



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

Date: February 19, 2009
To: Council Member Gary Schiff, Chair of Zoning and Planning Committee
Referral to: Zoning and Planning Committee
Subject: Referral from the February 17, 2009 City Planning Commission Meeting
Recommendation: See report from the City Planning Commission

Prepared by: Lisa Baldwin, Planning Commission Committee Clerk (612-673-3710)

Approved by: Jason Wittenberg, Supervisor, CPED Planning-Development Services

Presenter in Committee:

1. John Bergin, Vac-1555, Shanna Sether, x2307
2. Lowry Apartments, BZZ-4296, 2500 and 2510 Polk St NE and 947, 949, 953 and 955 Lowry Ave NE, Becca Farrar, x3594
3. 15th Ave SE Urban Design Plan, Joe Bernard, x2422
4. Zoning Code Text Amendment, Kimberly Holien, x2402
5. Zoning Code Text Amendment, Amanda Arnold, x3242

Community Impact (use any categories that apply)

Other: See staff report(s) from the City Planning Commission

Background/Supporting Information Attached

The attached report summarizes the actions taken at the City Planning Commission meeting held on February 17, 2009. The findings and recommendations are respectfully submitted for the consideration of your Committee.

**REPORT
of the
CITY PLANNING COMMISSION
of the City of Minneapolis**

The Minneapolis City Planning Commission, at its meeting on February 17, 2009 took action to **submit the attached comment** on the following items:

1. John Bergin (Vac-1555, Ward: 6), ([Shanna Sether](#)).

A. Vacation: Application by John Bergin, on behalf of Excelsior Development, LLC, to grant the City of Minneapolis a 10 foot by 10 foot corner cut at the southeast corner of 2301 Elliot Ave and to request a vacation of an alley easement and a portion of the existing alley north of the property located at 912 E 24th St.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the vacation and proposed corner-cut easement.

2. Lowry Apartments (BZZ-4296, Ward: 1), 2500 and 2510 Polk St NE and 947, 949, 953 and 955 Lowry Ave NE ([Becca Farrar](#)).

A. Rezoning: Application by DJR Architecture Inc., on behalf of Lowry Apartments Limited Partnership, for a petition to rezone the subject parcels from the R5 (Multiple-family) district to the C1 (Neighborhood Commercial) district.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the rezoning petition to change the zoning classification of the properties located at 2500 and 2510 Polk Street NE, and 947, 949, 953, and 955 Lowry Ave NE from the R5 district to the C1 district.

3. 15th Ave SE Urban Design Plan (Ward: 3), ([Joe Bernard](#)). This item was continued from the February 2, 2009 meeting.

A. Design Plan: The Marcy-Holmes neighborhood recently completed planning work regarding direction for specific redevelopment sites along three and a half blocks of 15th Ave SE. The purpose of this document is to articulate to the development community and potential implementation partners the community expectations for new, aggressive, high-quality development on 15th Ave SE.

Action: The City Planning Commission recommended that the City Council **approve** the *15th Avenue SE Urban Design Plan* document and **amend** the policy guidance for the area into the City's comprehensive plan.

4. Zoning Code Text Amendment (Ward: All), ([Kimberly Holien](#)). This item was continued from the January 5, 2009 meeting. This item was continued from the February 2, 2009 meeting.

A. Text Amendment: Amending Title 20, Chapter 525 of the Minneapolis Code of Ordinances relating to the Zoning Code: Administration and Enforcement.

Amending Title 20, Chapter 535 of the Minneapolis Code of Ordinances relating to the Zoning Code: Regulations of General Applicability.

The purpose of the amendment is to establish regulations and development standards for plazas and to authorize a variance from those development standards.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the zoning code text amendment.

5. Zoning Code Text Amendment (Ward: All), ([Amanda Arnold](#)).

A. Text Amendment: Amending Title 20, Chapter 546 of the Minneapolis Code of Ordinances related to the Zoning Code: (Residence Districts)

Amending Title 20, Chapter 547 of the Minneapolis Code of Ordinances related to the Zoning Code: (Office Residence Districts)

Amending Title 20, Chapter 548 of the Minneapolis Code of Ordinances related to the Zoning Code: (Commercial Districts)

The purpose of the amendment is to increase allowable residential densities in several multi-family residence and commercial zoning districts (R3, R4, R5, C1, C2, C3S) to better align with adopted policy. The amendment would also increase the maximum floor area ratio (the ratio of the building size to lot size) in one commercial district, C3S.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the zoning code text amendment, amending chapters 546 and 548. The City Planning Commission further recommends that Chapters 547 and 551 be **returned** to the author.

**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
(612) 673-2597 Phone
(612) 673-2526 Fax
(612) 673-2157 TDD

MEMORANDUM

DATE: February 27, 2009

TO: Steve Poor, Planning Supervisor – Zoning Administrator, 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 February 17, 2009

The following actions were taken by the Planning Commission on February 17, 2009. 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: President Motzenbecker, Gorecki, Huynh, LaShomb, Luepke-Pier, Nordyke, Norkus-Crampton and Tucker

Not present: Schiff

Committee Clerk: Lisa Baldwin (612) 673-3710

1. John Bergin (Vac-1555, Ward: 6), ([Shanna Sether](#)).

A. Vacation: Application by John Bergin, on behalf of Excelsior Development, LLC, to grant the City of Minneapolis a 10 foot by 10 foot corner cut at the southeast corner of 2301 Elliot Ave and to request a vacation of an alley easement and a portion of the existing alley north of the property located at 912 E 24th St.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the vacation and proposed corner-cut easement.

President Motzenbecker opened the public hearing.

No one was present to speak to the item.

President Motzenbecker closed the public hearing.

Commissioner Tucker moved approval of the staff recommendation (LaShomb seconded).

The motion carried 7-0.

2. Lowry Apartments (BZZ-4296, Ward: 1), 2500 and 2510 Polk St NE and 947, 949, 953 and 955 Lowry Ave NE ([Becca Farrar](#)).

A. Rezoning: Application by DJR Architecture Inc., on behalf of Lowry Apartments Limited Partnership, for a petition to rezone the subject parcels from the R5 (Multiple-family) district to the C1 (Neighborhood Commercial) district.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the rezoning petition to change the zoning classification of the properties located at 2500 and 2510 Polk Street NE, and 947, 949, 953, and 955 Lowry Ave NE from the R5 district to the C1 district.

B. Conditional Use Permit: Application by DJR Architecture Inc., on behalf of Lowry Apartments Limited Partnership, for a conditional use permit to allow 31 residential dwelling units for the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE.

Action: The City Planning Commission adopted the findings and **approved** the application for a conditional use permit to allow 31 dwelling units on the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE subject to the following condition:

1. The conditional use permit shall be recorded with Hennepin County as required by Minn. Stat. 462.3595, subd. 4 before building permits may be issued or before the use or activity requiring a conditional use permit may commence. Unless extended by the zoning administrator, the conditional use permit shall expire if it is not recorded within one year of approval.

C. Conditional Use Permit: Application by DJR Architecture Inc., on behalf of Lowry Apartments Limited Partnership, for a conditional use permit to allow an increase in the maximum allowable height to 4 stories or 44 feet for the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE.

Action: The City Planning Commission adopted the findings and **approved** the application for a conditional use permit to allow an increase in height to 4 stories or 44 feet for the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE subject to the following condition:

1. The conditional use permit shall be recorded with Hennepin County as required by Minn. Stat. 462.3595, subd. 4 before building permits may be issued or before the use or activity requiring a conditional use permit may commence. Unless extended by the

zoning administrator, the conditional use permit shall expire if it is not recorded within one year of approval.

