Excerpt from the
CITY PLANNING COMMISSION
MINUTES (July 12, 2004 and July 26, 2004)

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MEMORANDUM

DATE: July 13, 2004

TO: Blake Graham, Community Planning & Economic Development - Planning Div.
Phil Schliesman, Licenses

FROM: Neil Anderson, Supervisor, Community Planning & Economic Development - Planning Division, Development Services

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

SUBJECT: Planning Commission decisions of July 12, 2004

The following actions were taken by the Planning Commission on July 12, 2004. As you know, the Planning Commission's decisions on items other than rezonings, text amendments, vacations, 40 Acre studies and comprehensive plan amendments are final subject to a ten calendar day appeal period before permits can be issued:

ATTENDANCE
President Martin, G. Johnson, Krause, Krueger, Kummer, LaShomb, MacKenzie, and Schiff – 8

INTRODUCTION TO PUBLIC HEARING

PUBLIC HEARING

24. Karmel Plaza (BZZ-1796, Ward 6)

206 Elroy Street, 2920 through 2928 Pillsbury Avenue (Fred Neet)

A. Rezoning
Application by Basim Sabri to place 206 Elroy Street and 2920 through 2928 Pillsbury Avenue South in an Industrial Living Overlay [zoning] District.

Motion: The City Planning Commission recommended that the City Council adopt the findings and **approve** the application to include 206 Elroy Street in the Industrial Living Overlay District.

B. Conditional Use Permit

Application by Basim Sabri for a conditional use permit to allow 69 dwelling units and a farmer's market for property at 206 Elroy Street and 2920 through 2928 Pillsbury Avenue South.

Motion: The City Planning Commission adopted the findings and **approved** the application for a conditional use permit to allow 69 dwelling units, and notwithstanding staff recommendation, **denied** the application for a conditional use permit to allow a farmer's market at 206 Elroy Street.

C. Site Plan Review

Application by Basim Sabri for site plan review to allow a structure exceeding 20,000 square feet including 69 dwelling units at the same locations for property located at 206 Elroy Street and 2920 through 2928 Pillsbury Avenue South.

Motion: The City Planning Commission **continued** the site plan review application to allow construction of a structure exceeding 20,000 square feet and including 69 dwelling units at 206 Elroy Street to July 26, 2004.

Staff Fred Neet presented the staff report.

Commissioner Schiff: Two questions. The conditional use permit is needed because there are more than 6 residential units, is a CUP needed for any of the commercial, industrial or retail uses on the site?

Staff Neet: No, it's in the staff report, but it's basically for the…

Commissioner Schiff: And there's a letter from the Midtown Greenway Coalition, what is the height limit in their proposed overlay district?

Staff Neet: The ILOD?

Commissioner Schiff: No, the height limit in the proposed Midtown Greenway Overlay District that they submitted a while ago for staff analysis that hasn't been acted on.

Staff Neet: I do not have that information. [comment off microphone: 52 feet].

Commissioner Schiff: It changes, so, but, you don't have that? OK, thanks.

President Martin opened the public hearing.

Basim Sabri (applicant and primary owner of project): Madame Chair and members of the committee, thank you for hearing this issue today, and I want to thank the staff for their extensive work on this project. Today, I want to address a few issues before you. One is that if some of you are familiar with the site, across the street is the Karmel Square which is the Somali bazaar. The Somali bazaar literally has very little parking for many years and the lot across the street has been fenced for a long time because it was owned by the MCDA. We recently bought the land just a little less than two months ago and made traffic a little bit better in the area, but it's not complete or perfect. This project would solve the current situation of parking that we have in the area because several people who maybe opposed the project don't know, and I ran into somebody from across the street just recently who didn't know, that we have an underground parking that can accommodate approximately 106 parking spaces. Like staff just mentioned, this project has over 40 parking spaces over and above the required parking spaces. In addition, it's over and way above the requirement of green. To address Mr. Schiff's concern a little bit, that's why the building went 16 feet further to the south, to accommodate the people of the Midtown Greenway concerns about shadow and having buildings not being there. So right now we are setting a model for a lot of developers to go back a ways to the south side of the Greenway to allow more greenery and more sun to hit the south area of the Greenway. This development is focused on live-work situations. A lot of the clients, we did a survey and study, many of the people who are interested in owning those units are people who are either: Wanted to rent in the future building, or already across the street at Karmel Square. So, in a way it was not calculated in the parking, it's even going to help the situation a lot because it's going to be a live-work situation. The size of the units are 1, 2, 3 and 4 bedrooms. A lot of the people who have submitted applications for having a condo in that area are looking for 3 to 4 bedrooms. If we did one bedroom or two, we could probably have close to 90 maybe units, at least in that development. But we wanted to house families and we wanted to have a bigger space. Another reason we backed off to the south on the Greenway going back is to allow a park for the kids and the families to play. So there's a big green, play area to the north of the building that will be available for those residents to have their kids playing so you're not packing them in as sardines and kids have no where to go. So there's a big area to go and to play. I have a child myself, she's sitting in the front row. I know how much she likes to move and how much they like to play so that is a very important thing. This building will create approximately 60 jobs in the City of Minneapolis so it is a great opportunity for a lot of the immigrants and many people in South Minneapolis to have an opportunity to be part of this thing. A very important factor is that if you look at the building, it is U-shaped and if we don't have eyes on the building and on the area, we are calling for a big opening for crime activity if you will at night in that area. So this housing is really going help a lot in reducing the crime in the area. If you're familiar with the area, it's to the north – the Greenway, to the south – Karmel Square, to the west there is a house and a landscaping and a garbage pick-up place, and to the east is the Park Square condominium so somebody could go in the U-shape in that area and vandalize the whole area literally and you won't even know about it. Housing is another reason why this is a very important issue to have. The last thing that is very important for you to also know is that there have been zero public funds sought for this project. This is all privately funded and privately built. So we are meeting every requirement the City is asking us for, green parking and so forth. I'm asking that you would support this project and I hope you will. Thank you so much for your time.

Dean Davolis (DJR Architecture, 333 Washington Avenue North): A little more clarifying information on the project. It's 69 units, family housing, it's actually moved off the Greenway 36 feet in total. It was moved an additional 6 feet when we were able to massage the parking to make it work, tighter development, more green space of the building incorporated down to it. The main floor uses are going to be a farmer's market on the east end of the building, a restaurant and a bakery – these are kind of the major retail functions on the lower level of the building. The parking, to be exact, we're 40 spaces over. There's 141 required, we've provided 180, so we have an excess of 39 spaces. Basically, that was both an accommodation to alleviate the parking problems that have occurred in the area. The last key point is that we've worked in all the entries and the use so that the activity is confined in an area. This is a case where a neighborhood wants to keep street activity more within the building as opposed to the outside. So unlike your standard urban requirements, we want to get all the activity around the whole middle periphery. This one has been designed so it's more concentrated from the center of the building along those lines. Outside of that [indicates overhead] simple exterior, kept it low to again, work the shadow effect, and it's essentially a stucco and masonry building and this applies to all elevations. Thank you.

President Martin: Mr. Davolis, where's the entrance to the parking ramp?

Dean Davolis: The entrance to the parking ramp, you can see right here, that cut there and then on the site plan, right here, see where this is, that's grade going down.

Commissioner Schiff: How many spaces below grade will be available for people who are there just for the commercial uses?

Dean Davolis: There's 103 total. And under the ordinance of the parking, it's one for 169, so 130 less 69 is the overage of parking spaces below grade.

Commissioner Schiff: And how are you going to encourage shoppers to park underground. It's a common concept in California, but we haven't seen it yet here in Minneapolis.

Basim Sabri: The underground parking is going to be designated for the residents and for the shopkeepers. Because you have a better control [as] to who goes downstairs if they are all tenants and all residents and owners of condos versus just keeping it open for any shopper. So the surface area will be designated for shoppers – the area below will be for the shop owners and probably different condo owners.

Commissioner Schiff: So no parking below ground for customers.

Basim Sabri: Zero.

Dean Davolis: It's 77 surface for the public. It would be assigned in the basement, resident and the shopkeepers or key employees.

Commissioner Krause: This is not that far from the Urban Village phases that we've already approved and one of my concerns that there be some consistency between these projects and the Greenway, and I see there's a sidewalk running across there, I guess my

question is what's that going to look like compared to all those other sidewalks? I think what's happening is we have sidewalks that are jumping all over the place as you move down the Greenway. Whether this is being addressed or not in the Greenway plan or not, I'm not sure, but there needs to be a more or less continuous sidewalk area across there, so these designs have got to be coordinated between parcels, because I think we're getting a mish-mash.

Basim Sabri: We met with Hennepin County and looked at this project and they're very much looking forward to this project taking place. There's no defined policies or plans that they have that they really want us to follow. But I do know that the Greenway people would like to have that, I cannot pronounce it, it's a French name, to come back and to the south end and allow certain footage for the future development light rail or anything else. We, again, backed up way to the south to allow that to happen and allow for any future plans that they have to be met if you will. And now you're talking about the south side and right here, Mike, this area right here? This is not a sidewalk in that area. If you look to the right, in this area here Mike, it will be like a playground area for the residents and so forth. Midtown Greenway folks would like to have eyes on the Greenway, that's why we had that fountain area and seating area around it. There will also be a seating area for that already been approved restaurant area in here. So there's plenty of eyes on the street and the Greenway.

Dean Davolis: Let me jump in. You're thinking of the continuous promenade that you want to establish along there and the idea, and here's where the issues jump around and probably there's two ways to look at it. If you develop the continuous promenade, probably what I'd recommend is to run that along the crest of the embankment because that's the most logical spot where you can see into the Greenway and then see the development along the side, so in terms of consistency, they say there's no rules, but what would be my recommendation is that this walk be incorporated at what I call the crest of the hill so it serves both purposes and is a conduced promenade sidewalk that runs across. That's the one change I would make on this is allow that through connection so it's consistent, but in terms of what I think is the best location, at the top of the hill is your best – you can see into the Greenway and you can see the bluff on your left. So that would be my recommendation in terms of placing the promenade or sidewalk.

President Martin: And you're saying that you specifically set this building back so that could happen.

Dean Davolis: Correct. That's why we're back 36 feet on this to give the leeway.

Commissioner Krause: Can you remind me too, what is the nearest direct access point to the Greenway from the south side?

Basim Sabri: The future to be will be Pleasant going west along the side of the Midwest Machinery, the existing one right now would be 4th Avenue and there's another one in Uptown as well.

