be detrimental to welfare or public safety. There will be a concrete retaining wall, vegetation and other measures as required to prevent people from falling into the driveway area.

Variance of the on-site parking requirement from 38 to 35 spaces: Staff believes that the granting of the on-site parking variance would likely have little impact on congestion of area streets or fire safety, nor would the proposed setback be detrimental to welfare or public safety.

Variance of the loading requirement: Staff believes that the granting of the loading requirement variance would likely have no impact on congestion of area streets or fire safety, nor would the proposed setback be detrimental to welfare or public safety.

SITE PLAN REVIEW

Required Findings for Site Plan Review

- A. The site plan conforms to all applicable standards of Chapter 530, Site Plan Review. (See Section A Below for Evaluation.)**
- B. The site plan conforms to all applicable regulations of the zoning ordinance and is consistent with applicable policies of the comprehensive plan and applicable small area plans adopted by the city council. (See Section B Below for Evaluation.)**

Section A: Conformance with Chapter 530 of Zoning Code

BUILDING PLACEMENT AND FAÇADE:

- Placement of the building shall reinforce the street wall, maximize natural surveillance and visibility, and facilitate pedestrian access and circulation.
- First floor of the building shall be located not more than eight (8) feet from the front lot line (except in C3S District or where a greater yard is required by the zoning ordinance). If located on corner lot, the building wall abutting each street shall be subject to this requirement.
- The area between the building and the lot line shall include amenities.
- The building shall be oriented so that at least one (1) principal entrance faces the public street. In the case of a corner lot, the principal entrance shall face the front lot line.
- Except in the C3S District, on-site accessory parking facilities shall be located to the rear or interior of the site, within the principal building served, or entirely below grade.
- For new construction, the building walls shall provide architectural detail and shall contain windows as required by Chapter 530 in order to create visual interest and to increase security of adjacent outdoor spaces by maximizing natural surveillance and visibility.
- In larger buildings, architectural elements, including recesses or projections, windows and entries, shall be emphasized to divide the building into smaller identifiable sections.
- Blank, uninterrupted walls that do not include windows, entries, recesses or projections, or other architectural elements, shall not exceed twenty five (25) feet in length.
- Exterior materials shall be durable, including but not limited to masonry, brick, stone, stucco, wood, metal, and glass.
- The exterior materials and appearance of the rear and side walls of any building shall be similar to and compatible with the front of the building.
- The use of plain face concrete block as an exterior material shall be prohibited fronting along a public street, public sidewalk, public pathway, or adjacent to a residence or office residence district.
- Entrances and windows:
- Residential uses:
 - Principal entrances shall be clearly defined and emphasized through the use of architectural features such as porches and roofs or other details that express the importance of the entrance. Multiple entrances shall be encouraged. Twenty (20) percent of the walls on the first floor and ten (10) percent of the walls on each floor above the first that face a public street, public sidewalk, public pathway, or on-site parking lot, shall be windows as follows:
 - a. Windows shall be vertical in proportion.
 - b. Windows shall be distributed in a more or less even manner.
 - Nonresidential uses:
 - Principal entrances shall be clearly defined and emphasized through the use of architectural features such as roofs or other details that express the importance of the entrance. Multiple entrances shall be encouraged. Thirty (30) percent of the walls on the first floor and ten (10) percent of the walls on each floor above the first that face a public street, public sidewalk, public pathway, or on-site parking lot, shall be windows as follows:
 - a. Windows shall be vertical in proportion.
 - b. Windows shall be distributed in a more or less even manner.

- c. **The bottom of any window used to satisfy the ground floor window requirement may not be more than four (4) feet above the adjacent grade.**
- d. **First floor or ground floor windows shall have clear or lightly tinted glass with a visible light transmittance ratio of 0.6 or higher.**
- e. **First floor or ground floor windows shall allow views into and out of the building at eye level. Shelving, mechanical equipment or other similar fixtures shall not block views into and out of the building in the area between four (4) and seven (7) feet above the adjacent grade. However, window area in excess of the minimum required area shall not be required to allow views into and out of the building.**
- f. **Industrial uses in Table 550-1, Principal Industrial Uses in the Industrial Districts, may provide less than thirty (30) percent windows on the walls that face an on-site parking lot, provided the parking lot is not located between the building and a public street, public sidewalk or public pathway.**

Minimum window area shall be measured as indicated in section 531.20 of the zoning code.

