

**Department of Community Planning and Economic Development – Planning Division
Second Amendment to the Conditional Use Permit for a Planned Unit Development, Variance,
Amendment to Site Plan Review, and Amendment to Preliminary Plat
BZZ-2868**

Hearing Date: 3/27/06

Applicant: MacPhail Center for Music

Address of Property: 1128 LaSalle Ave., Mpls., MN 55403

Project Name: MacPhail Center for Music

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Date Application Deemed Complete: 3/3/06

End of 60-Day Decision Period: 5/2/06

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

Ward: 7 **Neighborhood Organization:** Downtown Minneapolis Neighborhood Association, Industry Square Project Committee

Existing Zoning:

- **Primary:** C3A, Community Activity Center District
- **Overlay Districts:**
 - Downtown Height
 - Downtown Parking

Proposed Zoning: Not applicable for this application

Zoning Plate Number: 19

Legal Description: Not applicable for this application

Proposed Use: MacPhail Center for Music proposes to construct the new MacPhail Center for Music building, a performing arts education facility, at 501 2nd St. S. The project is the third phase of the three-phase Planned Unit Development for the block known as Parcel C. The project includes 1) the construction of a new 6-story, 55,200 sq. ft. building to house the MacPhail Center for Music and 2) an exterior landscaped courtyard on the northeast corner of the property to allow for musical recitals

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and to serve as a gathering space for students and faculty. The building will house individual and group instructional studios, larger group classrooms, early childhood development classrooms, a large central lobby, and a formal performance hall with seating for 200-250 people.

Concurrent Review:

- Second amendment to the approved Conditional Use Permit as a Planned Unit Development (PUD).
- Variance for a rooftop sign.
- Amendment to the approved Site Plan Review approval.
- Amendment to the approved Preliminary Plat (PL-103). **Withdrawn by the applicant** (refer to explanation in Background section of this report).

Applicable zoning code provisions:

- **Conditional Use Permit:** Chapter 525, Article VII, Conditional Use Permits for the Planned Unit Development. (MacPhail is classified as a “performing, visual or martial arts school” and is a permitted use in the C3A District. For the purposes of parking calculation, it is classified as an educational arts center.)
- **Variance:** Chapter 525.520 (20), to vary the standards of any overlay district. Variance is to allow a rooftop sign on a building less than 100,000 sq. ft. in size.
- **Site Plan Review:** Chapter 530.
- **Preliminary Plat:** Chapter 598.

Prior approvals:

- **Planning Commission actions on 12/11/01 for the entire block (Parcel C) and all three phases of the Depot East project (BZZ-359 and PL-103):** The first two phases have been built.
 - Approved the Conditional Use Permit as a Planned Unit Development. The third phase, MacPhail, was approved in concept only.
 - Approved the Site Plan Review. The third phase, MacPhail, was approved in concept only.
 - Preliminary Plat (PL-103).
- **Planning Commission actions on 3/31/03 (these permits will expire on 3/31/03, BZZ-1069):** Although the Planning Commission gave final approval to amend the PUD and for Site Plan Review for MacPhail, these two permits will expire on 3/31/06 (after a one-year extension). Furthermore, the project has substantively changed (the preliminary plat is still valid).
 - Approved an amendment to the PUD for Phase 3, the MacPhail Center for Music Project.
 - Approved an amendment to the Site Plan Review for Phase 3, the MacPhail Center for Music Project.
- **Travel Demand Management Plan:** The Public Works and Planning departments approved the Travel Demand Management (TDM) Plan for the entire Parcel C/ Depot East

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development on 4/24/02.

- **Stormwater Management Plan:** The Public Works Department approved the plan for the entire Parcel C/ Depot East development.