Commissioner Krause: At Pleasant.

Basim Sabri: Correct. There's a proposed one to be immediately right to this area which is the Machinery Lofts, the southeast corner of their building. So there will be a ramp proposed to go in that area which is kitty-corner to this project.

Dean Davolis: Right now we're proposing access within ours.

President Martin: So you are proposing that?

Dean Davolis: Yes. That's where you see these steps here, now provided, Hennepin County goes along with it and jurisdictions.

Basim Sabri: We want to try to set an example if you will for future development to take place in that area.

Tom Reynolds (Executive Director, Whittier Community Development Corporation, 2845 Harriet, Minneapolis): We will be probably the largest single tenant of this development. Our purpose is to develop the industrial and commercial use of the west wing of the facility on the first and second floors and we wholly recommend that this project be adopted in its entirety. We feel that it's a real blessing and economic development for the area as well as preserving housing opportunities, shopping opportunities and also addressing some of the parking issues that currently are very devastating to some of the residents along Pillsbury and Pleasant. To the contrary of that, some of our neighborhood folks feel that will be a detriment and create more traffic, but with the plans we've been working on over the last 6 years, we really believe that this will improve the condition of that area. Thank you.

President Martin: We have a lot of paper here from Marian Biehn and a variety of other people who've signed off on stuff, discussions that have gone on in your neighborhood, the Elroy site task force and they're kind of opposed to most of this.

Tom Reynolds: That is correct.

President Martin: So some of you are for, and some of you are against, is that kind of the way that…?

Tom Reynolds: Well, we're actually separate entities. They're the Whittier Alliance Neighborhood Group and we are a development group. We also have participated and do participate with the neighborhood groups and do participate in both the business association with the Whittier Alliance as well as their livable communities.

Commissioner Krause: Tom, I had a question. I can't find site plans for floors 2 and 3 – are they in other peoples' packets? I saw the one for one, and the one for four. You said there's going to be some commercial industrial on the second floor too? [off microphone, Dean Davolis: 2, 3 and 4 is residential].

Shukrey Adnan (spelling unknown, not on sign in sheet; has business in Karmel Square): We'd like to live in Whittier. We've been to their meetings there and part of the condition of being a member is to be a resident. This is a way for us to be residents so we can have a voice and participate in the community. I would like to live close to where I

work, which is what a lot of people would like to do. The way I knew Lake Street before, I never drove after 6 o'clock in that neighborhood. I now operate a business there and I'm encouraging people to move in so that we can develop the neighborhood together. I really want to live in this building and I think the way Mr. Sabri has planned it, it's encouraged us to move in. It's going to be affordable housing for us. There's a building two blocks down on Lake Street that I went into, I'm planning to buy a home, this would be my first time to buy a home, and it was way out of my league because it's considered a luxury condo. It's two blocks from where I work. This is going to be in the price range that I can afford to pay as I'm self-employed and we want to live there. We have a problem where we're stuck between a rock and a hard place. There's issues going on between the board and Mr. Basim Sabri. We're caught in between. We want to live there, we want to work there, we want to make it a safer neighborhood. We want to raise our kids there, we want to pay taxes there, we want to put our kids in Minneapolis schools. This is development that's good for our community and it's going to be a drug free neighborhood. It's going to be a crime free neighborhood, hopefully, if better people move in there. And nobody would touch it before, now that Mr. Basim wants it, all of a sudden it's become a big issue. I'm not concerned about Mr. Basim getting that place as a business. I want to live on that property. My store is across the street from there. If it's broken into and the police come there, 5 minutes later I could be there. That's the point, that's why I want to live there. And it's affordable for us and we want to live close by to our stores and to be part of a community there. It's a good development, we've talked to Basim Sabri about how it's going to be operated, it's going to create jobs. It's going to create traffic for people to come into my store and buy things and the way the economy is right now, I need those people to come in so I'm able to pay my rent and operate my business, so I hope that you support it on our behalf so that we're able to find affordable housing. There's a huge waiting list for public housing. If we are empowering ourselves economically to get out of public housing and buy homes, we should be given a chance. Thank you.

Jerry Johnston (2930 Blaisdell, Park Square): I'm one of the first owners there (Park Square). We've had a long term relationship with these gentlemen. It's not been a very positive relationship. This piece that he's proposing to you now – it started out as a 2-story issue, now it's a 4-story issue. I'm here only as a basic history about our building and our relationship. Over the years, we've tried to set up relationships as far as negotiations and even an official to handle our disagreements – it hasn't worked out, they didn't show up. There are three other members from my building here, but there's another presentation that we're very concerned about the traffic issues. They're terrible now. Karmel was a bad idea to begin with. It's turned into even a worse idea. It was going to be a coffee shop as far as I know, and now the traffic is unbelievable. So we will be here for historical references and relationships, but I think the procedure should be that you hear from the traffic issue. Thank you.

Abdul Mohammed (uncle owns a business in Karmel Square): This project is a very good project, especially if people have a business in that area including other people, they never owned a house and they want to own a house with the community. It's very important to our community, especially Somalian to have a house. Most of the majority, they don't own a house, they don't own an apartment, they are in a metro housing building. People work hard, they're not on welfare, they raise money and this is a very good affordable for the people. Some of the people from neighborhood, they might not

like Basim, but this is not an issue for Basim, this is a very good opportunity for the Somalian who would like to ask you to uplift this project.

[tape end]…

Raymond Hoffman (2930 Blaisdell) Was filled with cars and still, there was not enough room. I don't know if you have the grasp of how much traffic really is there. Now I'm hearing that there's going to be a 3-4 bedroom apartments. If you take the number of units and talk about how many cars are needed for residents, I would start to add up, and very quickly, I'm not positive that this was very carefully thought out. So actually I was first hopeful when I saw all the cars parking there, but now the ground is being dug up, no cars are allowed to park inside. Understand it's not only on Pillsbury. If you just go on Elroy, there's traffic jams of people going in and out. There is no control. This, I must admit, is a frustrating point. So here I am, I hear about this petition, and I hear that they're going to have a block party on Lake and Pillsbury. I thought, about time, public relations. Was it better? Worse. People were even parking on the ramp to my garage. Now the ramp is on the north part at Pillsbury, not the south as it has been described. If you look at the map, you'll see that there is a ramp to an underground garage. They were parking there, barring me to get out. I indicated to them that they should not be parked there. This lack of control actually causes me to now request one thing of you: Please deny this application until they resolve the parking issue beforehand, not after. And also the education of their patrons. They're being too casual and not respecting the request to please move on, so I ask then, simply that their parking at facilities be first prepared with education for the patrons if we're requesting their petition.

Jim Graham (2101 10th Avenue South): I'm here in an unusual situation. I've been here many times supporting housing, in fact, about four years ago, Jim Niland took a thing through the City Council, a resolution supporting a live-work facility for the [tape unclear] Somali community that I had helped write and brought forward for them to assist them, but in this situation I'm here to ask you to turn this down because I think that the process is flawed. I read, very carefully, the deed and the conditions that were part of that deed. The conditions that were part of that deed would be covered by the existing zoning. That deed says that the property will revert to the City of Minneapolis if those conditions are not met. I think it's inappropriate to be considering zoning changes until that is resolved by the City Council of Minneapolis and that it may be that the property will need to revert to the City of Minneapolis and a new RFP, [comment off microphone] that is true, it's in the conditions and I read it very specifically, and if the specific project that was a 2-story building was not built, then the property would revert to the City of Minneapolis. And those zoning issues that are here before you are inappropriate I think until that is resolved. The other thing is the matter of bait and switch. About $650,000.00 was put into this project. About $150,000.00 in NRP money specifying a particular project. Then an RFP supposedly was done, but I'm not sure one was ever done, that required certain things to occur and that went out. Now we have a situation where a totally different project is going to be built and I think that the new RFP should go out and it should be open for other people to answer that RFP and preferably a housing project, a live-work project for the Somali people. But I think that it should be open for other people, otherwise I think this is an entirely flawed system. There's a conditional deed that specifies things to happen and if those specific conditions are not met, the property reverts to the City of Minneapolis. It is improper again, let me tell you,

to be considering a zoning change until the City of Minneapolis resolves that issue. Thank you.

President Martin: Director Sporlein, can you enlighten us about what's going on here?

Director Sporlein: Mr. Neet does have some documentation from our fellow colleagues about this sale.

Staff Neet: CPED Economic Development, it's on your first page of the staff report, redevelopment contract was executed and the land conveyed to Mr. Sabri on May 14, 2004. He is the property owner. I have been in contact by telephone with the CPED Economic Development people, they were aware that the project had been changed and was not the previous project that you approved in September and that it included 3 floors of residential.

President Martin: And they were OK with that?

Staff Neet: They conveyed the property after we had that discussion.

Commissioner Schiff: And just to clarify, Mr. Neet, I went searching for information, a lot of this stuff happened before I got here, Mr. Lutz couldn't bring me up to speed on it, the Chair of CD Committee couldn't bring me up to speed on it. Finally talked to an attorney who said if any of these changes go through, the City Council wearing a hat as Community Development will have to approve them as well. And that approvals today doesn't close the City's options down the road. Which sounds a little different from what you just said. You just said the City was fine with it, but what I heard from the City Attorney's office was this could be approved today, but these changes as a change to the development contract could be denied down the road.

Staff Neet: All I can say is that I made CPED Economic Development aware that the second floor was no longer going to be commercial, that there would be two other floors proposed and those three floors be residential, that the industrial component was shrunk slightly, but that the other elements were basically the same. I made them aware of that prior to the land conveyance. I've never seen the contract, I haven't been provided that.

Commissioner Schiff: Who did you speak with?

Staff Neet: Erik.

Commissioner Schiff: Hanson.

Staff Neet: Hansen.

Commissioner Schiff: So Erik told you he was fine with it personally, but he didn't mention that it would need Council approval.

Staff Neet: Not personally, he indicated to me that they were looking into it and he then confirmed that they had decided to convey the property. I don't know of any conditions on the contract.

Commissioner Schiff: But he didn't tell you if subsequent approvals would need to be taken.

Staff Neet: He did not say that.

Commissioner Schiff: OK. Alright.

Director Sporlein: I just want to add that Mr. Neet made that phone call in order to make the determination that the application was complete. Did we have the ownership issue cleared up? And so we were waiting for that to even deem the application complete.