D. Variance: Application by DJR Architecture Inc., on behalf of Lowry Apartments Limited Partnership, for a variance to reduce the required interior side yard setback along the west property line adjacent to the alley from 11 feet to 2 feet for the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance to reduce the required interior side yard along the west property line adjacent to the alley from 11 feet to 2 feet at the closest point for the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE.

E. Site Plan Review: Application by DJR Architecture Inc., on behalf of Lowry Apartments Limited Partnership, for a site plan review for a 4-story, mixed-use development with 31 dwelling units and approximately 6,500 square feet of ground level commercial space fronting on Lowry Avenue NE for the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE.

Action: The City Planning Commission **approved** the site plan review application for a mixed-use development with 31 residential dwelling units and approximately 6,500 square feet of ground level commercial on the properties located at 2500 and 2510 Polk St NE, and 947, 949, 953, and 955 Lowry Ave NE subject to the following conditions:

1. All site improvements shall be completed by March 27, 2010, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.
2. Planning Staff review and approval of the final site, elevation, landscaping and lighting plans before building permits may be issued.
3. The bicycle racks for the commercial component of the development shall be installed consistent with the bicycle parking location requirements as stated in Section 541.180(b)(1).
4. All commercial ground level windows must be transparent (non-reflective) as required by section 530.120 of the zoning code. No shelving, signage, merchandise, newspaper racks or other mechanisms shall be placed in front of the required ground level transparent windows on the north, south and east elevations of the structure.
5. 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.
6. The applicant shall continue to work with staff to provide additional brick and articulation on each building elevation.
7. The applicant work with staff to align signage so it directly relates to the storefronts below.

Staff Farrar presented the staff report.

President Motzenbecker opened the public hearing.

Sheldon Berg: I'm with DJR Architecture. I can address any questions on the architecture.

President Motzenbecker: Why don't you walk us through the elevations and then perhaps commissioner Gorecki can ask specific questions.

Sheldon Berg: The top elevation is what's fronting Polk Street. As you see, there is a four story mass on this side and then it steps down to the two story townhouse as you move toward the existing residential neighborhood. On the lower elevation is the elevation fronting Lowry and this shows the commercial storefront, the base, the residential above, the base of the building at the retail level is setback a little bit, about three or four feet and creates a shadow line there. The retail space doesn't have quite the dramatic impact as we are transitioning from the busier commercial area on Central to a more residential neighborhood. The main floor is brick, basically in storefront glazing and then there are some accent pieces. Here, the brick goes up the full four stories. The upper level materials are fiber cement siding. On the left hand side, this corner would have a stucco finish. The other is a regular eight inch siding material. I can walk around to the back and sides if you like. The top here then is the west of the elevation and you see the rear of the townhouse. This part here would be fronting on the alley so there is storefront glazing there and there's a walk-thru that will connect the rear of the building to the sidewalk on Lowry which will allow people if they were in the neighborhood or parking they would have access around or if there are folks coming from Holy Land Deli and they came out the front on Central and walked down Lowry they could come in that way. The lower elevation here then is the back side that fronts the parking area. It would also then fronting the neighborhood residential parcels to the north. It's a narrower length between the townhouse and the rest of the building.

Commissioner Gorecki: Can you talk a little about the articulation, especially on the Lowry side; it really looks flat to me. I'm a little underwhelmed with the quality of this particular exhibit. I don't get we can get a very good feeling for what the building is actually going to look like. The massing from the brick going to the east seems to be extremely long and there's really not a break up of the building at all. Talk a little bit about how you're trying to tie this to the business district and the Central/Lowry corridor? I'm not seeing it right now.

Sheldon Berg: Basically what we've done is on this corner that is closest to the alley and the more dense area off of Central, this is a stucco form with a brick base and then you make a transition with the brick going up and then you transition there to a more residential material, the plank siding along here. It's punctuated by balconies and the grouped windows. We have signage bands which will have a rhythm for each of the individual storefronts.

Commissioner Gorecki: What is the ground floor height for your retail?

Sheldon Berg: It's 13 feet floor to floor.

President Motzenbecker: Can you clarify a little for me, the submitted documents that we have state that that alley side piece is fiber cement siding and you have said twice that it's stucco and I want to verify that it's not EFIS.

Sheldon Berg: It's not EFIS. It's a stucco finish over fiber cement siding.

President Motzenbecker: That seems to be two different kinds of materiality things that I'm hearing. Stucco covering is one thing, fiber cement is another. I just wanted to clarify that because I'm not sure that's really accurately shown.

Commissioner Huynh: When you had mentioned brick as one of the primary building materials, is that for all of the areas that you indicate as masonry base then? I'm assuming that you're not going to have any rock face CMU or...

Sheldon Berg: No, it's all brick.

President Motzenbecker closed the public hearing.

Commissioner Gorecki: I'm in favor of the development. I think the structures there are long overdue and long past their prime so that's not the issue for me. Not having seen this at our Committee of the Whole, this is the first time I've had to take a look at it. I have to be honest, I am underwhelmed by the design. The brick articulation needs to be expanded significantly to try to have some connection to the business corridor at Central and Lowry. I don't know how we want to proceed, if we want to hold this over for two weeks or if we want to make suggestions at this point in time, but I'm open to suggestions from my colleagues on the best way to proceed.

President Motzenbecker: As far as the design issues go, we can't do too much as it relates. You certainly could request a condition to the site plan that the applicant work with staff to extend the brick in a little bit more prevalent manner. I'm open to hearing other suggestions from other commissioners.

Commissioner Tucker: I think the appropriate places to add conditions, if some of the site plan standards are not being met.

President Motzenbecker: There might another condition to add a little more articulation, recesses and projections on the building because they are asking for alternative compliance to some of our standards, I think that's a fair trade off for some of those requests. Once we get to site plan review we can talk about those or add them in.

Commissioner Tucker: I will move item A, the rezoning (LaShomb seconded).

President Motzenbecker: All those in favor? Opposed?

The motion carried 7-0.

Commissioner Tucker: I will move item B, the CUP for 31 dwelling units (Huynh seconded).

President Motzenbecker: All those in favor? Opposed?

The motion carried 7-0.

Commissioner Tucker: I will move items C and D, the CUP for height of building and the variance for the setback (Huynh seconded).

President Motzenbecker: All those in favor? Opposed?

The motion carried 7-0.

Commissioner Tucker: I will move site plan review per staff recommendation with the five conditions they've suggested and wait for an amendment from commissioner Gorecki (Nordyke seconded).

Commissioner Huynh: Part of the condition here is just to add a sixth condition that the applicant will continue to work with staff to provide additional brick articulation on the façade facing Lowry.

Commissioner Luepke-Pier: Can we have some attention paid to the signage banding? It seems rather random and not very well incorporated into the façade on the south side of the building.

President Motzenbecker: Maybe a little more clarification on that, what your intention is? If we're going to add a condition we need to help them understand what...

Commissioner Luepke-Pier: I guess the signage banding looks just randomly plunked in among the balconies and windows of the residential units above the storefronts so it'd be nice if it looked like more than an afterthought. I don't know how to word that in terms of the amendment.

President Motzenbecker: Perhaps work with staff to align signage so it's more directly relating to the stores below.

President Motzenbecker: All those in favor of the amendments? Opposed?