- **The form and pitch of roof lines shall be similar to surrounding buildings.**
- **Parking Garages: The exterior design shall ensure that sloped floors do not dominate the appearance of the walls and that vehicles are screened from view. At least thirty (30) percent of the first floor building wall that faces a public street, public sidewalk or public pathway shall be occupied by active uses, or shall be designed with architectural detail or windows, including display windows, that create visual interest.**

The proposed U-shaped, 114-room hotel is oriented towards Holmes Avenue South. The proposed structure has a principal entrance facing the public street and is located directly adjacent to the public sidewalk in order to facilitate pedestrian access and circulation. The building reinforces the street wall and maximizes natural surveillance. The area between the proposed structure and the public street would have new tree plantings in the public boulevard. The building is proposed to be located within eight feet of the property line despite being subject to two front yard requirements as variances are being sought to relax those standards. As proposed, the majority of the structure other than a recessed entry is located up to the property line. The recessed entry portion is setback approximately 3 feet. There is a terrace on the second level and above the terrace on floors 3-6, the building is recessed in a U-shape approximately 16 feet 10 inches from the property line and approximately 24 feet 8 inches in width along Holmes Avenue South. For reference, the building width in its entirety is proposed at 107 feet, 4 inches.

The proposed design of the 6-story structure would incorporate windows at the first floor. At least 40% of the first floor façade that faces a public street or sidewalk shall be windows as the property is located in the Pedestrian Overlay District. The proposed structure meets this requirement along the west elevation adjacent to Holmes Avenue South as approximately 47% are provided along that frontage. All ground level windows must be transparent (non-reflective). The proposed structure meets the 10% window requirement on upper floors facing

the public streets. The windows are vertical in proportion and distributed in a more or less even manner. There are blank, uninterrupted walls greater than 25 feet in width along the north elevation that do not include windows, entries, recesses or projections, or other architectural elements. Staff believes that it would be practical to require alterations to the elevation and would recommend that the Planning Commission require that the project be in compliance with this standard.

The exterior materials would be compatible on all sides of the proposed building. The applicant is proposing that the exterior of the structure be composed of metal siding (flat-lock zinc panels) with brick and stone elements.

The proposed building form and the pitch of the roof line is compatible with the area. The proposed roof line would be flat, and a six-story building would be compatible with other structures in the area.

All proposed parking for the development would be provided in a single-story underground parking garage. The applicant proposes to provide a total of 35 parking spaces that are in compliance with Chapter 541.

ACCESS AND CIRCULATION:

- **Clear and well-lighted walkways of at least four (4) feet in width shall connect building entrances to the adjacent public sidewalk and to any parking facilities located on the site.**
- **Transit shelters shall be well lighted, weather protected and shall be placed in locations that promote security.**
- **Vehicular access and circulation shall be designed to minimize conflicts with pedestrian traffic and surrounding residential uses.**
- **Traffic shall be directed to minimize impact upon residential properties and shall be subject to section 530.150 (b) related to alley access.**
- **Site plans shall minimize the use of impervious surfaces.**

The principal entrance to the proposed structure is located directly adjacent to the public sidewalk along Holmes Avenue South. The parking facilities for the proposed hotel are located in an underground parking garage with access to and from the parking garage off of Holmes Avenue South.

The site is not immediately adjacent to a transit stop however it is in close proximity to several bus lines.

The proposed development has been designed to minimize conflicts with pedestrian traffic and surrounding residential uses.

There would unlikely be significant traffic impacts on the adjacent residential

properties. The surrounding property is a mix of commercial and residential uses, and the proposal to construct a 114-room hotel development would not be expected to have significant impacts on the adjacent uses.

There is a public alley adjacent to the site but the alley cannot be accessed from the proposed off-street parking garage.

The site has been designed to minimize the use of impervious surfaces through landscaping. Impervious surfaces would cover approximately 70 percent of the site.