Basim Sabri: The City approved the site, and I know there's people who've tried to confuse the issue a little more and I commend Commissioner Graham for confusing the issue. The City approved and bought that property about 12 years ago and assembled it to create a light industrial. They want to create, the number was kind of ambiguous, anywhere between 25 to 40 jobs. I came in and I said, here's the plan that would create that many jobs to fulfill your requirement. Now I want to frost the cake by adding on top of it 50 stories of housing if permitted, if I could meet the requirement of the city, parking and green and all so and so. The MCDA responded OK, if you get the approvals of the City, and you bring it back to us, and then we have to put you through requirement 1 and 2 and 3 and 4 that you have to fulfill as a developer in order for us to amend the contract. So what Mr. Neet is telling you is extremely accurate. It was not a secret. The MCDA all along knows that I wanted to amend the project by adding housing. If it's denied or if I can't meet the requirement, well that's tough luck. But if I could meet the requirement of the City to create housing, well that's why you have that department to examine those papers, they have legal department to examine it and make sure that it does fulfill your needs and requirements. Thank you.

President Martin: Others wishing to speak to item 24 and at this point, I'm going to ask that you speak directly to the issues before us and tell us something that we haven't already heard.

Abdi (spelling unknown, not on sign in sheet; Karmel Square): Some of the Somali community living there and having a store is just opposite the building. Like me actually, I never look for parking and I believe that will ease the confusion for that current parking problem around Karmel Square. Of course, if I park my car down underground construction, then I will no longer need to park outside and make a confusion or mess. Likewise, that's actually what I believe is good for the Somali community in particular and I support this project as much as possible.

President Martin: I'm going to tell you that I don't want to hear more testimony about who it's good for, I want to hear testimony that has to do with the rezoning, the CUP, the site plan, very specific issues.

Michael Nelson (2445 Aldrich #5, Midtown Greenway Coalition, Zoning & Planning Committee): We had forwarded a resolution [he read resolution included in Commissioner packets]. He noted that the resolution was passed by the Zoning and Planning Committee, not the coalition board. The ZOD is currently under review by the

City Planning Department, it's on the City's work order for 2004, it has received support at various times from various Council members. Based on the question about the height limit at that location, I brought the ZOD with me and at that location along the Midtown Greenway the maximum height 40 feet back from the southern property line could be 30 feet tall. The main reason for this is because of the lack of 29th Street that usually runs across there, otherwise it could be taller. We have done other site studies for this just in developing the ZOD, and found we could put a 6-story building on that site with steppings kind of tiering…

President Martin: Setback.

Michael Nelson: We also feel the current plan could be utilized if flipped. Having the large bar of the building along the south side of the street, I'm not sure how that would work, probably not very well, but that's one option, but anyway, thank you very much.

Commissioner Schiff: Thanks for being here, Mr. Nelson. You mentioned one of the options at 40 foot setback, the building could be 30 feet tall, so at the building proposed height here, what would the setback have to be in the opposite way of asking that question?

Michael Nelson: I think the current one would be, since it's 4 stories, and I think it was just over 50 feet tall, I think the edge of the roof would have to be approximately 60 to 65 feet back from the southern Greenway property line. This is at the top of the trench and doesn't include the extra 20 feet to the floor.

Commissioner Schiff: Then Mr. Neet, how far back is the building set?

Staff Neet: 36 feet.

Commissioner Schiff: 36 feet. OK.

Abdul Khadir Hash (2940 Pillsbury Avenue, Board of Whittier Alliance). I'm a member of the Somali Chamber of Commerce, and also I'm a president of Somali Business association at Karmel Square. I don't think anybody else knows what I know as far as Somali and the Whittier Neighborhood board. My issue I would like to address [with] the Commissioner is about the parking. One of the gentlemen, what he said here was right because now the square, the 120,000 square feet is the lot and then if you go there Saturday's and Sunday's especially, you will see full of parking. You will not even get place to park your car. And that's right. That's totally right. I know it's about building not to be built to housing, but what I know about is that Karmel Square has zero parking at this moment. We're not talking about that's been passed. But we need, as business owners at Karmel Square and whoever is going to be owner or a business owner at Elroy site, we need parking. The reason why I'm speaking is that Basim or somebody told me before, he would provide enough parking, but now when I hear about it, 141 parking, that's how much is going to be the parking available for the residents who's going to be there, it has been approved or the customers, but right now, 120,000 square feet, Saturday's and Sunday's, is full. And that's true also sometimes you'll see people parking by Pleasant Avenue, so what we want is the truth today. We want enough parking to have Karmel or whatever been built. If it's been built about housing, that's ok,

but the issue we have is we don't want some people to see that when it behaving because this place is not even a business place, it's a gathering place. We Somalis, we love to hang around to have a cafeteria to chat. So I'm speaking on behalf of business people who are sitting around here, own a business at Karmel, we need enough parking before it has been considered how many residential or housing or whatever. Right now has been digging out the place, and there is no place to park, and we have a shortage of customers right now because the whole place has been dug out and there isn't any place to park. So we have to park, as one of the gentlemen said, in front of the houses. And that shows we are not behaving, but we are not, we are forced to do that because we will have to come over there, so Sabri, I would like to request him to provide enough parking and also to be truth, because what has been told and what has been written here is totally different. I request you to consider this as a gathering place and to consider about 10 years from now, what's going to be, and also I would like to address my fellow Somalis – don't throw an arrow that will come back to you. Thank you so much.

Tim Olin (spelling unknown, not on sign in sheet; 2930 Blaisdell Avenue #331): I feel I have a unique perspective and hope that you'll hear me. The zoning proposals before you. My unit faces, the only thing I really can see apart from the trees along the Greenway to the west is the proposed site and its changes. What we have there now is a dustbowl. It's been that way for 4 years, there's been a great deal of input from a lot of different angles, nothing has happened. Two things, I'll be as brief as I possibly can, please allow this man to build on and landscape that dustbowl and please allow him to build his parking lot. Thank you.

Marian Biehn (Whittier Alliance, Neighborhood Development Manager): I'm the Neighborhood Development Manager for the Whittier Alliance, the recognized neighborhood organization in the neighborhood.

President Martin: You sent us this.

Marian Biehn: Yes. And so you have most of my comments, however, I do want to point out that there is a question if you are looking at the loading dock, they're commenting that there's 181 parking spots – that's including the south side of Elroy and Karmel Square, so we have to make the distinction that there really isn't 181 parking spots. With the loading dock access, I am not certain how this would work, but I would think that we would lose some of the parking along the south side of Elroy in order to accommodate the turning radius, so we lose parking there. I also commented in my staff report that the square footage of Karmel Square is larger than the commercial retail space that's being proposed. Your formulas for parking are inadequate – they don't allow adequate parking for Karmel Square and so that Karmel Square parking is going to fall over into Karmel Plaza. Comment also on the housing: There's a 50 percent grade drop off and that's 20 feet out from the lot line. The housing that's being proposed is for larger families. The playground looks incredibly small and incredibly close to that drop off and I think besides the traffic being a safety issue, the playground and that drop off will be a safety issue. But beyond that, the Whittier Alliance Neighborhood board does not and has not supported the current proposal. The Planning Division staff report kind of throws some vague notions with the word current regarding the 2003 and the 2004 reports. The 2003 does not reflect housing. The 2004 does. And the word current proposal is kind of mixed up there, so I think that reading the staff report, there needs to be some

clarification and chronological look at the motions that came before the Whittier Alliance board. Historically, the Whittier Alliance board has not supported anything other than the 2-story, commercial-industrial office space. We do not support the housing. Further, the contract for 206 Elroy between Karmel Properties and CPED does not allow for housing. Housing was not a condition of the contract or part of the original land sale agreement or the land sale conveyance back in May, and therefore should not be allowed. I do have a copy of the deed if you're interested in taking a look at that or making copies of it. For several reasons, if you can refer to the motion list, it does chronologically report the Whittier Alliance's position on the Elroy Development. We do not support housing because of the parking and traffic and safety issues as well as the emergency services issues in that area. I also submitted to you, and I think you have them in your information, the recommendations and requests as brought forward from the Elroy site task force and the Whittier Alliance. Number 7 can be modified to deny the housing overlay based on the condition of the contract when the land was conveyed and to allow only the contracted proposal which is a 2-story commercial industrial building with underground parking. I have other comments, but I think you can read them, or if you haven't read them, please do. They are important in making this important decision based on how the neighborhood will develop. We are an emerging neighborhood. Our safety issues are improving. The Karmel Square and the ethnic market is something that the neighborhood is very proud of and we want to maintain that infusion of immigrant entrepreneurship, but we do feel that the housing overlay of 69 units, which is now according to an ad that we just saw 102 units, which is in an ad that is in the newspaper, is going to over-stress that area particularly and not be a contributing factor to the neighborhood. We do encourage the 2-story, commercial industrial. Thank you.

Commissioner MacKenzie: In our packets, we have packets from the staff and then we have more paper and in this letter, and it's written by a citizen, there's a comment made that there was an open meeting regarding the project in May of this year. I'll just read it to you: 'The meeting was attended by Councilman Zimmermann along with 75 other individuals at that meeting. 71 people voted in favor of the project while only 4 voted against it. It went to the Whittier Alliance board and did not receive the support.'. And I can see the copy here of the motion made at the May 27th board meeting. Do you have any sense of what transpired between the open meeting and the solicitation of opinion from people attending that meeting and how things changed by the time it got to the board?

Marian Biehn: That gets to be kind of difficult to comment on in a politically correct way. We have had a series of public meetings and people attend those meetings and you register to attend those meetings. I have been part of the registration. When we ask people to register, we ask for their name and information. Frequently, the people who have attended do not speak enough English to give me their name and address, or in that case, at that meeting I should say specifically. When they attend the meeting, I am concerned that they really do not understand what's being discussed because they are asked to attend and they are being given incentives to attend according to the reports that we get from others in the Somali community. We have voting cards. When the voting cards are raised by one particular group of people, all the cards go up. So although it reflects a vote that is community based, we frequently don't see those people coming to another meeting to involve in community process. So the board, which is very diverse,

re-debates all the motions that come out of committee and then does the final vote that is forwarded to the downtown and the different organizations downtown.

President Martin: [responding to comment off microphone] No, we're not going to have a debate about who was at the meeting or what was spoken, or what languages, or anything like that. I want new information about the project.