Background:

Planned Unit Development on Parcel C, MacPhail components and setting: The MacPhail Center for Music (MacPhail) project is the third phase of a three-phase project that encompasses the entire block. There are several names associated with this block and it's worthwhile to distinguish them. The block, known as Parcel C, is bounded by Washington Ave. S., 5th Ave. S., Second St. S., and Portland Ave. S. The overall name for the three-phased development is the Depot East Project. At one time, the City owned the entire block but now only owns the MacPhail site. The phases of the PUD are as follows (Attachment 1):

- **Phase One (completed):** The CSM Corporation built the Depot East parking ramp containing 270 spaces with detached garages for the residential units.
- **Phase Two (completed):**
 - The CSM Corporation built a 151,000 square foot mixed-use building called the Depot East Office Center that houses offices, retail, and the Nocee Restaurant that fronts on the corner of 5th and Washington Avenues. This building fronts on Washington Avenue and is four stories tall (73 feet).
 - The CSM Corporation built twenty-two units of owner-occupied housing, called Metropolitan Lofts. The building fronts on both Portland Avenue and Second Street and is four stories tall.
- **Phase Three (pending):** MacPhail Center for Music is the subject of this application.

Historic Mills District Master Plan: Parcel C is outside of the locally and nationally designated St. Anthony Falls Historic District, however, the southern boundary of the district begins at the centerline of Second Street. The *Historic Mills District Master Plan* (Master Plan) was published in June 1998 and later adopted by the City. The Plan included an urban design plan and design guidelines for each block of the District (refer to the response to Finding 5 for the Conditional Use Permit for more detail and Attachment 9).

Project description: There are two major components to Phase 3 (Attachment 4):

- Construction of a new 55,200 square foot building on the currently vacant site to house the MacPhail Center for Music. St. Thomas University owns the current MacPhail building that houses MacPhail at 1128 LaSalle Ave. S. and leases it to MacPhail until the new building is ready.
- Construction of an exterior courtyard on the northeast corner of the property to allow for outdoor musical recitals and serve as a gathering space for students and faculty.

MacPhail will be a performing arts education facility that will house the following functions:

- Individual and group instructional studios
- Larger group classrooms
- Early childhood development classrooms

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- A large central lobby and a formal performance hall with seating for 200-250.

The northwestern portion of the building that extends to the corner of 2nd St. and 5th Ave. will house the formal performance hall and, at 47½ ft., will be the equivalent of 3 stories. The southern half of the building, at 87 ft., will be 6 stories in height.

Site control and public subsidy: The Minneapolis Community Planning and Economic Development Department (CPED) currently owns the site. Although the City Council has not yet approved the sale of the property to MacPhail, the City has an approved development agreement with MacPhail, and the CPED staff have submitted a letter of commitment to sell the property to MacPhail. The Assistant City Attorney’s opinion and past practice is that this is sufficient to demonstrate site control. State and Metropolitan Council grants (and land sale proceeds from phases 1 and 2 of the Depot East project) were used for pollution cleanup on the entire Parcel C site. Tax increment financing was used for the Depot East ramp. There were no direct subsidies to MacPhail because the institution paid the market value for the land established at the time.

Preliminary plat and vacation applications: After accepting and noticing an application for a preliminary plat to amend the existing approved preliminary plat for the site, City staff determined the appropriate application was a vacation application. The intent is to eliminate the drainage and utility easement that exists on the western portion of the site. There are no utilities within the easement area. Later, City staff determined that only the approval of a vacation could eliminate the kind of easement that is on the site. As the owner of the site, the City has filed the vacation request and MacPhail has withdrawn the preliminary plat application. The Planning Department recommends the Commission address the other applications herein and not hold them up to complete the vacation simultaneously. The recommendation of approval for the amendment to the PUD at the end of this report are conditioned on the subsequent approval of the vacation.