LANDSCAPING AND SCREENING:

- **The composition and location of landscaped areas shall complement the scale of the development and its surroundings.**
 - **Not less than twenty (20) percent of the site not occupied by buildings, including all required landscaped yards, shall be landscaped as specified in section 530.160 (a).**
- **Required screening shall be six (6) feet in height, unless otherwise specified, except in required front yards where such screening shall be three (3) feet in height.**
- **Except as otherwise provided, required screening shall be at least ninety-five (95) percent opaque throughout the year. Screening shall be satisfied by one or a combination of the following:**
 - **A decorative fence.**
 - **A masonry wall.**
 - **A hedge.**
- **Parking and loading facilities located along a public street, public sidewalk or public pathway shall comply with section 530.170 (b), including providing landscape yards along a public street, public sidewalk or public pathway and abutting or across an alley from a residence or office residence district, or any permitted or conditional residential use.**
- **The corners of parking lots where rows of parking spaces leave areas unavailable for parking or vehicular circulation shall be landscaped as specified for a required landscaped yard. Such spaces may include architectural features such as benches, kiosks or bicycle parking.**
- **In parking lots of ten (10) spaces or more, no parking space shall be located more than fifty (50) feet from the center of an on-site deciduous tree. Tree islands located within the interior of a parking lot shall have a minimum width of seven (7) feet in any direction.**
- **All other areas not governed by sections 530.160 and 530.170 and not occupied by buildings, parking and loading facilities or driveways, shall be covered with turf grass, native grasses or other perennial flowering plants, vines, mulch, shrubs or trees.**
- **Installation and maintenance of all landscape materials shall comply with the standards outlined in section 530.210.**
- **The city planning commission may approve the substitution or reduction of landscaped plant materials, landscaped area or other landscaping or screening standards, subject to section 530.80, as provided in section 530.220.**

The proposal meets the 20% landscape requirement. The total site area is 16,146 square feet or .37 acres and the proposed building footprint on the site would be 11,000 square feet. A total of 1,030 square feet of landscaping would be necessary to meet the 20% requirement. The applicant is providing approximately 1,608 square feet or approximately 31% of the site not occupied by buildings. The zoning code requires that there be at least 3 trees and 6 shrubs. The applicant is proposing to provide 8 trees and 31 shrubs. The proposal is meeting the minimum landscape quantity requirements. Staff would require that development include more of a variation in the types of plantings on site.

ADDITIONAL STANDARDS:

- **All parking lots and driveways shall be designed with wheel stops or discontinuous curbing to provide on-site retention and filtration of stormwater. Where on-site retention and filtration is not practical, the parking lot shall be defined by six (6) inch by six (6) inch continuous concrete curb.**
- **To the extent practical, site plans shall minimize the blocking of views of important elements of the city.**
- **To the extent practical, buildings shall be located and arranged to minimize shadowing on public spaces and adjacent properties.**
- **To the extent practical, buildings shall be located and arranged to minimize the generation of wind currents at ground level.**
- **Site plans shall include crime prevention design elements as specified in section 530.260 related to:**
 - **Natural surveillance and visibility**
 - **Lighting levels**
 - **Territorial reinforcement and space delineation**
 - **Natural access control**
- **To the extent practical, site plans shall include the rehabilitation and integration of locally designated historic structures or structures that have been determined to be eligible to be locally designated. Where rehabilitation is not feasible, the development shall include the reuse of significant features of historic buildings.**

All parking is being provided in an underground parking garage which is accessed off of Holmes Avenue South. The water drainage on site would need to be designed so as not to drain onto any adjacent lots.

There are no recommendations from the City's CPTED officer as the project has not been through the required Preliminary Development Review (PDR) process. Any recommendations made during this process will need to be incorporated into the final plans.

The parking facilities have been designed to avoid headlights from shining on adjacent properties.

Staff would not expect the proposal to result in the blocking of views, shadowing of public space or adjacent properties should the proposal be modified to step-back on the top two stories. Additionally, Staff would not expect the proposed

building to have significant impacts on light, wind and air in relation to the surrounding area.

Section B: Conformance with All Applicable Zoning Code Provisions and Consistency with the Comprehensive Plan and Applicable Small Area Plans Adopted by the City Council

ZONING CODE - The proposed use is permitted in the C3A District and subject to specific development standards.

With the approval of the conditional use permit, variances, and site plan review this development would meet the requirements of the C3A zoning district.

Specific Development Standards for a hotel:

1. The use shall provide a minimum of fifty (50) guest sleeping rooms, except when located in the downtown districts.

The development complies with the specific development standard for a hotel as a total of 114 guest rooms are proposed.