Mani Tuzi (spelling unknown, not on sign in sheet; businessman 500 East Lake and 3718 Chicago Avenue South): The main point for me as a businessman is safety and work and hiring. It is very important to make a neighborhood safe. By making them safer, to work with task force, I'm bringing new job and new development. One time I talked with Mr. Schiff and thanked him to make the neighborhood, on Chicago especially, there was a shooting every second. Now we have a beautiful neighborhood and much more safer and I came to his office and thanked him. Especially him and Robert. [On] Behalf of myself, I've worked in South Minneapolis about 13 years. I start with taxi, then I got mechanic shop, then car lot, then body shop, then starting to move and I now own some businesses. The way that I understand, the way that we grow in South Minneapolis and very important to bring the people together to bring the job. The way to bring the jobs to South Minneapolis, I think impossible. The only way for new development is to bring it bigger, bring it safer for neighborhood, maybe neighborhood write their Council about the parking, about lots of things, but by bringing new eyes, new development will bring the safeness and economy. The only way we can work with task force to bring the people to work, otherwise we cannot control [tape unclear], drugs, prostitution, especially on Lake Street. Right now, I'm working on a small project on the 500 East Lake Street and I got all approval from the Commissioner. It is very important for us on Lake and around the neighborhood to bring a new development, to bring the jobs. The way that we bring the job for neighborhood, lots of people can relax. The only way against the drug, to bring the new jobs, the only way, especially private money to come and put money and invest it and build it. Housing we have very shortage. If we look at the old, on 37th, 36th, 35th, 34th Street, we need new things to be rezoned.

President Martin: Mr. Tuzi, I'm going to ask you to talk about if you have something to say about the rezoning, the conditional use permit, or the site plan review for this project.

Mr. Tuzi: Exactly! That I want to say it. We lost lots of housing in South Minneapolis. If you look at everything, we need a new housing. Lots of people are moving to Richfield. There are lots moving far away. How could I fill my work with the neighborhood? If you look at it, on 37th, two blocks we got it for flooding. On 36th, 38th, we need affordable housing in South Minneapolis. For sure we need that. We have to deal with it because bring lots of things, especially with new development. Thank you much.

Tom Bissen (spelling unknown, not on sign in sheet; 2427 Clinton Avenue South and owns a rental property; on Whittier Alliance Board of Directors): I am here speaking on behalf of myself this evening. The Whittier Alliance did commission a traffic study specific to Karmel Square at the Elroy site. For the sake of time, I'm not going to go into that except for a few of the highlights. Marian Biehn, our neighborhood development person will have it available to you if you need it. Farmers market versus a bazaar ethnic market. They're two total different things. If you haven't been to Karmel Square, I

recommend you go-it's wonderful, it's quite fascinating. Councilman Zimmermann quite recently counted 250 vehicles on the Elroy site alone. Packed. That's without Elroy Street, that's without off-street parking. 250 packed in there. Karmel Square has approximately 75 shops on the first floor. Here we're looking at adding a whole another development, 69 living units up to 4 bedrooms each so it's going to have more than one vehicle, up to 100 shops and only 141 more parking spots. So we're losing over 100 parking spots when we're already using 250, but adding a lot more. I encourage you to read some of the information Whittier Alliance put in the packet. I'll go into that a little more fully. Plus Park Square, the county units across, there are a lot of them that are non-owner occupied which hurts. The Whittier neighborhood has very low individual home ownership. That condo association is going to further go down. 24th and Blaisdell, a mistake was made. Karmel Square, a mistake was made. I urge you not to do it to us for the third time. Now it's interesting, there's 69 housing units proposed now. 102 parking spots below ground. That was the latest bait and switch, early June. Here's a full page ad taken out in the Somali newspaper by Mr. Sabri, saying he's going to have 102 living units. I think this is your latest bait and switch. Thank you.

Dan Vercruysse (121 west 29th Street): I just wanted to speak to the sort of quality on the building for this project. Earlier tonight, I heard about a couple of other projects and it seems like there was some discussion about the aesthetics and the sort of quality of the building, particularly the one with the exterior stairs and that kind of bit. And you know, I live on the block adjacent to this property, just around the corner. The back of my property looks out over this property. I guess you know with the change in the zoning or at least the request for that, the scale and scope of this project has increased dramatically. And what I'm seeing by the renderings here. I'm seeing something that's not really present in that neighborhood right now. I know for me that buying a property in this neighborhood, and I am owner-occupied property. Part of me wanting to live in this really urban condition and there's a certain fabric and context that goes with that and I think this project denies that in a few different ways, when the scale seems to be just totally non-present. Also, the quality of the materials, the stucco system [tape unclear]. What we're seeing here is primarily a suburban development, you know? I think there's a real lack of design, there's a lack of consideration to the street life and the quality of the exchange with the street. For example, the statement that there's actually no doors on Pillsbury or Pleasant. Everything's turned within in this U-shaped design. I really feel like this project robs the street of the quality of life that a certain urban environment can have. And I know right now on the block that I live on, I know all my neighbors and I talk to them and we're walking down the street and there's an exchange on the streetway that I just really feel that this project denies. So in terms of, and really, let's talk about the landscape plan too. Which is another big issue – it seems to me that they should put the landscape. Right now, I really feel like there's just a lot of plans about what's going to be made, and maybe this is an issue of compliance and not something that really needs to be brought up here, and I've actually called the compliance officer because he's part of the neighborhood to ask about this property and this property owner quite honestly. And while I feel bad that there's a community that says let's not get caught up in the person behind the project, the reality is that there [are] a lot of other properties in this neighborhood owned by the same individual. And I feel like there's a lack of care and a lack of management of those properties and I got a list of all those properties and I went by and looked at all of them. I felt like I should be informed before I made these kinds of comments and I know that Karmel Square has a lot of benefits to it. I don't really feel

that the impetus of that project is bad. I know that the maintenance of that building isn't so great. And I know that there is no landscaping to speak of and I realize that these are plans and things that people talk about what's going to happen in the future and maybe it's an issue of compliance but I feel like there's a record here. This is a man who owns a lot of properties in this neighborhood and has a record with this City and how he's run projects and I think that's something to be considered. And I don't know if that's a Planning Commission's job to do that or maybe more the City Council, but I know that I'm concerned about this project and I own a property around the corner and I just want to speak to that. Thank you for your time.

President Martin closed the public hearing.

Commissioner Schiff: I have lots of questions for staff. Fred, can you review the math for us on the parking calculations in the code and that you used. The point made by some that half of the surface parking is on the vacated Elroy Street adjacent to the building to the south.

Staff Neet: I discounted that.

Commissioner Schiff: You didn't count that.

Staff Neet: I did not count that. So the site plan is difficult for you to read because it's such a small scale, but…

Commissioner Schiff: So how much spaces are necessary for the 30,000 square feet of commercial space.

Staff Neet: All the uses combined?

Commissioner Schiff: No, I want to break it down, we need to break it down at this point. 33,000 square feet of commercial.

President Martin: Depends on what the commercial is.

Staff Neet: The retail is 35 it looks like.

Commissioner Schiff: 35 spaces for the retail only. Now when you say retail, were you counting the industrial?

Staff Neet: No. Industrial is 12. They have it listed as 11, but it's actually 12. The restaurant is 26. Dean, do you have that stuff? For a total of 73 plus the 69 residential for a grand total of 142 which is then reduced by 1 for the bike spaces which leaves 141 which is the exact amount provided.

Commissioner Schiff: So 73 total commercial. So all the surface parking, including the stuff on the south, needs to be available for the surface commercial.

Staff Neet: I'm sorry, repeat?

Commissioner Schiff: All the surface parking, including the stuff on the south on the vacated Elroy, needs to be available.

Staff Neet: I discounted that. There's 38 surface parking spots on their lot. I did not count the south of Elroy.

Commissioner Schiff: Why didn't you count that?

Staff Neet: That's a different lot.

Commissioner Schiff: OK, so you only count the 38. So he has to allow access below grade for the commercial people, which he earlier said he wasn't going to do.

Staff Neet: He's going to allow it for employees, owners and shopkeepers.

Commissioner Schiff: OK, for 33,000 square feet of commercial space, there's only 38 spaces for patrons.

Staff Neet: Correct.

Commissioner Schiff: What's wrong with our math? That sounds ridiculous.

Staff Neet: He's only required to have the total amount whether it's below grade or surface.

Commissioner Schiff: OK, next question I've got. On the site plan, it looks like as you access the underground parking, you're going past the strip where people are backing out of other parking spaces. If you can track where a car would come. On the west side. Track where a car will come in from the west. Right there. Now you've just driven the car past a row of surface stalls where people need to back into the drive aisle. They need to back into the drive aisle for the parking ramp in order to get into their spaces.

Staff Neet: That's correct.

[comment off microphone]

Commissioner Schiff: So how's that all right?

Staff Neet: These cars on the south of Elroy will have to back out into a legal drive aisle. It's a legal drive aisle, it's minimum of 22 feet I'm sure, it might be 25. 24 feet he says and 22 is required for that whole thing. I would also point out that the Department of Public Works, including its Transportation Division has reviewed the whole site plan including all the parking and given preliminary approval.

Commissioner Schiff: OK, I got an e-mail from Janine Ryan saying all the parking needs to be rearranged to allow for new traffic flows.

Staff Neet: I am not aware of that.

Commissioner Schiff: OK.

President Martin: A different part of Public Works?

Commissioner Schiff: No, she's the one who approves that kind of stuff.

[Comment off microphone]: The parking configuration we're showing on the application form was rearranged slightly from the color one we've had for some time based on the comments that we got at the Wednesday round table meeting. They wanted it arranged this way with an access aisle on each end.

Staff Neet: Yes, that wasn't done that way on the original, but it was now. That is the circulation can come around here. The other change that was made was that they didn't have the proper loading docks and they do have now and they all work.

Commissioner Schiff: So for Planning's perspective, have we approved this before where there are on-surface parking spaces that need to back up into the area where people are headed to get to the underground parking. That's fine for our City standards?

Staff Neet: They have to back up to do what?

Commissioner Schiff: Someone else try to explain this. It's simple to me, but I'm apparently not explaining this well.

[Comment off microphone]: This is legal because we're on grade, we're not starting to go down until we're outside of the drive lane.

[Comment off microphone-Dean Davolis]: Yes, cars do back up, so you're right on that.

Commissioner Schiff: And yet we approve this all the time [comment off microphone: Yes]. OK.

Staff Neet: This would be the same way as a double-loaded parking corridor, just like this one is here. They have to back out and then come around.