Developer statement: The applicant states that, “Construction of the new MacPhail Center for Music facility will bring a historic Minneapolis institution into the heart of the developing Historic Mills District and 2nd Street arts corridor, furthering the City’s stated vision of revitalizing this area with a mix of cultural venues interspersed within a developing neighborhood of residential and commercial uses. The landscaped courtyard will provide green space within the ever-increasing density of the surrounding area while also promoting an engagement between the students and faculty of MacPhail and the surrounding neighborhood.” Attachment 5 includes the submittals from MacPhail.

Neighborhood comments: The Downtown Minneapolis Neighborhood Association voted to approve the project at their meeting on 3/14/06, and the Industry Square Project Committee recently voted to support the project (refer to Attachment 8).

CONDITIONAL USE PERMIT FOR THE PLANNED UNIT DEVELOPMENT

A. Findings as required by the Minneapolis Zoning Code for the Conditional Use Permit:

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Although a “school, vocation or business” is listed as a permitted use on Table 548-1, a project in a PUD must satisfy the six findings required for a conditional use permit and the two additional findings required for a PUD, pursuant to Section 527.280.

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

1. Will not be detrimental to or endanger the public health, safety, comfort or general welfare.

The proposed development will add the MacPhail Center for Music, an institutional use, to the downtown area. The site is within the Historic Mills District where uses are transforming from industrial and surface parking lots to mixed-use developments. The proposed development will add an educational and cultural element to an area that is redeveloping with office, retail, residential, and other cultural amenities such as the Mill City Museum and the Guthrie Theater.

The primary off-site effects of the MacPhail project are twofold:

- **Traffic and parking:** The project will create new parking demand (including short-term drop/pick-up demand) and additional traffic. As detailed below in the response to Finding 4, the approved TDM Plan and the amendments to it, and the developer commitment to implement the TDM Plan measures indicates that these potential off-site effects are not likely to be significant.
- **Stormwater management:** The Public Works Department approved the Stormwater Management Plan for the PUD. The plan includes a buy-out waiver that enabled the block to be fully developed without on-site treatment. The waiver process is designed to allow developments on sites where on-site treatment is unwise, such as downtown sites or sites where there are geological or pollution concerns. The buy-out amount is sized to account for the cost to treat a like amount of stormwater through one of the City’s stormwater management ponds located within the same watershed district.

The Preliminary Development Review (PDR) group reviewed the project on 11/9/05 and again on 2/15/06. Planning staff believe that the developer has addressed all concerns raised (refer to PDR report in Attachment 11).

The applicant’s statement follows: “The proposed development will add a prominent cultural institution to the developing Historic Mills District area where uses are transforming from open lots to mixed-use developments. The proposed project will complete the multi-phase development of the Milwaukee Depot East property and will substantially improve existing conditions.”

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- 2. Will not be injurious to the use and enjoyment of other property in the vicinity and will not impede the normal or orderly development and improvement of surrounding property for uses permitted in the district.**

The *Historic Mills District Master Plan* calls for view corridors along 5th Avenue to preserve the view of the Third Ave. Bridge. The building placement along 5th Avenue and 2nd Street will create the street wall and preserve the view corridor northward along 5th Avenue towards the bridge (refer also to the discussion regarding building placement in the Site Plan Review section of this report). Joint use of parking is very positive for ramp economics. MacPhail's use will economically benefit the both the Milwaukee Road Depot ramp and the Depot east ramp adjacent to the east.

The applicant's statement follows: "The proposed development of a cultural education facility will not be injurious to, and in fact will encourage and be consistent with, the general redevelopment of the area, which is in a transition from industrial and surface parking uses to housing, commercial and cultural uses. The proposed development will promote the cultural activity associated with an educational arts facility and performance hall. The development also allows for unobstructed views of the 3rd Avenue Bridge down 5th Avenue South."

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

As stated above, the PDR group reviewed the project on 11/9/05 and again on 2/15/06 (refer to PDR report in Attachment 11). The private alley provides adequate access for service and emergency vehicles. The Fire Department requires it to be posted as a fire lane. The project is subject to the approved stormwater management plan (Attachment 10).