The motion carried 7-0 to add the amendments.

President Motzenbecker: All those in favor of the site plan review? Opposed?

The motion carried 7-0.

3. 15th Ave SE Urban Design Plan (Ward: 3), ([Joe Bernard](#)). This item was continued from the February 2, 2009 meeting.

A. Design Plan: The Marcy-Holmes neighborhood recently completed planning work regarding direction for specific redevelopment sites along three and a half blocks of 15th Ave SE. The purpose of this document is to articulate to the development community and potential implementation partners the community expectations for new, aggressive, high-quality development on 15th Ave SE.

Action: The City Planning Commission recommended that the City Council **approve** the *15th Avenue SE Urban Design Plan* document and **amend** the policy guidance for the area into the City's comprehensive plan.

Staff Bernard presented the staff report.

President Motzenbecker opened the public hearing.

Arvonne Fraser (821 7th St SE): With this plan, we are Marcy Holmes are preparing for the future growth in the city that we anticipate in our area and our part of the relatively new University

Alliance whose aim is to promote a diverse and welcoming neighborhood around the university. This 15th Ave corridor was chosen as a priority site for improvement and recommended for redevelopment in our master plan supplements adopted by the city in January 2007. Over the last two years we have had a very open process around development of this plan. In early 2007 we formed a 15th Ave SE taskforce which included members, two of whom were 15th Ave property owners and it included students and our land use committee members who reported systematically to our open board meetings and general membership meetings. Information about the plan went out in our items of interest notices sent out monthly to a large mail and email list the neighborhood association maintains. In early 2008 we hired Cunningham Architecture group to help us draft the plan at a series of open meetings in their conference room in their neighborhood. By June we had a draft plan with an interactive model and drawings presented for comments at our annual general membership meeting. In July 2008 we posted the plan on our website soliciting comments. We also sent letters to 39 local and national developers asking for input. We placed an ad in The Bridge, our local newspaper, for the whole area inviting people to view the plan. At our October 2008 general membership meeting we sent letters to the area property owners as well as the whole Marcy Holmes mailing list. At that October general membership meeting we presented a slightly revised plan based on the comments we had received. The revised plan was then posted on our website. In October and November 2008 we met with two national and two local developers who had expressed interest in the plan. On November 18, 2008 our Marcy Holmes board of directors voted to officially adopt the plan. We are very proud of this plan. We understand the current real estate market, but we're looking forward to the future trying to make our community a live near your work neighborhood, a diverse, interesting and sustainable community with a nice mix of owner/occupants and renters who study, work or just want to live near the U and downtown. We hope you approve our plan. Thank you.

Dick Poppely (97 Arthur Ave) [not on sign-in sheet]: I'd like to comment on this from a slightly different perspective, namely that of the University Alliance. A lot of this will echo what Arvonne just said. This plan, along with several other neighborhood initiated plans, has become a part of a comprehensive vision that is currently being developed by the University Alliance for the area around the University of Minnesota. One of the essential elements of the Alliance's vision is to attract a more diverse residence to the university district and to promote live near your work. The Alliance has been working with the university neighborhoods and business associations to develop a common vision that includes this theme and it's currently nearing the end of its first phase which will be available in a report to the legislature around the end of March. The 15th Ave plan has become a part of a larger plan because it does provide for a more diverse residential population and it connects very nicely with a similar plan that is being developed for the area of 15th Ave north of the railroad in the Como neighborhood. Taken together, these plans may provide an alternative to further student development that has been going on and create a focus for a more diverse and vital residential development that connects these two neighborhoods. We believe that the future vitality and diversity of the residential neighborhoods in the university district will eventually depend on this type of development. Plans like this help show the way how it can be done. Thank you.

Patrick Burns [not on sign-in sheet]: I am an attorney. My law firm has represented a number of the property owners who are going to testify here today on behalf of the Minnesota Rental Properties Group. They were unable to attend and they asked me to provide some insight of what we have for the commission. I'd like to restrict my comments to the series of legal issues regarding the proposal before the commission that I've become aware of in the past few weeks.

On January 9, 2009 I was contacted by a number of my clients regarding a meeting that was to be held at the Cunningham Group's office on January 12. Among other things discussed at the meeting was the review and the proposal currently before this commission. Present at the meeting were representatives from the University Alliance, board members from the Marcy Holmes neighborhood association, city officials including Council Member Diane Hofstede and Commissioner Tucker. Noticeably absent however as anyone outside of the neighborhood organization or the University Alliance. The simple reason wasn't because someone had failed to inform them of the meeting; it was because no one invited them. No property owners were invited, no citizens in the neighborhood were invited, no outside organizations; the only people in attendance were a select group of individuals claiming to represent the best interests of the community. Multiple requests were made by the property owners to be a part of the meeting. Those requests went ignored or were simply rebuffed. Finally, my law office was asked to intervene. After briefly reviewing the matter, it was quickly determined that the secret meeting violated Minnesota's open meeting law. Only after bringing this to the attention of city officials as well as officials from the University Alliance and threatening to bring legal action did they finally relent and allow my client to participate at the meeting. Further investigation by my office uncovered additional problems related to the way the Marcy Holmes neighborhood organization has handled the proposal currently before this commission. I am absolutely certain that members of this commission are not aware of the fact that Marcy Holmes is the only neighborhood organization in the city of Minneapolis that has deliberately and intentionally sought to exclude residents and property owners from being members of the organization, sitting on its board or otherwise having a voice in the decision making process. After interviewing former board members, I was startled to learn that when the association's governing documents were originally drafted, they were done so with the specific intent of keeping property owners and students out and only a select group of occupants in. In essence, the organization that claims to represent the neighborhood has sought to disenfranchise the property owners who operate in the neighborhood. This is written policy and it is enshrined in the association's bylaws and if you have any doubt regarding the factual nature of this allegation you can ask Mr. Tucker. I respect Mr. Tucker. He worked awfully hard on behalf of this commission, but he was a board member for Marcy Holmes and a member of the association's sub-committee. An organization that has accepted and used tax payer dollars to put forth proposals of this nature have been allowed to arbitrarily discriminate against those individuals who actually paid for these studies by not allowing them to be members of this organization. During our investigation we have also learned that individual Marcy Holmes neighborhood board members have made public comments threatening to put certain property owners out of business. When I first heard of these allegations I was a bit skeptical, but the evidence of this policy is contained in the very reports that have been put before this commission as well as the documents relied on by the Planning staff in making its recommendations. Reviewing the documents that have been submitted to the commission by various property owners we hear a variety of different complaints. They complain about being shut out of the process, they complain that this proposal lacks any touch with economic reality, failure to address affordable housing needs, failure to maintain historical structures along 15th Ave, failure to determine the impact and feasibility of other approved projects that recently came before this commission, errors in the Planning process, a lack of a market study; the list of the errors goes on and on. Each of these complaints can be directly attributed to the fact that the Marcy Holmes neighborhood association has deliberately sought to exclude property owners and students, exactly the same kind of stakeholders you want to include in this process from being given an opportunity to have their voices and opinions heard. In the Planning report, Melissa Bean provided a ten point list of activities that were done by the association in support of the proposal. Reviewing the timeline that she put forward I have yet to identify a single property