Commissioner Krause: I think the difference is it's one thing to back up into a drive aisle that's accommodating those few parking spaces around it. It's another thing to back it up into a drive aisle that's accommodating a fairly significant amount of traffic that's using the drive aisle to access the underground. In other words, if you're just backing up into a drive aisle that's just for that series of parking spaces right around it, it's a little bit different than if you're trying, in this case, I live with this in my building and it's kind of a hassle where we've got all this shared parking and you're going to be backing into the drive aisle – it's going to be a lot busier because it's going to have 102 spaces underground that's the only point of access.

Commissioner Schiff: Right, that's my point exactly.

President Martin: More, Commissioner Schiff?

Commissioner Schiff: No, that's all the questions I had for staff.

President Martin: Others?

Commissioner MacKenzie: In terms of the merits of the proposal, [tape unclear]… effectively, we're dealing with some cumulative impacts here with the adjacent development, the uses that are going on and it sounds like from some of the testimony we heard that the uses in that building, though they're great and they're really a fantastic gathering place for the Somali community, they can't be accommodated in terms of the automobiles that bring the people to the location. So, you know I'm not really sure that there isn't truth to the fact that adding this much additional activity doesn't resolve any of those first problems and in fact, maybe we're just incrementally making the problem worse. So I'm stricken between merits of the proposal, I have some concerns about height, I have some concerns about access and egress and then what it does to the overall fabric given what's going on next door. So I'm just throwing that out there for my colleagues to chew on.

Commissioner Schiff: I think of the Midtown Greenway and what our plans are for it, I'm actually a lot more comfortable with the housing on this than I am with a 2-story commercial industrial building. The City started assembling this 12 years ago as the testimony said while in 1999 we finally got around to approving some framework for the Midtown Greenway and it seemed like the City was moving toward industrial with the idea that the Greenway is for industrial, well then we got this other idea. Hey, it could be used for a pedestrian and a bikeway and now we think it could be a transit corridor with a streetcar. So with that in mind as the goal, the housing makes a lot of sense to me. We've approved housing to the left and right of this in the past 6 months, so I don't know how we not approve the Industrial Living Overlay district and how we not approve housing, but it's all the commercial that causes me concern because we want commercial in our commercial corridors, I don't think we've designated the Midtown Greenway a commercial corridor yet, and that's where I'm hitting a wall here. Because I'm looking up to 35,000 square feet of a new commercial space and 38 surface parking spaces. We know that's not right. And I don't know if this site has an interim use permit to be used as a surface parking lot, it may not, but it sounds like it is being used as such, so I think the math is interesting that 250 cars have been counted on that lot recently and certainly this proposal is a higher use and a loss of parking. So I could make some decisions and start making motions, Madame Chair.

President Martin: One of the things I'm just going to remind everyone, one of the things we heard is that there are a lot of people who are hoping that this project solves the parking problem for the building across the street, which it's not going to do.

Commissioner Schiff: Can't. That dog won't hunt.

President Martin: Yeah, exactly.

Commissioner Krause: This may be just a question for staff, but I don't recall us ever… The purpose of the Industrial Living Overlay was to allow residential uses in some of our older, traditional industrial areas, specifically warehouse districts. Have we ever done

this where we've had a bare site, new construction where we're going to build new industrial and then allow the Living over it, or is this…?

President Martin: Stone Arch Apartments.

Staff Neet: I think we have, and I think there's some more in the pipeline as well. It's also been described that the ILOD is for areas in transition.

Commissioner Krause: And then just one other point. I don't disagree with Commissioner Schiff although I don't think Mr. Reynolds is here anymore, but I know a little about the work Whittier is trying to do and he has a real concern about a very steady erosion in the amount of industrial space. Now maybe this isn't the right place for it, right on the Greenway, but I know one of his issues in trying to… business development and business incubation is that there just isn't any space left in South Minneapolis for these businesses to go, so they are leaving and they're taking with them some fairly decent paying jobs and jobs that are trainable and accessible to an inner city workforce so we have to try to balance that.

Commissioner Schiff: I think those are really good points Commissioner Krause, but I've worked on a lot of industrial development in my ward, representing the Seward Industrial park and I've never met an industrial developer who didn't want to own their own site. And I've never met an industrial developer that wanted housing up above them as much as I love that with my new urbanist Utopia – reality has hit me again and again and I can't sell vacant land with the idea of a mixed use to any industrial developers in my ward. So I think it's a good ideal, but I don't know if we're going to accomplish it. And it think for the neighbors concerned about parking, I think residential brings less parking and traffic than commercial. With residential, it sounds hard to believe, because they're there 24 hours a day, they come in the morning and they leave in the evening and the traffic caused by 69 units is far less than 8 hours of commercial activity for 30,000 square feet of retail. That's people coming and going for 10, 20 minutes at a time and you're getting thousands of vehicles versus 69, so we've got the traffic studies showing that traffic uses are just less for residential than they are for the commercial activities. I'm going to, and I know the City is wearing two hats here, we are regulating land use, we're also making economic development contract decisions.

President Martin: We aren't.

Commissioner Schiff: We're not. I am on the City's hat and the City has two arms and Planning Commission is one of them so any of this could be undone by the City Council that decides they don't want to in turn to this kind of economic development, but I'm going to move the Industrial Living Overlay District, again, because I think it's consistent with the policies of the Midtown Greenway Overlay District framework plan that was passed in 1999 and we've done it consistently for other housing in the area.

President Martin: OK, so you're moving approval for the rezoning.

Commissioner G. Johnson seconded.

The motion carried 7 – 0.

Commissioner Schiff: Madame Chair, I'm going to try to make this consistent with the Midtown Greenway Overlay proposal that's awaiting some master planning work in the corridor for adoption, so I have a question for the architect. The proposal has a staircase on the second floor on the southern part of the eastern wing and western wing. How much footage is it from those stairwells to the edge of the building from the south?

[Comment off microphone]: A little less than 100 feet. The building is 60 feet wide. It's probably, actually Gary, from the south end to the door it's probably about 60, 65 feet.

Commissioner Schiff: I don't know how many units to do this for then. To my colleagues, I was going to suggest less units so the building could be set back in accordance with the Overlay District and that would not be possible with the units at the size they are today, but perhaps we just address it in the site plan.

Commissioner Krause: I was going to suggest that one option would be eliminating a floor, I mean that eliminates units. So you'd be able to get a certain number of units or a certain height and you could actually have some flexibility on how you got to that number.

Director Sporlein: I just want to add that the overlay district that Commissioner Schiff is talking about has been presented to the staff. We have not analyzed it yet because we're moving forward with the land use planning effort. We do take it into account, but it doesn't have official status. And so we are moving forward with a master land use planning effort as our work plan and also, I know you've already acted on the rezoning, but just to follow up to at least the Zoning and Planning Committee members, we will follow up on the covenants of the land sale to make sure that we have the final result on that, at least for the City Council.

Commissioner Schiff: I think we'll address them in the site plan as Mr. Krause suggested so I'll move approval of the CUP, but deny the CUP for the farmer's market. So you approve the CUP for the dwelling units, but deny the CUP for the farmer's market (Kummer seconded).

President Martin: So you're recommending, approving that the application for a CUP to allow 69 dwelling units, strike out the farmer's market, is that what you're suggesting.

Commissioner Schiff: Right, or a separate sentence that says and deny the conditional use permit necessary for a farmer's market at 206 Elroy Street.

President Martin: OK, you got that Neil. And that's been seconded.

Commissioner MacKenzie: Question for Commissioner Schiff. If we in fact approve a CUP for 69 units and then we take a floor out. Is that a conflict, is that alright?

Commissioner Schiff: I think it's the best way to solve it. Obviously he can't build that many or they're micro-units, so he just ends up with less units. We could take a guess at the number, but we think it could be, but I think that'll be a little difficult.

President Martin: OK, so everybody understands the motion? [Comment off microphone] This is us, not you. You had your turn. Everybody understand? All those in favor.

The motion carried 7 – 0.

Commissioner Schiff: The landscaping is already sufficient on the site plan issue. So we've got the height issue and, can the site plan limit uses as well, I guess a question for Mr. Anderson.

Staff Anderson: I'm not sure what you mean Commissioner Schiff.

Commissioner Schiff: We denied a CUP for a farmer's market, but if there's other commercial uses allowed in the commercial district, can we restrict their uses in the site plan?

Staff Anderson: If they're allowed, then they're allowed.

Commissioner Schiff: I'll request that the building has an additional setback of, it's 36 feet back today, so the building be set back 40 feet if it is 30 feet tall or the building be set back 65 feet if it is 50 feet tall (G Johnson seconded).
Staff Anderson: Again?

Commissioner Schiff: 40 feet setback would equal 30 feet height limit, 60 feet setback would equal 50 feet height limit.

Dean Davolis: One issue that you do lose parking as the building goes back or encourage parking across on the other side. We could flip the parking all on the Greenway side, which would honor their site commitment, but take the eyes off the Greenway, so there's a trade-off with that to sunlight, but you lose the eyes on the Greenway. A compromise would be 40 feet, 4 stories is what I think because it gives enough green but preserves a height that can keep the parking on the side of the building it wants to stay. Because if you flip it, the further you go back, you would have the right to throw the parking on the other side and that's the last thing you want to have happen.

Commissioner Schiff: Unless we put in a condition that requiring the parking to be on the south side of the building.

[Dean Davolis - comment off microphone]: 40 feet tall, and 40 feet back, 4 stories high.

Commissioner Schiff: I appreciate that suggestion.

Commissioner LaShomb: Well, I think this going to be one of the messiest projects that went anywhere. I hope to gosh sakes that we don't allow parking next to the Midway Corridor. If we do that, then God help us, if you believe in God, he'll get you for that one. So moving this building back farther and farther, in theory, sounds wonderful, but I think what's happening… I think we've kind of crossed a line where basically we ought just vote against all of this and we ought to just say this project doesn't work on this site. Because if you keep moving it around and now you've taken a floor off the bottom of it, I

don't think it's going to be financially viable to start with. I think it's probably a violation of the CPED agreement. My understanding was they wanted some commercial industrial on this site. They might still be able to slip some in because it won't be a farmer's market. And now we want to move it back off the Greenway, so we're going to have a massive space there but there won't be any parking on the site when parking is one of the major problems. I think we've crossed a point where – I'm going to move we lay this over for a cycle.

President Martin: We still have a motion.

Commissioner Schiff: I'll withdraw my motion Madame Chair.