Consistent with the Depot East PUD approval, MacPhail will not have parking on its site but will have easement rights to parking spaces in the Depot East ramp and also in the Milwaukee Road Depot ramp. This parking arrangement is consistent with the policies of the *Historic Mills District Master Plan*, which call for shared parking and insures long term, adequate parking for the MacPhail Parcel. The new sidewalks and streetscaping adjacent to MacPhail's building will be consistent with sidewalks and streetscaping for the entire block.

The applicant's statement follows: "The Travel Demand Management Plan (TDM) dated April 23, 2002 and subsequent Addendum to the TDM dated January 20, 2006 address the project's impacts on traffic in the surrounding area. MacPhail presented the project for Preliminary Development Review on February 6, 2006 at which time the City found that existing utilities, access roads and other necessary facilities are adequate. The Public Works Department will require signage be installed to prevent pedestrian crossing at the mid-block area of 5th Avenue South. Adequate emergency

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vehicle access is also provided. Department of Fire Safety requires posting of the drive lanes along the east and south sides of the building be posted as fire lanes.”

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

Attachment 6 includes excerpts from the Travel Demand Management (TDM) Plan that was approved for the full-block Depot East PUD project including MacPhail in 2002. Since the MacPhail project analyzed at that time was 56% larger than currently proposed, the Attachment 6 includes a revision to the TDM Plan to account for the smaller project.

- **Traffic:** Table 3 in Attachment 6 shows that the PUD will have no significant effect on existing traffic conditions as predicted by the Level of Service (LOS) analysis. Since MacPhail won't be open during the a.m. peak hour, only the p.m. peak hour was studied. Two of the six intersections studied would change from an “acceptable” LOS (Levels A to C) to Level D during the p.m. peak hour. Public Works considers Level D to be undesirable but acceptable during the peak hours. These two intersections are at 3rd Ave. S. at 2nd St. and at Washington Ave. S. According to the conclusion in the revision to the TDM Plan, the current smaller project results in a net reduction of 497 daily trips and 108 p.m. peak hour trips. Although this is a significant reduction, it does not change the LOS findings.
- **Alternative transportation:** Table 6 and Figure 3 in Attachment 6 illustrate the excellent transit service available in the area. Although not shown on the site plan, MacPhail will add a sufficient number of bike racks to meet the expected demand. Their location will be covered by security cameras.
- **TDM Plan measures:** In order to further minimize the potential parking and traffic impacts of the PUD, CSM and MacPhail agreed to the TDM Plan measures listed on pages 18-20 in Attachment 6.

Based on the approved TDM Plan and the amendments to it, and the developer's commitment to implement the TDM Plan measures, the MacPhail project is not likely to have a significant adverse effect on future traffic conditions, and those future conditions are likely to be at acceptable levels of congestion during the period of concern, the p.m. peak hour.

The applicant's statement follows: “Adequate measures have been taken or will be taken to minimize traffic congestion on the public streets. Refer to the above mentioned Traffic Demand Management Plan for additional information.”

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

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- a) ***The Downtown 2010 Plan:*** The site is within the area covered by *The Downtown 2010 Plan*, which has been adopted as part of the *Minneapolis Plan*. The following policy guidelines speak to this area of downtown:
- Promote a street-level design of buildings that contribute to downtown’s vitality and security by encouraging individual entrances to street-level building tenants, windows and architectural detailing.
 - Promote retail and other interesting uses at street level in order to reinforce the linking function of streets and to create vitality. These uses should be encouraged at the street level throughout downtown and required where the continually of retail activity is important.
 - Encourage improvements to the public right-of-way that support pedestrian and transit circulation and that beautify downtown.
 - Support private use of the public right-of-way where its interest and vitality to the pedestrian environment.
 - Improve physical and visual access to the riverfront.
 - Emphasize good open space design.
 - Encourage new buildings adjacent to historic buildings, sites and districts to be compatible in design.