Parking and Loading: Chapter 541 of the zoning code requires one off-street parking space per three guest rooms plus parking equal to 30% of the capacity of persons for affiliated uses such as dining or meeting rooms. Based on 114 rooms a total of 38 off-street parking spaces are required for the proposed development. There are uses including a small meeting area, exercise room and hospitality area; however, those uses are intended for hotel guest use only and therefore do not trigger any additional required parking. Hotels that include uses such as restaurants, bars or large conference rooms designed to draw individuals other than hotel guests would require additional parking. A total of 36 parking spaces and a bike rack (in lieu of one required parking space) are being provided for the development in the underground garage for a total of 37 parking spaces. Based on the 38 required parking spaces, a total of 25% or 9 parking spaces could be compact parking spaces per Chapter 541. The applicant is proposing 11 compact parking spaces or 2 more compact spaces than what is permitted. Consequently, the applicant is requesting to vary the parking requirement from 38 spaces to 35 spaces.

Dumpster screening: Section 535.80. Refuse storage containers shall be enclosed on all four (4) sides by screening compatible with the principal structure not less than two (2) feet higher than the refuse container or shall be otherwise effectively screened from the street, adjacent residential uses located in a residence or office residence district and adjacent permitted or conditional residential uses. All single-family homeowners will be responsible for their individual trash removal. Dumpsters are being provided in the rear yard and appear to meet the screening requirements.

Signs: Any signage is required to meet the requirements of the code. A separate permit is required from the Zoning Office as no signage is being approved as part of the submitted applications.

Lighting: The applicant is proposing to install light fixtures at all entires. All lighting will need to be downcast and shielded to avoid undue glare. All lighting shall comply with Chapters 535 and 541.

Maximum Floor Area: The maximum F.A.R. for all structures in the C3A District is the gross floor area of the building which is 62,200 square feet divided by the area of the lot which is 16,146 square feet. The outcome is 3.85 which is greater than the maximum of 2.7 that is permitted in the C3A District. However, the parking for the proposed development is entirely underground which would allow the applicant a 20% density bonus or a maximum F.A.R. of 3.24. The applicant is requesting a variance to allow an increase in the maximum F.A.R. permitted on site from 3.24 to 3.85.

Minimum Lot Area: Not applicable for the proposed development.

Dwelling Units per Acre: Not applicable for the proposed development.

Height: Maximum building height for principal structures located in the C3A District is 4 stories or 56 feet, whichever is less. The maximum allowable floor height is 14 feet. The applicant has applied for a conditional use permit to increase the maximum permitted height to 6 stories or 63.5 feet.

Yard Requirements: The required yards are as follows:

Front: Typically, the C3A district requires a zero foot front setback. However, due to the adjacent residential uses to the north and south as well as the zoning of OR1 to the south a setback is required for the first 40 feet from both north to south and south to north. The applicant is requesting to vary both setback requirements to zero. The requirements are as follows:

- Front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from north to south): 6 feet, 6 inches.
- Front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from south to north): 11 feet, 6 inches.

Interior side yard (5+2x): 15 feet

Rear yard (5+2x): 15 feet

Building coverage: Not applicable for the proposed development.

Impervious surface area: Not applicable for the proposed development.

MINNEAPOLIS PLAN

According to the *Minneapolis Plan*, the subject parcels are zoned C3A which is a Community Activity Center District, located within a designated Activity Center (Hennepin Avenue and West Lake Street) and less than a half block off of West Lake Street which is a Commercial Corridor. According to the Principles and Policies outlined in the *Minneapolis Plan*, the following apply to this proposal:

4.1 Minneapolis will support development in Commercial Corridors where it enhances the street's character, improves its ability to accommodate automobile traffic and foster pedestrian movement, and expands the range of goods and services offered.

Implementation Steps:

- Support a mix of uses on Commercial Corridors – such as retail sales, office, institutional, higher density residential, and clean low-impact light industrial – where compatible with the existing and desired character of the street.
- Ensure that commercial uses do not negatively impact nearby residential areas.

4.5 Minneapolis will continue to provide a wide range of goods and services for city residents, to promote employment opportunities, to encourage the use and adaptive reuse of existing commercial buildings, and to maintain and improve compatibility with surrounding areas.