Commissioner LaShomb: I'm going to move that we lay this over until we have a clarification on the agreement from CPED that was originally concurred. I think we ought to have a CPED person here rather than get everything secondhand. I think that's really a very poor way for that department to work. And then secondly, people got to look at this parking issue. This project isn't the problem, it's something that's there now and I don't, God willing there won't be a fire and it will still be there, but this project needs to be looked at on its own merits and I think what we're doing is nickel-diming this and cutting it in 10 different directions and it's never going to happen, so I think we need a cycle to kind of cool it and get some information from CPED about the agreement, talk to the people about parking to see whether there are some parking solutions. Maybe Council Member Zimmermann needs to come, if we can invite him. I'm getting the feeling that we're going a little crazy, just a little (MacKenzie seconded).

President Martin: And the specific question then is to delay the site plan review for a cycle to get a lot of questions answered particularly where the parking, how much parking, where it's going to be, how far back from the Greenway, anybody might actually want this building, including the Greenway Coalition, although that's not yet an adopted plan, and to maybe have somebody, maybe it's Neil, maybe it's Director Sporlein, have a conversation with the other folks in CPED about what was actually imagined here and how the parking… Everybody's right, the parking problem isn't being caused by this building. It's being caused by something across the street that doesn't have an appropriate amount of parking and this isn't going to solve it, so I'm not sure, but there needs to be more information. Does that make sense?

Director Sporlein: Yes, and I think we can get that information. I would like Mr. Anderson or Mr. Neet to comment on the 60 day rule as it applies to holding it over for a cycle. I think we're ok, but I just want to make sure.

President Martin: We've got August 7th on here.

Staff Anderson: The 60 days are up on August 7th, the 120 days are up on October 6th. We have plenty of time for that.

Commissioner MacKenzie: I just wanted to quickly add another question maybe to be explored with return to site plan is adjusting the building height, so a greater setback from the Greenway, a change in the building height, what does that mean in terms of the

amount of parking that can be provided and then again, how does it concur with Midtown Greenway's hopes for building height next to the Greenway?

Commissioner Krause: I was going to suggest, if I heard Mr. Nelson correctly, I think there's 20 feet already between the property line and the start of the trench. And the standard would be 65 feet back from the edge, so I think the right number we're looking for is maybe 45 feet. 20 feet plus 45 feet which would be 65, which would allow 50 feet in height. Maybe I'm not right, but we'll get that figured out.

President Martin: Since we're giving it two weeks, everyone will get to have a conversation about this. Further things people want to know about before this comes back in two weeks?

Director Sporlein: Well, I'd like to have this cleared up with Public Works too in terms of the parking arrangements and the drive aisles and other related parking issues, so we'll have Janine Ryan weigh in on that.

Commissioner Schiff: I welcome Commissioner LaShomb's comments. I wish he had spoken up on the rezoning or the conditional use permit. He raised the question of is this use appropriate, or should it just be industrial and we've already voted now on a rezoning and on a conditional use permit, so if Mr. LaShomb and my fellow commissioners want to reopen the question of what is the use on this site…

President Martin: Except the ILOD is an overlay. It doesn't mean that it can't be industrial.

Commissioner Schiff: Right. But the conditional use permit.

President Martin: The basic zoning stays the same, it simply allows…

Commissioner Schiff: Right, a conditional use permit expressly adds housing to the mix. Do we want to grant that today or do we want to stay everything so that we get these issues addressed?

[end of tape]

Commissioner LaShomb: Madame President, Commissioner Schiff, I support the housing, I think the housing is a great deal, what I'm afraid of is we're going to make this project such a mess that there won't be any housing on the site and then we'll have a parking lot there for God only knows how long. In fact, I even have… I do have a pharmacy that was sitting over on University Avenue. Seriously, I think when a developer comes in here and, they shouldn't get everything they want and I've had a lot of people talk to me about this project and what it really comes down to is that if a project is such an onerous problem, rather than try and squeeze it, turn it upside down, do everything else, I think we should just make a good faith effort and just say, sorry guys, it just doesn't work on this site. That's point number one. Point number two is we're not two cities, we're one city. We have a City department that spent a lot of time and effort putting this project together so I just have a feeling that we're at cross purposes with an agency of our own City government and if that's the case, then I think we've really got

some really fundamental problems, which I thought were going to be addressed in the Mayor's reorganization, so I don't want to get preachy about this, I just think we need a little time to sort this out, but the rezoning to me is appropriate because the housing ought to be on this site and the conditional use permit, maybe I just don't get that piece of this, but let's just lay it over for a little bit and see how it melds.

President Martin: So the motion is to continue the site plan review for one cycle with particular attention and questions around parking, building height, conformance with the emerging Greenway plans and some discussion with CPED about what's actually been agreed to here.

The motion carried 7 – 0.

MEMORANDUM

DATE: July 27, 2004

TO: Blake Graham, Community Planning & Economic Development - Planning Div.
Phil Schliesman, Licenses

FROM: Neil Anderson, Supervisor, Community Planning & Economic Development - Planning Division, Development Services

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

SUBJECT: Planning Commission decisions of July 26, 2004

The following actions were taken by the Planning Commission on July 26, 2004. As you know, the Planning Commission's decisions on items other than rezonings, text amendments, vacations, 40 Acre studies and comprehensive plan amendments are final subject to a ten calendar day appeal period before permits can be issued:

ATTENDANCE
President Martin, Krause, Krueger, Kummer, LaShomb and Schiff - 6

INTRODUCTION TO PUBLIC HEARING

PUBLIC HEARING

4. Karmel Plaza (BZZ-1796, Ward 6)

206 Elroy Street, 2920 through 2928 Pillsbury Avenue (Fred Neet) *This item was continued from the July 12, 2004 meeting.*

A. Site Plan Review

Application by Basim Sabri for site plan review to allow a structure exceeding 20,000 square feet and including 69 dwelling units for property located at 206 Elroy Street and 2920 through 2928 Pillsbury Avenue South.

Motion: The City Planning Commission adopted the findings and **approved** the site plan review application to allow construction of a structure exceeding 20,000 square feet and including 72 dwelling units at 206 Elroy Street and 2920 through 2928 Pillsbury Avenue South; with the following conditions:

1. Approval of the final site and landscaping plans by the Community Planning and Economic Development Department, Planning Division.

2. The final landscaping plan shall show all fencing as well as clarify the vegetation on the north slope.

3. The applicant shall provide evidence of permanent easements on both the south and north sides of vacated Elroy Street to allow access to parking both south and north of vacated Elroy Street.

4. The applicant shall provide a performance bond in and amount equal to 125% of the cost of site improvements by September 15, 2004, or the permit may be revoked for noncompliance.

5. All site improvements shall be completed by August 1, 2005, unless extended by the Zoning Administrator, or the permit may be revoked for noncompliance.

6. The final height of the building shall be agreed upon between staff and the developer and is limited to one of the following options: 1) The height of the structure shall be limited to 35 feet; 2) The height may be up to 47 feet if the wings of the building are reduced back 8 feet; or 3) The height may be up to 47 feet if the fourth story is set back 8 feet further from the top of the third story.

Commission President Martin: Next up is item number 4 and the staff is Fred Neet. And I will remind everyone that we had a long public hearing on this one two weeks ago; I closed the public hearing and unless there is a pressing question that needs to be answered, we won't be reopening it.

Staff Fred Neet presented the staff report. He noted that Erik Hansen was present to address contractual concerns that were expressed at the July 12, 2004 Planning Commission.

Erik Hansen (Project Coordinator, City of Minneapolis, Department of Community Planning and Economic Development): I thank you for letting me speak today. I would have been here two weeks ago; I was traveling back from a trip so I was unavailable and was hoping to clear up any concerns you had about the contract that we have with Karmel Properties, LLC. I distributed a memorandum that basically goes through I think the main points that were brought up at the last Planning Commission meeting. The property was sold between the Minneapolis Community Development Agency to Karmel Properties, LLC on May 14th of this year. That land sale was subject to a deed and a redevelopment contract. The redevelopment contract requires a minimum improvements of the property at 206 Elroy of 64,000 square feet of office, commercial, light industrial building and related improvements. The contract, however, had a provision that allowed for material changes and under that condition in the redevelopment contract, the redeveloper is allowed to make changes as long as they meet the minimum requirements of the redevelopment contract. And MCDA must consider the decisions of changes with considerations they must make in the decision of additional financing for the project, consistency with the redevelopment plans, and requisite zoning approvals. The MCDA may not unreasonably withhold or deny its approval of any proposed amendments. The redeveloper communicated to the Economic Development division of CPED that it was not able to present the changes in the project to the Economic Development division until it received zoning approvals so that it could secure its financing that was required in the

redeveloping contract. And that's why we have the site plans in front of you, but not in front of the Economic Development division.

Commissioner Schiff: Mr. Hansen, what was the value of the land that we sold?

Erik Hansen: We sold the land for $126,000.

Commissioner Schiff: And how was that estimated?

Erik Hansen: It was set by the MCDA appraiser-the fair market value for the property. We purchased two properties, 206 Elroy and then 28… pardon me for a second… 2928 and 2830 Pillsbury, which was a duplex. We purchased the Pillsbury portion for $65,000. We purchased the Elroy portion for $187,000, for a total of $252,000 and then we put an additional demolition of two buildings on the property for $21,000, which brings it up to about $273,000 total City cost. Unfortunately, sometimes markets dictate changes to the fair market value. Even though we paid 270 roughly with demolition in 1997, by the time 2001 rolled around, the appraiser had appraised it for $126,000.

Commissioner Schiff: So we wrote down our expenses considerably. And what did the appraiser base it on-the value of industrial land or the value of residential land?

Erik Hansen: I wasn't privy to the appraisal so I don't know.

Commissioner Schiff: $126,000. Pretty cheap for residential land this size, wouldn't you say?

Erik Hansen: I can't answer that – I'm not an appraiser.

Commissioner Krause: Mr. Hansen, is the 'material change' language standard in development agreements, typically?

Erik Hansen: President Martin, Commissioner Krause, yes, the provision is standard in most real estate agreements.

Commissioner Krause: And how about the 'minimum improvements' language, that's also fairly standard?

Erik Hansen: Yes, sir.

Commissioner Krause: And my last question is in my experience, these kinds of land sales are typically done through an RFP process, was there such a process here, or, and if not, why not?

Erik Hansen: Madame President, Commissioner Krause, this parcel was not subject to an RFP. It hasn't been the City's practice until recently to do an RFP for industrial property. This one was done through a public, it was done through just a public advertisement. There were two parties that were interested in purchasing the property. One party removed his application and the City Council approved the sale of the land to Karmel Properties.