owner who had any substantive knowledge of this proposal. They claim to send out letters, I have yet to find a single property owner who has actually received a letter. More importantly, when a variance or zoning change is made, city ordinance and Minnesota law requires that property owners within several hundred feet are notified. These property owners haven't received such notifications. No evidence exists to suggest that the neighborhood association invited those to participate in the association meetings. If the commission wants further evidence of the stakeholders being shut out of the process, I'd urge you to look at page ten of the staff recommendations. The only documents that were substantively relied on by the Planning staff were those that were submitted by the Marcy Holmes neighborhood association. From a legal perspective it raises serious questions regarding the process used by the city and whether or not it was fundamentally fair, whether the procedural due process rights were adequately protected for the neighboring property owners and whether the property rights of the individuals affected by this proposal were ever taken into serious consideration. It also implicitly argues particularly through the use of aggregating (tape unclear) that is contained in the recommendations that the city shall exercise its condemnation and eminent domain powers. It begs to reason given the level of secrecy involved in this process if that was not the intent from the beginning. While I'm not certain of many things after a few years of practicing law, I am certain of one thing, given the secretive nature in which this was done; I have no doubt that if this moves forward it will result in potentially costly and time consuming litigation. The city's goals and objectives can not be accomplished by shutting out major stakeholders from the decision making process. These individuals have operated businesses in excess of 20 and 30 years and are deeply committed to the Marcy Holmes neighborhood association, the University of Minnesota, the city of Minneapolis. There is a dangerous fiction that exists and I think it's pervasive within the neighborhood organization that property owners do not care about the community in which they operate their businesses. Their presence here today should dispel such notions. When making decisions it is admirable to listen to the people who live in the neighborhood, however, it is unthinkable to not listen to the concerns for those who own the property in the neighborhoods. What goes beyond the pale is when public policy becomes hijacked by a select group of individuals who act in a deliberate...

President Motzenbecker: Mr. Burns, I think you've made that point extensively. One of the things that we're deciding up here, and I would love to hear this, you've touched on it a little bit, but I want to hear more from the folks who are out here and from yourself possibly on kind of more on the major issues of the plan that is presented as far as content. I recognize they feel slighted from participation. Is there a desire to participate in crafting a rewriting of this plan as it moves forward or is it just done?

Patrick Burns: I think I can wrap that up by highlighting that the University Alliance came out with a progress report that was recently submitted to the Minnesota Legislature. That process is ongoing. It seems premature at this time to adopt this policy when the University Alliance is developing a much more comprehensive policy. Rather than putting the cart before the horse, let's hold off on making any wholesale changes or even partial changes to the Comprehensive Plan until the University Alliance can make its complete recommendations.

President Motzenbecker: There was a point made to distribution by the city when we're changing a zoning or ordinance; this is neither a zoning or ordinance change so it is not required for this particular process.

Patrick Burns: It is city policy.

President Motzenbecker: Yeah, but not a zoning or ordinance change as you were referring to.

Tim Harmsen (74 E Golden Lake Rd, Circle Pines) [not on sign-in sheet]: We own and rent property in Dinkytown. We are actively involved in Dinkytown every day in the process of renting to students, managing the property. My concern, aside from what Patrick has been talking about, is that the worst houses on campus are the ones closest to campus and it seems kind of odd that that would be the case. If you adopt this, we own a corner right on 15th and 7th St and I've been talking to people about what to do with this corner. The properties need to be repositioned, something has to happen, they are 100 years old. We can't put them together anymore. If this plan is adopted, I won't be able to do anything with that parcel unless a huge developer comes in and puts me with someone else with someone else. We're unable to do anything with our parcels so it may be 10 years until the economy changes. Meanwhile, these houses are going to get worse and worse. Nobody could come in and offer to put their two pieces together and build a new fourplex because the city will say it's not in the Master Plan. The problem with the towers is that the tenants don't like them. They are coming out of the dorms and want that single family home or smaller occupancy building, not the big place. Plus, it's so expensive to build those huge towers. You're talking about construction costs of about \$200 a square foot plus the space you rent out is used up with parking and all those other things. So to build a big building you'd be talking about rents of \$900 or \$1000 a bedroom and the market just isn't there for that.

Commissioner Gorecki: Did you participate in the earlier study along 15th? It doesn't sound like you're opposed to development; you're opposed to having your particular property undevelopable under the plan. Is that correct?

Tim Harmsen: That's correct. I was contacted and we had an informal meeting, but then I never heard anything and didn't know this was coming for a vote until someone had told me.

Marissa Lasky [not on sign-in sheet]: I'm not in Marcy Holmes. I'm invested in the University area. I agree with the gentleman before me; the students don't want high-rises, they want houses. When I had apartment buildings, they were harder to fill than homes. They wanted duplexes and townhouses, they're coming out of the dorms and don't want to go back into a tower. When I look at that development scheme, I think it's great and they'll move into what I have which is duplexes, so good for me. I would rather see participation by investors in the neighborhood, the 90% that don't seem to be heard so that they could talk about what renters and users in the neighborhood would to see in that development area.

Commissioner LaShomb: This issue of what students want, what students want is a place where they can jam six people into a unit, pay little rent and have no one make sure the place is clean; that's what students want. The University seems to have a very different opinion about that. The University seems to think high-rise buildings are the wave of the future.

Ken Hedberg [not on sign-in sheet]: I've been a long time resident of Prospect Park in southeast Minneapolis. I grew up there in the '40s, '50s, 60s. I was there when the neighborhood changed to a lot more rentals. At that time then I moved out of the neighborhood, but I've owned properties in Prospect Park. I think it's starting to get over saturated with construction and high-rise towers. I'm not totally against some of the remodeling of duplexes and four-plexes and low-rise buildings but I'm against towers and think it's taking away from neighborhoods. It's

becoming like a suburb and to me it's starting to devalue the neighborhood. The towers next to other properties will take away value. I'm against this project at least for the immediate future.

Melissa Bean [not on sign-in sheet]: I'm the Executive Director of the Marcy Holmes neighborhood association. We're told over and over by the city that we need to prepare for higher density and 15th Ave is an area in our neighborhood where we think that could occur; we think it's underutilized at this point. This plan is not a prescription that we want 16 story high-rises or we want student dormitories there. This is a plan for vision for density in our neighborhood. It could be staff, students, graduate students, we're looking for a whole mix on that side of our neighborhood and we feel that this will be a very transformative project and one of the things that the 15th Ave Plan helps lay out is a transition between if there are taller buildings on 15th and how it relates to 14th and avenues beyond. This plan does not call for eminent domain or taking anyone's land or anything of the sort. This is a vision of what the neighborhood would like to see and how we could embrace density at this location. It's a strategic point between two neighborhoods. There's a lot going on in this neighborhood and we think that this very active streetscape and promenade will be a huge improvement there. We did have two students that were a part of the 15th Ave taskforce and we do have students on our board and we have students that are members and we have landlords on our board so some of these complaints are really without merit. The Alliance report to the legislature, this 15th Ave Plan is incorporated in this because we do feel that this is one of the plans that will really help market and show the world that the university district is a great place to live and a great place for some new development. I urge you to adopt the plan.

Commissioner Tucker: There was a reference to a January 2009 meeting at Cunningham, was that about this 15th Ave Plan or about the University Alliance?

Melissa Bean: The 15th Ave Plan was finished long before January 15th. That was a University District Alliance meeting that was about...Cunningham Group was having meetings with all the different neighborhoods about sort of their part of a district master plan.

Commissioner Tucker: Who was paying for that study?

Melissa Bean: University of Minnesota.

Commissioner Luepke-Pier: Just for the record, do the neighborhood bylaws prohibit landlords and students from serving on the boards and committees?