- b) ***The Minneapolis Plan:*** According to the principles and polices outlined in *The Minneapolis Plan*, the following apply to this proposal:

Policy 3.2: Minneapolis has adopted Downtown 2010 as a component of the City’s Comprehensive Plan and envisions downtown Minneapolis in the year 2010 as one of the nation’s finest urban centers; a place of prosperity, civilization and civic pride that will serve as the center for the metropolitan area, the state and surrounding region.

Implementation Steps (selected):

- Enhance downtown as a special place that offers the finest qualities and experiences associated with cities.
- Strengthen downtown’s role as the region’s center of arts, entertainment and culture.
- Encourage the growth of educational uses in order to complement other functions and to enhance downtown as an arts and cultural center.

Policy 5.5: Minneapolis will build on the educational activities of colleges, universities and technical schools in the Twin Cities region.

Policy 6.5: Minneapolis will continue to promote the economic and creative vitality of arts activities based in the city, both as a regional center for art with an international presence as well as a unique arts environment that responds to local specialty interests.

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Implementation Steps (selected): Enhance the city’s unique arts and cultural resources that promote the city’s identity within the region and in special ‘niches’ within the arts community.

Policy 9.1: Minneapolis will continue to flourish as the ‘City of the Waters’, the financial capital of the Upper Midwest and the service center of the grain belt.

Implementation Steps:

- Strengthen downtown Minneapolis’ role as the economic center of the region (see Minneapolis Downtown 2010 plan).
- Protect the image and form of the downtown skyline by promoting building heights, forms and density that furthers downtown’s distinctive physical and historical character (see Minneapolis Downtown 2010).
- Promote Minneapolis’ identity as a cultural capital.

Policy 9.10: Minneapolis will support efforts that recognize both the increased visibility and importance of corner properties and the role of gateways in enhancing traditional neighborhood character.

Implementation Steps (selected): Require site plan review of new development or major additions to new structures (other than single family homes) on corner properties.

Policy 9.11: Minneapolis will support urban design standards that emphasize a traditional urban form in commercial areas.

Implementation Steps (selected):

- Enhance unique characteristics of the city’s commercial districts by encouraging appropriate building forms and designs, historic preservation objectives, site plans that enhance the pedestrian environment, and by maintaining high quality public spaces and infrastructure.
- Identify commercial areas in the city that reflect traditional urban form and develop appropriate standards and preservation objectives for these areas.
- Enhance pedestrian and transit-oriented commercial districts with street furniture, tree planting, and improved transit amenities.
- Orient new buildings to the street to foster safe and successful commercial nodes and corridors.

Policy 9.16: Minneapolis will encourage new development to use human scale design features and incorporate sunlight, privacy, and view elements into building and site designs.

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Implementation Steps:

- Require that new development in downtown avoid creating negative impacts at sidewalk level and in public open spaces in terms of wind, lack of light penetration and other microclimate effects.
- Encourage the design of all new buildings to fulfill light, privacy and view requirements for the subject building as well as for adjacent buildings.
- Promote the preservation and enhancement of view corridors that focus attention on natural or built features, such as the downtown skyline, landmark buildings, significant open spaces or water bodies.

c) **The *Historic Mills District Master Plan*:** The *Historic Mills District Master Plan* was published in June 1998 and later adopted by the City. It included an urban design plan and design guidelines for each block of the District. The following describes those policies most applicable to the project (refer to Attachment 9):