President Martin: Other questions? Anything else, Mr. Hansen?

Erik Hansen: No, that's it.

Staff Neet: The parking calculations are in your packet. Based upon the most recent numbers of the new site plan that you'll be hearing about tonight. So the square footages of the previous proposal that you were looking at require 12 parking spaces for light industrial, 35 for farmers market, 26 for a restaurant and 69 for residential, for a total of 142. Reduced by 1 for credit for 20 bike racks for 141. 141 were provided in the previous site plan. 103 below ground and 38 on site for a total of 141. In addition to that, an additional 35 spaces are planned for south of Elroy Street, so that's off site but immediately adjacent. This is the future one [noting overhead]. But the concerns were about the drive aisles all the way around and they are 22 feet all the way around and I had Public Works take a look at that and that's adequate for all purposes. And the other concern was the distance from entering into the underground parking garage and the new site plan is some discrepancy, we need some clarity about the width of that, that the previous one had 22 feet which is acceptable for 2-way traffic. And the Public Works also said that the distinction between the parking stalls here, which would need to back out in front of the down ramp – that also is acceptable.

President Martin: Really? Interesting. The other question that was raised was how the site plan fits with proposed issues that are evolving around plans for the Greenway.

Staff Neet: Yes, that would be addressed with the site plan next.

President Martin: OK, go ahead.

Staff Neet: At this time then, I would like to turn over the presentation to the developer who will talk about a new site plan which has only recently been unveiled.

President Martin: This is one we don't have.

Staff Neet: You do have it [indicates site plan in Commissioner folders] plus the one that's on the screen.

Scott Nelson (DJR Architects): At the hearing two weeks ago, there were a number of questions raised about the site plan based on the site plan review. Most notably with regard to the number of parking positions for the farmers market and for the plaza. There's also some questions about the accessing in and out of the ramp and also with regard to conformance to the Greenway recommendations. We had occasion to have a couple of meetings with staff as well as Public Works in the interim two weeks and in that time we came up with a slightly revised site plan with the changes. Fred outlined a couple of them, most notably what we did is eliminate the restaurant in deference to the concern about the parking. We eliminated the restaurant, recalculated the parking so as we have a, where previously we had a need for 141 and we provided 141, what we now have is a need for 123 and we're providing 138. We also have, in addition to that, the same 35 additional spaces on the space to the south side of Elroy. So net to the entire site we believe we have an excess of 50 spaces which can be used between the Karmel

Square property and the proposed Karmel Plaza project. To address the concerns relative to the location on the Greenway, and I think your packet would have this drawing as well. We downsized the two legs of the building slightly and moved the entire body of the building an additional 12 feet to the south away from the Greenway. We're still short, and we readily recognize that of what their full recommendation, which is where they have their recommendation I believe is 80 feet. We have 48 feet. I've indicated on the drawings that I've provided for you that's in front of the screen now what the sun angles would do and we've got, by midwinter, both the walking path and the bike path would be in sunlight. This shifts a little bit of the landscaping to the south side which would provide for plenty of additional space if we need a promenade or walkway which was also discussed at the last meeting. Yet it still leaves an additional 8 feet of space for landscaping in front of the building and at the two legs adjacent to the drives which were requested by Public Works as a way of helping filtering rainfall and runoff. So those are the principal changes that were made between the site plan that was presented two weeks ago and the one that we've got now. Are there any questions about those?

President Martin: How many units are we talking here?

Scott Nelson: In the change that we made downsizing the two things, we converted all of the 4-bedrooms to 3-bedrooms and a number of the twos to threes and we were able to sneak in an additional three 1-bedrooms. So there's actually in the proposal before you 72 units, not 69. And that's calculated in with the parking requirement.

Staff Neet: Mr. Nelson mentioned that the bike and ped way would be in sunlight in midwinter, however, it would not be in sunlight in the beginning of winter. The site plan – you notice that the line here [indicating overhead] of the main building wall is 48 feet from the property line, however, the two ends of the building are 10 feet closer, therefore 38 feet. Which both of those dimensions are lower than the Greenway Coalition guidelines. The Greenway Coalition guidelines say that the building height can be increased, I've got the calculations here if you wish to see them, can be increased for part of the building not to exceed 15 percent of the frontage. These two sides are approximately 35 percent of the frontage. So that accounts for the difference between 38 and 48 feet from the north property line. The restaurant has been taken out leaving larger industrial and retail spot. The residential goes from 69 to 72. The landscaping is considerably reduced and the architect indicates that he needs to recalculate that based upon what he did provide right here is decreased from 32 percent to about 17.8 percent. A fountain has been removed here, considerable vegetation, this is the trade-off for moving the building back. And that's all I have.

President Martin: Are there any questions for Mr. Neet?

Commissioner Schiff: Mr. Neet, could you review the information about the Greenway and the slope and the light as it approaches the Greenway? I didn't get it. What's the bottom line to what you're saying in the proposed Greenway Overlay district?

Staff Neet: The Greenway has these calculations for this section of the Greenway. If the setback is 40 feet, they can have a 30-foot high building, increase for 15 percent of that, no specification on what kind of an increase. If the setback is 40 feet, they can have a 30-foot building, if it's 50 feet, they can have a 36-foot high building.

President Martin: If it's 250 feet, which puts it across the street, you can have a really tall building.

Staff Neet: Yes. Since there is nothing for the 48-foot building, calculating that, it would need a 48 foot setback.

Commissioner Schiff: And so they've got roughly a 48-foot setback, what's the height of the building now?

Scott Nelson: …47 feet.

Commissioner Schiff: 47 feet, so a good 11 feet taller than what the guidelines would call for?

Staff Neet: I'm sorry, I misread this. If you interpret this 40 to 50 foot for a 48 foot setback over on this side that would allow a 34.8 foot height [tape unclear].

Commissioner Schiff: 34 to 47, so 13 feet taller.

Basim Sabri: I'd just like to go over one area [indicating overhead]. Right in this area here, we met with Public Works and originally we shifted the whole building all the way down to the south end, there was almost zero greenery, but the Public Works would like to see some treatment to the water that's coming out, so they really emphasized that they would like to have some greenery as long as where the aesthetic of the building go, it is not open to the public eyes, but it's more of a pleasant look coming in with some of the shrubbery we have placed in here. But this greenery is part of the water treatment that the Public Works people have wanted. Just very quickly for Mr. Schiff, talking about the price and so forth, I just want to let you know that we already have well over $400,000 invested in that spot above what has been purchased. It is also nice, important for the commissioners to understand that this area here was an old Elroy Street that was vacated so it was not part of the original parcel that was purchased. So that's why these spots that's in here, if you call it a no-man's land. It's designated either for this development or for the Karmel Square existing property. It's hanging in there, 35 parking spaces that we have not discussed.

Commissioner Schiff: What improvements have you made to this site already?

Basim Sabri: Just the architects alone, we've spent well over a couple of hundred thousand dollars. There's testing, staff times, meeting.

Commissioner Schiff: OK, so development costs, not site improvements.

Basim Sabri: We haven't put up 6 floors yet, so it's just soft costs. Thank you.

President Martin: Commissioners, we did the public hearing stuff, so unless there's something pressing that you need to hear. Commissioner Krause?

Commissioner Krause: Madame Chair, I do have a couple more questions. The site plan does not currently show any kind of a pedestrian pathway on the Greenway side that I can find on the site plan, so that would occur… are we eliminating that possibility? I think the desire is to have a continuous pathway along the Greenway and we have approved it in other projects along the Greenway and I don't see it here. That was one question I had. The other question is would the site plan, you'll have to remind me what the code requires is it 20 percent green space on the site, or is it only 15?

Staff Neet: 20.

Commissioner Krause: So they will require a variance?

Staff Neet: Or enhanced landscaping or alternative compliance…

Commissioner Krause: Because they're currently at 17.8 percent or something like that.

Staff Neet: That needs to be recalculated. I talked to the architect just before the meeting and he thinks that the amounts listed here are in error. That does raise the point though that the conditions that staff recommends for approval, that they all be approved as well and that would take care of the site plan.

Commissioner Krause: Well I personally want to be able to vote, if there is in fact a variance requested to have less than the required 20 percent, that's something I'd rather vote on.

Staff Neet: You can authorize staff to insist upon enhanced landscaping and alternative compliance or, if they don't comply with what staff requests, then we will have a landscape architect look at it. Then we will come back to you.

Staff Jim Voll: Commissioner Krause, I just want to clarify that for site plan review the 20 percent landscaping requirement is a site plan standard, so any reduction in that would not be a variance, just to clarify for everybody, it's not a separate application – it's done as alternative compliance as part of the site plan chapter.

Commissioner Krause: Unless they don't meet it through alternative compliance and then it would require a variance?

Staff Jim Voll: Well no, that's a standard that can only be reduced through alternative compliance, so if they don't meet it, if we cannot find alternative compliance, some sort of an amenity or improved landscaping that's above and beyond the standards that could substitute for the reduced percentage, then you probably wouldn't approve the plan, but there would be no variance that they would apply for.

Commissioner Krause: How is this different from Chicago Commons which we dealt with a few weeks ago? That had an actual variance request.

President Martin: For landscaping?

Staff Jim Voll: I'm not privy to that…

Commissioner Krause: Yes, for the amount of impervious surface.

Staff Jim Voll: Well that's different. In certain districts, we have an impervious surface requirement and if you have so much of the site that's paved and buildings that exceed that then you have to get a variance for that.

Commissioner Krause: So that's more a function of the district it's in.

Staff Jim Voll: That's correct.

President Martin: Just to be clear, the whole area that is on the north side of the building, facing the Greenway, does not count into that calculation?

Staff Neet: It should.

Scott Nelson: This area should. We're not in agreement that the calculation is correct right now because the previous one, we were at 30 and we just shifted more of the Greenway, more of the landscaped space to the Greenway and the only thing that would deduct from that would be a walkway that we've got plenty of room for.

Staff Neet: And that needs to be addressed in a moment too.

President Martin: OK, so Mr. Nelson, you're saying that you think the landscaping actually has increased.

Staff Neet: I took this figure here and Mr. Nelson is saying that the landscaping did not change so far, so this number might be in error.

Scott Nelson: That's the total area of the total green area, but it's not the net area and that's the problem.

President Martin: Say that again.

Scott Nelson: We deduct that from the building, so we actually are still at roughly 30 percent.

Staff Neet: I withdraw my comment.

President Martin: OK.