Melissa Bean: We have two student seats on our board for students. It is a residents group so we don't have landlords per se, we certainly have people in our organization and on our board that are landlords, but they are also residents.

Commissioner Luepke-Pier: You have to actually live in the neighborhood to serve on the board?

Melissa Bean: No. We have business associations, seats for lots of different constituencies that aren't residents, but there doesn't seem to be a landlord association that's officially incorporated and recognized and so we don't...

Commissioner Luepke-Pier: If somebody who did not live in the neighborhood but who owned multiple rental properties wanted to serve on your board, is there a place for them to do so or no?

Melissa Bean: We have two seats on our board that we can open up to other constituencies, but again, those would be appointed seats so some organization would need to appoint and we would have to agree that we're looking for a representative from the Southeast Landlord Association if such a thing existed, but it doesn't.

Commissioner LaShomb: I'm confused about this report to the legislature by the Alliance, what are they reporting to the legislature about? How the University is growing?

Melissa Bean: Are you familiar with the university district partnership alliance at all? It all began with the Gopher stadium. When the legislation went forward for that part of that mandated that a group be formed called the Alliance to work on improvements in neighborhoods around the university. This is a progress report. We got some university money and some legislative money and we've been working on efforts since then.

Commissioner LaShomb: Could you explain to the Planning Commission how you notify individuals in the area when you're doing something like a Comprehensive Plan or this plan so at least I understand what you saw as the appropriate way to deal with notification.

Melissa Bean: We basically take a map of the area with the addresses of each property on it and look it up on the property website and send them letters. We sent letters out to the 14th and 15th Ave property owners. We met with a couple people. We sent out to national and local developers. It seems like Mr. William Wells who sort of orchestrated this campaign against this, he doesn't live in our neighborhood and he doesn't own property in our neighborhood, but he's very against this plan for some reason. We've heard from developers in Minneapolis that have a good relationship with us and don't have an objection to the plan.

Commissioner LaShomb: [tape ended]

Staff Bernard: The plan was made available on the city's website for public comment and review. That was the extent of outreach done by the city.

Commissioner LaShomb: Given the fact that there are so many people here from the neighborhood, obviously they knew about this meeting.

Erik Larson (721/727 15th Ave SE): We have buildings with very small living spaces for individual units. These rent for \$400, \$500, \$600 per person. Because of that, we have extra space on our lot for available parking. If you do a redevelopment, in my estimation of what it would cost, the economic justification, you're really looking at duplicating these high density apartments and townhomes. You're looking at a thousand to two thousand dollars per month because with that you have to add in the underground parking and the cost of that. I just don't see the economic justification. What that ultimately does is pushes out the diverse culture of Marcy Holmes and pushes out low income. We provide low income housing for our renters and available parking spaces at a monthly fee. I don't support it. I don't want to see it. Improvements to the promenade or 15th Ave sidewalk, during the summer of 2006 there was a winding of the sidewalk, there was new curb, new gutter and a wider sidewalk was put in and the assessments were paid by the property owners along 15th Ave already. I don't agree with the overall plan.

William Wells (1716 Jefferson St NE): It's been frustrating that stakeholders and important members of the community have been excluded from the planning process and not being allowed to participate as equals in this particular neighborhood association. As these members of the community were excluded from participating in the process, I was hired to conduct a parallel study of the area and make recommendations on their behalf. On January 12 there was a neighborhood meeting at Cunningham Group's office to discuss the issues and create a vision for the neighborhood. It was frustrating to see at that particular meeting only homeowners were allowed to sit at the design table and were allowed to speak at that meeting. If we look at the profile...that's a map that we made that shows everyone in red is a landlord/property owner with a student living there and everyone in yellow is a homestead property. The gray are businesses, churches and schools. You can see from this map that homeowners make up less than 10% of the neighborhood profile. This is deeply concerning. The remaining 90% were only allowed to be observers at neighborhood meetings. In fact, I was not allowed to present factual information about the neighborhood or issues at this particular meeting. I'm concerned that this type of planning framework will not lead to the design of a great city which is why I'm here. I live in Minneapolis and I care about this. When we exclude 90% of the people from the process, we exclude 90% of the issues. I think it's important for the commission to realize that the people that sit at the table are the people that actually define the problem. In the case of the 15th Ave SE proposal, it's an unrealistic solution that really only serves the interests of a few homeowners and does not deal with the real issues in the neighborhood. The report, on page two, says the core of the neighborhood is historic and should be preserved so only density and development should happen at the edges. These are photos of the core of the neighborhood. I drive around and I don't see historic architecture at the core of the neighborhood. I see blighted and dilapidated buildings. It's a proposal that seeks to have only national developers come in and build towers for students on 15th Ave. The notion of the neighborhood is that we can move all the renters currently living in the core of the neighborhood into these new towers and create homeownership. This is a plan that's not based on any kind of market reality. In fact, we have a four page letter from a bank that analyzed Marcy Holmes Master Plan that wrote you a letter saying why this plan is not going to work. Students can afford to live in towers, nor do they want to, and developers can't afford to buy the land or get the financing so this plan would actually lead to further disinvestment at the core of the neighborhood, create more foreclosures and more crime. It's my hope that all the stakeholders can work together to create a plan that is based on economic reality and conduct a real market study for the neighborhood and deal with the real issues. It would be important for all the stakeholders to be represented equally at the design table. There's no value in creating a Utopian plan that doesn't deal with the real issues of the neighborhood and I'm hoping that we can work together to create an alternate solution that will deal with the real issues. I would ask the Planning Commission to not vote tonight and not push this to the City Council but give us 90 days to work together to come up with a real neighborhood proposal that will actually create real change quickly. I just want to say that I don't think we can make not working together a choice. I think you need to issue a directive to this neighborhood and association and all stakeholders that they need to work together.

Council Member Hofstede: You've probably heard everything this evening. I would just like to tell you that it's an excellent program and plan. It's a compilation of many years of work not only the most recent, but the several other plans prior to this. It is part of what we've adopted in the city of Minneapolis as part of our Minneapolis Plan, it is consistent with our vision in the city of Minneapolis. I think as we do with all of our planning, we invite everyone to the table, we encourage everyone to come, but sometimes that isn't always the result of our asking people to

participate. I hope that you're able to move ahead this evening. I want to thank all of the people who participated who worked really hard to move this document forward.

President Motzenbecker closed the public hearing.

President Motzenbecker: Before we get into discussion, I have a few comments. As it was mentioned, I'm fascinated that none of you were here for the Dinkydome project which is a tower, which seems to be kind of the antithesis of what you're after. I'm also fascinated that the open meeting law, public meetings, if people really want to find them, you can find them and get to the public meeting. I've been in neighborhood groups for almost 11 years and I've always been able to find the information on the city website or the neighborhood website where those meetings are and if they're being closed to you, that's an interesting matter but my guess is that if it's an open neighborhood meeting you can come if you want. I'm also fascinated that no one seems to have read the city's Comprehensive Plan that specifically demands that the city's asking for density and growth in a number of areas. While density can take many forms, it doesn't have to be tall buildings. Master plans are organic. They are frameworks and flexible visions that are built to shift over time so if something is going differently in the context of the neighborhood as a retail evolves as the university evolves, a master plan is built to be flexible. It's just a vision, it's not set in stone and is meant to react to that. If people are having an issue with all buildings, maybe you have short buildings that are dense. Density can be short too. It leaves less open space, less public space, than taller buildings. With that, I'm going to open it up, but I just had to say that being someone who does this kind of work on a daily basis, it seems interesting from my perspective.