- The Master Plan established seven overall urban design concepts to inform the redevelopment of the District. Of those seven concepts, the one most applicable to this project is to “link new residential, cultural and recreational development to downtown and the riverfront.”
- “High priority should be given to the adaptive reuse of existing vacant buildings and new buildings must be respectful of the scale, architecture and materials of the historic context.” (p. 22)
- The land use plans showed 8-9-story commercial and office uses as the dominant use on Parcel C. This is comparable to the 8 stories allowed in the Downtown Height Overlay District.
- “New buildings should be stylistically compatible with the existing commercial warehouse buildings of the late 19th and early 20th century. These existing buildings are imposing masonry buildings with broad elevations punctuated with regularly spaced windows and capped with heavy cornices and flat roofs.” (p. 44)
- The Master Plan calls for new buildings to have simple well-proportioned volumes (p. 51); that the materials be limited to brick, stone, or cast stone; and that they include 42”-high parapets to conceal roof-top equipment (p. 45). The plan calls for street trees to be 30-t40 ft. on center and it specifies setback requirements that are addressed in the site plan review portion of this report.
- The Master Plan calls for the preservation of the view corridor to the 3rd Avenue Bridge as one looks north along 5th Ave.

d) **The applicant’s statement follows:**

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The proposed development is designated as Educational by the *Downtown 2010 Plan*. The following policy guidelines speak to this type of development in this area of downtown:

- *Promote a street-level design of buildings that contribute to downtown’s vitality and security by encouraging individual entrances to street-level building tenants, windows and architectural detailing.* The proposed courtyard and building entrances on both 5th Avenue and 2nd Street contribute to the vitality of each street frontage and add open space along 2nd Street to promote greater interaction between attendees of MacPhail and the general public. The architectural detailing of the building at street level provides for a large amount of windows facing both streets to further promote this public interaction and improves security with more “eyes on the street”.
- *Promote retail and other interesting uses at street level in order to reinforce the linking function of streets and to create vitality.* The cultural nature of the proposed development is consistent with this guideline.
- *Encourage improvements to the public right-of-way that support pedestrian and transit circulation and beautify downtown.* Due to the nature of the site, there is a large public right-of-way along 5th Avenue that will be landscaped to positively accentuate the proposed MacPhail development and right-of-way space while maintaining the view corridor down 5th Avenue to the river.
- *Improve physical and visual access to the riverfront.* The large right-of-way along 5th Avenue helps to maintain the view corridor down 5th Avenue of the 3rd Avenue Bridge.
- *Emphasize good open space design.* The proposed development promotes open space around the building along both street frontages with both a landscaped right-of-way along 5th Avenue and the courtyard facing 2nd Street while at the same time anchoring the intersection of the two streets with the large volume of the performance hall.
- *Locate educational uses in areas where they complement downtown’s primary functions of office, retail and housing.* The proposed development is consistent with the stated vision of revitalizing the Mississippi riverfront area with cultural venues interspersed within a developing neighborhood of mixed residential and commercial use.