Scott Nelson: And then one of the reasons we made an addition for the Greenway setback, for the light setback, moving the building back is to allow for a walkway that could go along and still have plenty of space for our playground and plaza along the topside of the Greenway.

President Martin: So that's this thing going, which is what you imagine to be the walkway. OK, anything else?

Staff Neet: Only the conditions and one other point. The play area that is shown is approximately 1,400 square feet.

Commissioner LaShomb: I'm going to need a lot of help with language. I'm going to move the revised site plan. And Fred, are you telling us that it's the conditions that are on the green sheet that have to be included?

Staff Neet: Correct. We need that easement, we need final review of the site and landscaping plan for…

Commissioner LaShomb: OK, and this would be for 72 units and still 20,000 square feet.

Staff Neet: Correct.

Commissioner LaShomb: OK, so I will move it. (Krueger seconded).

Commissioner LaShomb: Well, I think this is really a difficult issue and I don't think there's a way out of this one, frankly, other than leaving the lots empty and I think we've already crossed that bridge and the City has decided that this height should be developed and the Planning Commission decided with some conditions that it should be developed, so the question is fundamentally how the building should sit on the site. My concern of two weeks ago was I didn't want a situation that we pushed the building so far to the south that we had parking on what I call the trench, other people use kinder… But the point is I don't want to see parking lots when I'm riding my bike through the midway corridor. So that was my big concern is that we shouldn't push this building down so far that it turned out to be a monstrosity. Whatever happens, there's still going to be a parking problem in this neighborhood. I don't know if that's an issue we can address today, but I think this about as it's going to get. Given where we are and the fact that some of these issues are in front of the City Council as part of an appeals process, we should just move the site plan along as it's been modified because I think it's about the best deal we're going to get.

Commissioner Schiff: Well, I think I can make it a little bit better, Commissioner LaShomb. I'm not comfortable, we had this discussion when the Midtown Exchange came forward telling developers it's OK to shadow the Greenway any month during the year. I think we're setting bad precedent if we allow that to happen and we do have provisions in our site plan and our Zoning Code that says we should not allow shadowing of public green spaces. So we don't need, as far as I know, a formal overlay district to protect green spaces from shadows. So I'm going to move that the…

President Martin: There's already a motion on the floor.

Commissioner Schiff: Right, I'm going to move an amendment that the maximum height of the building should be 34 feet high.

President Martin: Fred, what's allowed?

Staff Neet: 4 to 6 stories, 52 feet, something well above.

Commissioner Schiff: Given the setback that you showed us?

Staff Neet: Oh no, that's the Midtown Greenway Coalition guidelines.

Commissioner Schiff: Designed to avoid shadowing.

President Martin: Which have not been adopted yet.

Commissioner Schiff: Right, but we do have in our code provision that says green spaces should not be shadowed.

President Martin: OK.

Staff Neet: Just under 35 feet, with a 48 foot setback, but then we've got a 38 foot setback on those two ends.

Commissioner Schiff: So just under 35, all right, 35 feet then, I'll correct my motion.

President Martin: Is there a second for that? (Kummer seconded)

President Martin: Is that acceptable?

Commissioner LaShomb: Well I guess I'm not… I'd like a little clarification about what that does for the project. Does that mean instead of becoming a 4-story building, it becomes a 3-story building? Does it mean that instead of an 8-foot ceiling, it's now a 6-foot ceiling? I mean what is the impact going to be?

Scott Nelson: We could offer one other thing, is there is space…

President Martin: Mr. Nelson, we need to have you on the microphone please.

Scott Nelson: The other alternative to this to achieve the same effect basic as we're working with the angle is to move the building further to the south or to narrow it, basically getting the same net effect of achieving minimal if any shadowing on the Greenway. In fact, we had actually a proposal to go that has a 56 foot setback. Public Works didn't like that as well due to the fact that there was no space left for green space at the internal parking lot.

Commissioner Schiff: So, for this alternative proposal, just so I can ask you, did that result in the parking lot being placed to the north of the building, or…

Scott Nelson: Basically, what happens is for the 56 is that the entire building moves up, building and parking, right to where the green space is. Basically, Gary, if we move… This green strip we have right in here is 8 feet. If we move everything that way and additional 8 feet, we now have 56 feet. That additional 8 feet would actually move the December 22nd sun angle to the edge of the bike path.

Commissioner Schiff: To the northern edge or southern edge of the bike path?

Scott Nelson: To the southern edge. If we look at…in so doing this, we would basically be putting the building face and parking lot right there. That additional 8 feet gets the [showing sun angle on overhead]. We ran this study before we met with Public Works last week, it puts it right to the center of the 119 feet and that's the December sun angle, that's the worst case.

Commissioner Schiff: The people you've got in your diagram, are they in the bike path, or…

Scott Nelson: They're on the walking path. But still, just to be completely honest here, we don't quite get all the way to the walking path with that.

President Martin: But there's usually no sun on December 19th anyway.

Scott Nelson: There's really not. It's not really green then either actually, but… It was the best compromise we could come up with and still do some things on the other side of the parking lot.

Commissioner Schiff: What about the fourth floor of the building – could also be set back to achieve the same effect.

Scott Nelson: It would reduce the size of the floor. It is a possibility, it does the reduce the size of the floor in the units up there which increases the cost, and decreases what the units would look…

Commissioner Schiff: Well, we have a couple of options for Planning Commission members.

Commissioner LaShomb: I'm still not clear, Madame President, is Public Works agreeable to that in quotes compromise?

Scott Nelson: The plan we proposed to Public Works had the building with a 56 foot setback, not a 48 foot setback. They were concerned about the lack of green space on the other side, on the north side, on the parking lot side. Thus, this was a compromise.

President Martin: And their concern was around water treatment and drainage.

Scott Nelson: Right, in addition to the looks of the landscaping, probably the same concerns.

President Martin: Got it.

Scott Nelson: In addition, this move takes the ramp and puts it a little further off the parking row as well.

Commissioner LaShomb: So as Commissioner Krause said, the discussion is really shadowing versus green space. So when you cast your votes, think about shadows in December versus green space about 6 months a year.

President Martin: OK, well the question for you Commissioner LaShomb, is do you consider it a friendly amendment or do we need to vote on it.

Commissioner LaShomb: It is not a friendly amendment.

Basim Sabri [off microphone]: Can I give one more little option that I think is a compromise between the two…?

President Martin: We're dealing with our process now. OK, so we need to vote on your amendment. So all those in favor of Commissioner Schiff's amendment that we limit the height to 35 feet, what you proposed, please signify by saying aye.

The motion carried 3 - 2 (Krueger and LaShomb opposed).

President Martin:[to clarify vote] Let's do this again, all those in favor, we're just voting now on Commissioner's Schiff's motion to add a condition that limits the height of the building to 35 feet all over the building.

The motion carried 3 - 2 (Krueger and LaShomb opposed).

Commissioner Schiff: And then, Madame Chair, just to keep the option out there, even though the developer says it adds cost, I'm going to make another motion that the fourth floor may be taller given that the fourth floor is set back an additional, and here I'll need a suggestion, 8 feet?

Scott Nelson: If you're trying to achieve the same effect as the angle, you gave us 35 feet as the height limitation, it would seem to me about 8 feet would get us…

Dean Davolis [off microphone]: If you either move the building 8 feet back [tape unclear] or set the fourth floor 8 feet back, it's a combination thereof. So if you want to keep the fourth floor, you take 8 feet off this piece to make it work, or there is one other idea that Basim threw out. He can nip the wings 8 feet which would preserve the green space also, so there's actually three ways to do it: keep it at 35, shrink the fourth floor by 8 feet, or nip the wings by 8 feet to preserve the green space. So that's the three approaches to accomplish the shadowing effect. What I would like to do is have those three options available so we can pick the best one out of that bunch.

President Martin: OK, so Commissioner Schiff, you've now gotten everybody to approve a motion that says 35 feet, so do you want to have an additional motion that gives them the other two options?

Commissioner Schiff: I would, as those are described. I think those also, we don't need to pick which one right here and we could all disagree on what's the best solution.

President Martin: So why don't we do this – the appropriate thing is to amend your condition to add in the other two.

Commissioner Schiff: So a 6 B, in addition to 6 A that was just approved.

President Martin: 6B would be an alternative, 35 feet or wings nipped back or the fourth floor setback 8 feet.

Commissioner Schiff: Exactly.

Commissioner LaShomb: That's friendly.

President Martin: OK, the motion that is before us is to approve the site plan with those now 6 conditions understanding that 6 is two part…

Staff Neet: Madame President, I need clarity. 6B is cut the wings back?

President Martin: No, it's the following Fred: 6A said limit the thing to 35 feet. 6B says it can be, the fourth floor as is here, can be here if the wings are cut back or if there's an 8 foot setback.

Scott Nelson: Right, the net effect of cutting the wings back is it moves the entire building 8 feet further away, because that's the whole goal. Effectively, the 8 foot cutback or relocation gives us a 56 foot setback building face to property line.

President Martin: So as I understand it now, what will happen if we approve this is that it will then be negotiated with staff as to which of these three options will be the one that will go forward. One of the three, just one.

Dean Davolis [off microphone]: Likely it will be the 8 foot wings or the 8 foot reduction of the fourth floor.

Commissioner Krause: Madame Chair, I would assume this will be friendly, but I would rather we had a height limit rather than speaking in terms of floors, so in other words, say that any addition to the building that is between the 35 foot height (that amendment that we approved) and the original height of the building with the four stories, which was 47, that any building structure that's between that 35 and 47 must be an additional 8 feet further back from the property line. As opposed to simply putting it in terms of floor [tape end]. Because I don't think that's quite as precise.

President Martin: I don't think…I think all we need to say then is rather than saying fourth floor that the original plan which was for four floors at 47 feet.

Commissioner Krause: Provided that we aren't approving something above 47.

President Martin: No, the original plan was limited to 47 and what we're saying here is if they don't set what is essentially the fourth story of the building 8 feet, or cut off the wings on at some level 8 feet, that the whole fourth floor goes away.

Dean Davolis [comment off microphone unclear].

Commissioner Krause: And I'm trying to tighten up that language so we're clear with staff and the developer what we're seeking, so if that's the language, that will be reflected in our motion.

President Martin: I think it's all clear. Fred, you understand? OK, so the motion that's before us is to approve the site plan with those 6 conditions, with the understanding that condition 6 is going to get negotiated between staff and the developer, hoping for the best result. All those in favor of that motion please signify by saying aye.

The motion carried 5 – 0.