Commissioner Luepke-Pier: This is to the neighborhood; I think this would be an illustration of where it'd be good to bring all parties to the table. I understand your hesitation in having it open and that the fears that maybe the whole board would be taken over by absentee landlords and then it would kind of destroy your organization, but I think that maybe you want to reconsider it in the future how you can incorporate them into this because this would be a hurdle you could have overcome. On the other hand, I feel like I'm in the Twilight Zone because normally if a high-rise is proposed we have all neighborhood residents coming saying all they want it single family houses and now we have residents saying they want high-rise density or density that could be in the form of a high-rise and we have business owners saying they don't want that they want duplexes and triplexes. I don't know what's going on today. This is a master plan; no one is going to prohibit you from doing something to your triplex or quad in the next ten years to improve it or if you wanted to tear it down and build a new one; this is just a framework saying that if you decided you wanted to buy three blocks, here is what the neighborhood decided they would really like to see. They want density on their perimeter not at their core because it seems to relate to other things going in this neighborhood. I don't think they did it there to target anyone in particular on this corridor. I haven't heard any real legitimate concerns from the individuals who are protesting this in terms of what exactly in the plan they don't like except that it's economically unfeasible which in that case then great for you because then you won't have to worry about that ever happening, but that's not our purview either. This is a long range vision and it's not going to stop you from developing your land and no one's going to make you do a high-rise density if you want to keep your single family home that you're renting out to students on that site. I'm a little bit worried that this is being taken too seriously. It's not an ordinance that says that your zoning is changing all of the sudden. If you have specific concerns about this, maybe talk with the neighborhood group and work with them so they won't have such an adversarial view of you, which I'm assuming based on the interactions and letters we've received

which are very black and white. I have to leave now, but I just wish you luck and hope you guys can work together.

Commissioner Tucker: I disclose to my fellow commissioners my ongoing participation in this planning. I was part of the original master plan when that was being done and my main role in that was to make sure that that plan conformed, aligned and was in compliance with the city's Comprehensive Plan. At that time, the neighborhood did change the plan considerably so that it would fit with the Minneapolis Comprehensive Plan. The same thing occurred when the first supplement was done which identified the three areas around the neighborhood that seemed to be appropriate for more intense develop, one of those was 15th Ave. Then again, with the 15th Ave, more detailed study when the neighborhood, using its NRP funds, hired Cunningham to help the neighborhood think through how one would form this higher density. My role again was to make sure that that plan aligned with the Minneapolis Plan. I'm pleased to say that all the suggested revisions, corrections, clarifications that staff made after reading the Cunningham report have been included and are part of this final plan. With that I will move that this commission adopt this plan and amend the Minneapolis Comprehensive Plan to include this (LaShomb seconded). So much has been said already. The main thing to remember is that this is a vision, not a rezoning, not a request for a variance, this is what the neighborhood, with the help of the consultant, considered to be appropriate development at the edge of the University of Minnesota campus; a place suitable, we believe, for much higher, more intense development. It is a plan for repositioning these blocks. I'm a little confused why the owners of land there who are investors in rental property there find this plan inimical to their interests. It actually opens up a great deal of possibilities for much more intense development, more valuable property, and ongoing profits. I don't think this is in any way directed against the interests of the current landowners. We saw this at Committee of the Whole so we don't have to go through the urban form that suggested the promenade on to 15th and each block relating to the adjacent block in a particular way. I think that's one of the strengths to this is helping people think about how new development relates to existing development and to various patterns within the neighborhood. One other thing I want to talk about is the University District Alliance. We are lucky that Dick Poppely was able to come speak about that. I wish we could have had Mike Christiansen who is another co-chair of this. We don't want to conflate the two, this is here by itself; this is the 15th Ave Plan, this is the continuation of a planning effort from one neighborhood. An endorsement of it is that the University District Alliance is incorporating that as probably the vanguard in transformational projects for this University District Alliance planning which was paid for by the university, but the entire impetus to this is directed from the legislature for the university to think about how it relates to its immediate neighbors. We will be seeing more from this University District Alliance and their plan. I know they have intention as they go forward with their vision for transformational projects to include all stakeholders because in the end the implementers are the landowners, the investors, those living in the area, neighbors to these areas...so I don't think the intent is to exclude the stakeholders that we see here today because they are a very important part to this whole process. I'm delighted to see so many here and to be included. I can certainly remember how very difficult it was to get you gentlemen out here to talk with us so if this is what it takes to get us all together...I don't think anyone wants to exclude all the stakeholders. I think this is a fine plan and will bring a bit of urbanism to a city that doesn't have that many examples and I urge you to adopt this plan.

Commissioner Nordyke: The discussion about open meeting laws and this kind of thing with the legalities of it, that isn't our purview, we aren't the police of the open meeting laws. There are avenues to pursue that if you really think those laws have been broken. We have to look at it

based on the plan itself from a Planning Commission and zoning code...I will say that I have been in the community development world for quite some time and when you get a plan like this to this point and this many people come out with this type of interest and opposition in this small of an area, I would suggest that you might want to take a moment and pause and decide whether something might have gone wrong in the process. The blame game of who got what notice and when whatever happened is not the way to build consensus within a community. I do agree with Commissioner Tucker in that sometimes these opportunities where people do come out are good times to identify stakeholders and make an extra special effort going forward to bring them into the process and to make sure that they are because it was a redevelopment effort going forward if it was either antithetical to the interest of landlords and stakeholders or even perceived as antithetical then it is going to be a long road to hoe as far as making that plan a success.

Commissioner LaShomb: I'm a little concerned about the process too and I don't like it when individuals come in and say they haven't been involved in the process. The process is an issue for the City Council and those who fund community organizations to make sure that they have a process. I'm concerned about it, but I'm not sure I can act on it. We had a visual that showed a rental property versus the single home ownership; I think that told the whole story. In my seven years on the Planning Commission, Marcy Holmes has been consistent with its position of trying to create more ownership in its area. It's been consistent with its battling with the University of Minnesota about housing practices for students and other things. I think this falls right in line with their ongoing commitment to try to make a better neighborhood for Marcy Holmes. Not to support that, in my opinion, would be different from our ongoing position of helping communities trying to define themselves. I was watching tv and there was a meeting of the Minneapolis City Council Government Affairs committee, I'm sure there is a better name for it, but one of the things that I heard in the discussion was a long discussion on the issue of whether Minneapolis should be supporting legislation which would change the property taxing structure for rental properties versus ownership properties. The reason for that is there is a strong feeling among many people that Minneapolis' present policy of taxation encourages too much rental property. If that turns out to be the city's position legislatively then I would say the Marcy Holmes's plan fits right in with the feeling that we need to have a situation that maximizes the value of property and if you're going to have rental property for students we need to maximize the use of that property and that means more density so that we could open the doors to real ownership in a lot of these neighborhoods. I think this is a good plan. I think as it moves on to zoning and planning there are going to be lots of opportunities to spend time with at least City Council person and probably with everyone on Zoning and Planning to maybe fine tune this a little bit. I think the staff work on this plan has been very good. I think our staff got the message that we need to look at our Comprehensive Plans and identify places where density works. This is an example of where staff saw that and did it.