Implementation Steps:

- Encourage the economic vitality of the city's commercial districts while maintaining compatibility with the surrounding areas.

4.7 Minneapolis will identify and support Activity Centers by preserving the mix and intensity of land uses and enhancing the design features of each area that give it a unique and urban character.

Implementation Steps:

- Require that buildings in Activity Center districts incorporate a pedestrian orientation at the street edge.

The proposal is in conformance with the above noted principles, policies and implementation steps of the comprehensive plan.

Section C: Conformance with Applicable Development Plans or Objectives Adopted by the City Council

No small area plans for this area of Minneapolis have been adopted by the City Council.

ALTERNATIVE COMPLIANCE

The Planning Commission may approve alternatives to any site plan review requirement upon finding any of the following:

- The alternative meets the intent of the site plan chapter and the site plan includes amenities or improvements that address any adverse effects of the alternative. Site amenities may include but are not limited to additional open space, additional landscaping and screening, green roof, decorative pavers, ornamental metal fencing, architectural enhancements transit facilities, bicycle facilities, preservation of natural resources, restoration of previously damaged natural environment, rehabilitation of existing structures that have been locally designated or have been determined to be eligible to be locally designated as historic structures, and design which is similar in form, scale and materials to existing structures on the site and to surrounding development.
- Strict adherence to the requirements is impractical because of site location or conditions and the proposed alternative meets the intent of this chapter.
- The proposed alternative is consistent with applicable development plans or development objectives adopted by the city council and meets the intent of this chapter.

Alternative compliance is requested by the applicant to meet the following standards:

Blank, uninterrupted walls greater than 25 feet in width:

There are blank, uninterrupted walls greater than 25 feet in width along the north elevation that do not include windows, entries, recesses or projections, or other architectural elements. Staff believes that it would be practical to require alterations to the elevation and would recommend that the Planning Commission require that the project be in compliance with this standard.

RECOMMENDATIONS:

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the conditional use permit:

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a conditional use permit to allow an increase in height 4 stories or 56 feet to 6 stories or 63.5 feet for the proposed

hotel on the property located at 3017, 3021 and 3027 Holmes Avenue South.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **deny** the application for a variance to increase the maximum permitted floor area ratio in the C3A district from the allowable 3.24 to 3.85 feet for the proposed structure on the property located at 3017, 3021 and 3027 Holmes Avenue South.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from north to south) from 6 feet, 6 inches to 0 feet due to the residential structure to the north for property located at 3017, 3021 and 3027 Holmes Avenue South.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance of the front yard requirement adjacent to Holmes Avenue South along the west property line for the first 40 feet (from south to north) from 11 feet, 6 inches to 0 feet due to the residential structure to the south for property located at 3017, 3021 and 3027 Holmes Avenue South.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance of the rear yard requirement adjacent to the alley along the east property line from 15 feet to 13 feet 6 inches for property located at 3017, 3021 and 3027 Holmes Avenue South.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance to allow a driveway in the required interior side yard adjacent to the north property line for property located at 3017, 3021 and 3027 Holmes Avenue South.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance of the on-site parking requirement from 38 to 35 spaces for property located at 3017, 3021 and 3027 Holmes Avenue South.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance of the loading requirement for property located at 3017, 3021 and 3027 Holmes Avenue South.

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the site plan review:

The Department of Community Planning and Economic Development– Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the site plan review application for property located at 3017, 3021 and 3027 Holmes Avenue South subject to the following conditions:

1. Planning Staff review and approval of the final site, elevation and landscaping plans.
2. All site improvements shall be completed by March 5, 2008, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.
3. Any changes to the site plan as a result of Preliminary Development Review may result in another public hearing by the City Planning Commission if the Zoning Administrator deems such changes significant under sections 525.360 and 530.100 of the zoning code.
4. The landscape plan shall include a greater variety of plant types.
5. Incorporation of windows, entries, recesses, projections or other

architectural elements along the north elevation to break up the blank uninterrupted walls that exceed 25 feet in width per Section 530.120.

6. All ground level windows must be transparent (non-reflective).

Attachments:

1. Statement of use / description of the project
2. Findings –CUP and variances
3. Correspondence
4. Zoning map
5. Plans – Site, landscape, elevations, floor plans, etc.
6. Photos
7. PDR notes