Commissioner Norkus-Crampton: I agree with Commissioner Nordyke. I support the plan. I think the more transparency and the more open and fair the processes are perceived, the more buy in you're going to have and the more buy in you're going to have the more success you're going to have with your plan. It all goes hand in hand and I really hope we can keep moving forward. This is a good start.

Commissioner Huynh: I will be supporting this plan. The idea is to align the vision of the small area plan with the Comp Plan and that's to promote density along corridors and where it doesn't affect neighborhood [tape unclear] by preserving its neighborhood core. I think that there was some disconnect in this process in terms of what the objectives of the small area plan was and

how it was interpreted. For the neighborhood residents and land owners that are participating for the first time or not really familiar with this process, I urge you to continue on with the University Alliance group and attend those general public meetings and understand the process and how you can start engaging yourself more as a land owner and also as a resident if you are a resident in that area.

President Motzenbecker: We are very concerned about process. We want people to feel included. This was an opportunity for the people in opposition who were concerned, feeling slighted, feeling like there wasn't engaged in the process; that's what this forum is for. As a piece of the process, public comment offers you the opportunity to give us constructive criticism, constructive commentary to sway our thinking one way or the other on substantive issues and as Commissioner Nordyke said it builds consensus. I felt there was a little bit of possibly squandering that opportunity before us today. I did ask everyone to give us specific issues from that plan; I got heights, various talk about sidewalk widths and that was about the extent of it. I got no more specific kind of things that were not pleased with this plan. I would have been happy to postpone this and continue this for more discussion if I would have heard a little bit more things from you that were more specific. I felt there was a lot of squandered opportunity on the process. With that, I will call the vote. All those in favor? Opposed?

The motion carried 6-0 (Luepke-Pier not present for the vote).

4. Zoning Code Text Amendment (Ward: All), ([Kimberly Holien](#)). This item was continued from the January 5, 2009 meeting. This item was continued from the February 2, 2009 meeting.

A. Text Amendment: Amending Title 20, Chapter 525 of the Minneapolis Code of Ordinances relating to the Zoning Code: Administration and Enforcement.

Amending Title 20, Chapter 535 of the Minneapolis Code of Ordinances relating to the Zoning Code: Regulations of General Applicability.

The purpose of the amendment is to establish regulations and development standards for plazas and to authorize a variance from those development standards.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the zoning code text amendment.

President Motzenbecker opened the public hearing.

No one was present to speak to the item.

President Motzenbecker closed the public hearing.

Commissioner Tucker moved approval of the staff recommendation (LaShomb seconded).

The motion carried 7-0.

5. Zoning Code Text Amendment (Ward: All), ([Amanda Arnold](#)).

A. Text Amendment: Amending Title 20, Chapter 546 of the Minneapolis Code of Ordinances related to the Zoning Code: (Residence Districts)

Amending Title 20, Chapter 547 of the Minneapolis Code of Ordinances related to the Zoning Code: (Office Residence Districts)

Amending Title 20, Chapter 548 of the Minneapolis Code of Ordinances related to the Zoning Code: (Commercial Districts)

The purpose of the amendment is to increase allowable residential densities in several multi-family residence and commercial zoning districts (R3, R4, R5, C1, C2, C3S) to better align with adopted policy. The amendment would also increase the maximum floor area ratio (the ratio of the building size to lot size) in one commercial district, C3S.

Action: The City Planning Commission recommended that the City Council adopt the findings and **approve** the zoning code text amendment, amending chapters 546 and 548. The City Planning Commission further recommends that Chapters 547 and 551 be **returned** to the author.

Staff Arnold presented the staff report.

President Motzenbecker: We got the response from the Committee of the Whole comments that BKV and some other folks brought forth, can you speak to that a little bit and specifically comment on their statement how you see this working with the differentiation in unit sizes condo versus apartment because I thought that was an interesting point.

Staff Arnold: We don't make our land use decisions based on the ownership structure of the unit. While we do agree that there are projects that may warrant some higher densities, our major problem with the BKV proposal...what we are doing here is really just adjusting to adopted policy so we're not really looking at kind of a market analysis of what's appropriate and what densities match what housing type. We are really just adjusting into the adopted zoning categories that we have, or rather density categories.

Commissioner Norkus-Crampton: We talked about density areas and we also talked about envelopes and those both are articulated in that plan and were adopted by the city. Does this change in the density that's allowed in a smaller envelope adjust these to fit more within the small area plans or some of them as articulated? Am I getting that right?

Staff Arnold: Yes because what we're finding in several of the small area plans is that we have a lot of recommendations for high density in a smaller building envelope so this helps us have a wider variety of choices for how to match the zoning with those types of recommendations.

Commissioner Norkus-Crampton: There have been some buildings where the uses seemed pretty appropriate and the density didn't seem out of line, but just because of the zoning code, it got bumped into an R4 situation where you had to allow for the possibility to put a four story building there where you didn't really want one but it was just to accommodate the density of the project as opposed to the goals of the project at that time. How common is that? Were there any studies exploring how common that was or how big of a problem that's been?

Staff Arnold: That does happen I believe but that's a hard thing to track because a lot of the discussions about what zoning options are the right ones happen before there is a formal application.

Commissioner Norkus-Crampton: Anecdotally can you give a feeling as far as if you think that is something that comes up regularly or not very much?

Staff Arnold: Hilary, do you have a feel for that through Development Services how often you guys are looking at a case where they are bumping up to a higher height, or a zone with a higher height, just to get the added density and not the height?

Staff Dvorak: I don't know. When a project comes in and it's showing a four story building, I think for us it's really not necessarily...between a residential in a residential district it's usually not our issue so much it's typically between an office residential, a commercial or a higher density residential. A lot of our projects come in at four or five stories and R6 scares almost every neighborhood that we have in the city of Minneapolis even though we want density some places and sometimes that comes along with increased height or six stories. The majority of the projects are pushed to go to a four story height limit and then ask for a CUP to increase the height knowing that most buildings fit within 56 feet but not a four story building necessarily. It's always a delicate balance and I can't speak for all of my colleagues when they sit in their intake meetings or pre-application meetings with projects, but I know we're always balancing the exact height and exact feet and stories versus land uses that are allowed or uses that are allowed in that zoning district.

Commissioner Norkus-Crampton: So how do you feel that this ordinance helps you with that then?

Staff Dvorak: As far as the height?

Commissioner Norkus-Crampton: As far as trying to configure how to do things.

Staff Dvorak: I think in this case, for me, a lot of my projects have been "should we go R5 or go OR2" where you allow some small commercial uses that aren't really appropriate off the corridor in the neighborhood. For me it seems like most of my projects are always that balance between pure residential and then allowing a zoning district that will allow commercial uses. I find that we can go OR2 or R5 instead of having to go R6 which gets to do the six stories or a commercial district. I think it's going to help. We need the next few years to see what this does.

President Motzenbecker: Back to my one thing, what would the solution be? A variance if that particular thing occurred? If you have smaller units you might go outside the density that's being proposed by the district?

Staff Arnold: Remind me what the original question is.

President Motzenbecker: The question about the apartments versus condos.

Staff Arnold: Oh sure. Within this proposal there are still options for density bonuses and there is the option of increasing density beyond the minimum lot area and then there are options...they can select from a variety of zoning districts.

Staff Dvorak: There is the variance process; you can ask for up to the 30% of the lot area variance.

President Motzenbecker opened the public hearing.

Mike Krych [not on sign-in sheet]: I'm with BKV Group. You have our memo that we put together. Thank you to the staff members that have worked on this. I think the revisions that they're proposing here are moving in the right direction for providing greater densities in the appropriate districts. Also speaking as a member of the architectural community, I think as we've stated before, the MLA is somewhat of a misnomer in that it does favor larger units, which does not necessarily fit with current or traditional trends in urban housing. Whether it's rental or condominium, dwelling unit size can certainly be based on market demands but the statistics do reveal, where it's appropriate, that housing units are smaller and that the trends are continuing to go that way. Smaller units means more affordable units as well. The idea of the MLA does provide some restrictions. What we're continuing to look for is the idea of looking at these categories and maybe even possibly creating new categories beyond this that might fill in between some of these gaps I think and maybe reducing the MLA even further on some of these categories. I don't think it's perfect right now but I think there needs to be more study on some of these things to provide for a city that we need to have grow and continue to grow rather than people leaving for other alternatives where in the end it might not make as much sense as in the urban course.

Commissioner LaShomb: When this goes to Zoning and Planning are you going to propose some additions to this?

Mike Krych: That's certainly something that we're interested in.

Peter Kim (2204 Colfax Ave S): I'm the chair for the Lowry Hill East neighborhood. I love density and I support sustainable neighborhood development. I'm thinking about certifying our neighborhood as a LEED new neighborhood design guidelines. I'm not opposed to the density. Also, Uptown has a unique character in it. By that proposal, I am afraid we are losing existing housing stock. A lot of my neighborhood board members and zoning and planning committee members are afraid of that impact by shifting that zoning and that it will allow tear downs of existing housing units which will compromise the quality and character we have right now. I'm not against the density, but it will change the ownership of the neighborhood. I live on 22nd and Colfax and my house is R6 but the house was built in 1892. It's a Victorian house we are trying to maintain because we like it. We believe it contributes to the quality of the neighborhood. I can tear down my house and build an R6 apartment or whatever with my neighbor. I got a letter from a developer that they can offer multimillion dollars for my land. I choose to keep my house because I value the quality. If you shift the ownership into different ownership like a condo or renting...I'm from South Korea and probably you know that if you don't have ownership in North Korea, in 1950 they had more valuable land and resources and now see what happened with communism, but now it's different. Without ownership nobody cares. I know that. I lived there like eight years. Renters don't care. It shifts the dynamics of the neighborhood and we are afraid we are going to lose a lot of housing stock. I'm wondering why the city is proposing these big changes. Having density is not really the solution for such terrible development. Nobody wants to keep a car with such terrible weather. There is no parking and no one is suggesting train lines. Traffic and parking issues are still there. Last year in our neighborhood, including BKV, they proposed 1000 housing units in LENA. That would add a lot of cars and that traffic still

goes around. We were told the quality of traffic is a B+, but I don't think so. The quality of my neighborhood is going down because of density. One thing I want to talk about is we are talking about density as a form of commodity; condos and housing and those things, but I believe what counts is who lives there, not what's there. I was in France and there was a development by a Spanish architect and he developed this gorgeous housing unit with great density and design but after a year the immigrants took over because the design was off limits. We want to contain who is living in the city and we need to respect who is living there and listen to what they are talking about.

President Motzenbecker closed the public hearing.

Commissioner Gorecki: I thank BKV for their comments. I wish more architects were here to comment on this because when they go to look at this they are going to wonder when it changed. As developments come to a screeching halt, if it hadn't been, I think the whole idea of the MLA would be before us in a much different fashion. As a developer, we were trying to find new and different ways to build things but continue to build them economically. Labor was going up, materials were going up, but the rents weren't growing fast enough at least on the rental side where you were having a very difficult time building things. So what do you do? You build smaller units so you can have more units. We're going to be there one day again; the housing market is going to come back. BKV is correct in pushing this issue for us to think about a little more, for staff to think about a little more. I think it's going to get tackled in the next five to ten years.

President Motzenbecker: How do you base an ordinance on the market? If you base it on the market today, you're going to have to change the ordinance in a few years. I think it's the city's goal or desire to kind of craft something that would be a little bit impervious to the vagaries of the market, but still able to address it in a certain way.

Staff Wittenberg: I think the intent was really to, as Ms. Arnold laid out, was to essentially align our zoning regulations to match the numbers reflected in our recently updated Comprehensive Plan and along the way staff did some analysis about whether most development that we're seeing aligns with the numbers that we're proposing and realized that the market in general in the recent past has been aligning with what we're proposing. I wouldn't say that this is being drafted in a way that is tailored to any particular market conditions as much as it is to reflect the numbers that came out of the Comprehensive Plan that was a result of pretty substantial public engagement.

Commissioner Norkus-Crampton: We're beginning to review a project right now where the comments we're getting from the developer is that there is no way they can build the allowable density in the envelope that's been proposed as part of the height preferences in the plan. I think that one of the issues with density for a lot of people is that they might not mind the density quite as much as the height. One of the things we try to work out very carefully in the small area plan is that if there was going to be height that it should be articulated in a certain way, it should meet other goals like light on the streets and eliminating shadowing and all that kind of stuff. I'm surprised to hear there is an R6 at 22nd and Colfax. It doesn't look like the density on that one is going to change at all. I think at some point if the drive for density is with us and trying to figure out how we can craft that in a way that it still relates to the overall character of the area, achieve the other goals that the residents and stakeholders of the area want, but also meets the goals of the larger city, if there is some wiggle room so we can do that, this is a compromise but it's a pretty

good one and it's not going to drive projects simply placed on the density to a higher zoning than you would necessarily want on that site which sets a whole other dynamic in motion because then you're upzoning everything. That's what we're carefully trying to do. I understand what you're saying about the residential. This will not drive the density on that particular site up but I think it will allow for some breathing room in some other areas where that density might be more appropriate but maybe the scale that was allowed under the previous configurations wasn't appropriate. This is my understanding of this and I hope I'm correct. Amanda's shaking her head yes so that's good. I think this is in the spirit of letting the vision of the small area plans drive the regulations to try to figure out how we can accomplish this in a thoughtful way. I appreciate the work on this.

Commissioner Tucker: I will make a move the staff recommendation to increase densities as in Chapters 546 and 548 and return the amendment suggested for Chapter 547 (Huynh seconded). I think we have a number of alignments here that we're trying to work out. The most obvious one mentioned in the staff report to get the FAR in C3S to align with C3A and also to move the minimum lot area for the residential districts closer to where we need them for the Comprehensive Plan to get the density suggested. There are sort of three ways to be thinking about this density because you can have inhabitants per acre, you can have units per acre, you can have square feet per acre and they are all three different ways of measuring. The load on the city, the number of people or the load in terms of bulk or each unit being its own bulk. With any set of regulation, there is one point in which everything works out perfectly, but as the market changes and you want smaller units because that responds more to the market or to the population moving in then it would appear to a developer that they're wasting little of their FAR. However, if you decrease the MLA and then they find that the market supports larger units then the developer will tend to ask for a variance on the FAR because now they have a certain number units but need bigger units to make it all work so they will put that up. There are three we're trying to get in balance and I think that this is a good move to get slightly higher density without just doubling it automatically. This does decrease the MLA substantially but it doesn't move an OR2 into an OR3 for instance. It seems like it might make the R3 a category that's useful and might actually show up from time to time. I will be in favor of the staff recommendation.

President Motzenbecker: All those in favor of the zoning code text amendment as moved?
Opposed?

The motion carried 6-0 (Luepke-Pier not present for the vote).