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- e) **Consistency with applicable plans and policies:**
- The cultural and education uses that MacPhail will bring are consistent with above policies and plans and especially Policies 3.2, 5.5, 6.5, and 9.1 in the *Minneapolis Plan*.
 - The *Downtown 2010 Plan*, the *Minneapolis Plan*, and the *Historic Mills District Master Plan*, all stress the importance of encouraging street-level, pedestrian-oriented vitality through traditional urban form. A key element is the orientation of buildings to the street, especially in commercial districts and downtown. Policy 9.10 stresses the even greater importance of corner properties. Along the northwest portion of the building on 5th Ave., the design includes active uses with the glass-enclosed performance hall and the secondary entrance, which will enhance the pedestrian experience and “eyes on the street.” However, the southwest portion of the building houses the loading area shop and fire pump room with a 45-ft.-long, plain brick wall devoid of windows (refer to the Site Plan Review portion of this report for more detail on this matter). Along the 2nd St. side, the design sets more than half of the first floor façade and the main entrance back 52 ft. from the curb behind the outdoor plaza area.
 - Inconsistent with the policies in the *Historic Mills District Master Plan* and the *Downtown 2010 Plan*, the 3-and-6-story scale of MacPhail is somewhat smaller than that of the nearby historic buildings, and the predominant use of glass and metal is not consistent with the historic masonry construction. The guideline to have simple well-proportioned volumes contrasts with MacPhail’s irregular and asymmetric shape. However, the Guthrie Theater, located a few blocks to the east, also breaks the historic consistency mold. One can argue that the design guidelines cited above refer primarily to the dominant uses proposed for the historic area, namely, residential and commercial. This is clearly true for the design prototypes detailed in the Master Plan. The Master Plan does not specifically address design guidelines for unique buildings such as MacPhail.
 - As regards the Master Plan guideline for buildings to have 42”-high parapets to conceal roof-top equipment, the building has 3-4-ft. parapets. Although rooftop equipment sheds are taller than that, the rooftop unit closest to a street (5th Ave.) is setback 16 ft. and will not be readily visible from the street.
 - In order to preserve the view corridor northward along 5th Ave. as specifically called for in the Master Plan and generally in Policy 9.16, the building is set back such that only two small portions of the building extend 5 ft. beyond the setback line created by the Depot East Office building to the south.
 - In response to Policy 9.16, the Site Plan Review section of this report includes a discussion about how two possible locations of the plaza compare as regards views, shadows, noise levels, and the spatial framing by surrounding buildings.
6. **And does in all other respects conform to the applicable regulations of the district in which it is located.**

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MacPhail is classified as a “performing, visual or martial arts school” and is a permitted use in the C3A District. The recommendations and conditions of approval herein will ensure the project conforms to the applicable regulations of the C3A District. Chapter 530, Site Plan Review; Chapter 535, General Applicability; Chapter 541, Parking and Loading; Chapter 543, On-Premise Signs; Chapter 548, Commercial Districts; and Chapter 551, Overlay Districts apply to this proposal. MacPhail’s building will also comply with Chapter 551, the Downtown Parking and Downtown Height Overlay Districts. Compliance with Chapter 543, On-Premise Signs is based on the conditional use permit subject to the approval of the subject rooftop sign variance.

B. Findings Required For Planned Unit Developments:

In addition to the conditional use permit standards contained in Chapter 525, Administration and Enforcement, before approval of a planned unit development the city planning commission also shall find:

1. That the planned unit development complies with all of the requirements and the intent and purpose of this chapter. In making such determination, the following shall be given primary consideration:

a. The character of the uses in the proposed planned unit development, including in the case of a planned residential development the variety of housing types and their relationship to other site elements and to surrounding development.

The Background section of this report details the project uses and states that the proposed use is classified as a permitted use in the C3A District. The above response to Finding 5 states that the proposed uses are consistent with the applicable plans and policies of the City.

b. The traffic generation characteristics of the proposed planned unit development in relation to street capacity, provision of vehicle access, parking and loading areas, pedestrian access and availability of transit alternatives.

Refer to the response to Finding # 4 above.

c. The site amenities of the proposed planned unit development, including the location and functions of open space and the preservation or restoration of the natural environment or historic features.

All areas not needed for buildings and walkways are landscaped (46% of the net site). The project includes a public plaza area where outdoor performances and informal gatherings can take place.

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- d. **The appearance and compatibility of individual buildings and parking areas in the proposed planned unit development to other site elements and to surrounding development, including but not limited to building scale and massing, microclimate effects of the development, and protection of views and corridors.**

This project has sparked a considerable amount of discussion as to the best building orientation and the location of the outdoor plaza area (refer to Attachments 1, 3, and the photos in Attachment 7).

- **Proposed plan:** The current design offers the following features: The three-story performance hall is as close as possible to the corner of 5th Ave. and 2nd St. (refer to the discussion in the site plan review section of this report). As stated below, the *Downtown 2010 Plan*, the *Minneapolis Plan*, and the *Historic Mills District Master Plan*, all stress the importance of encouraging street-level vitality. The performance hall is just such an active use and the first floor walls are dominated by glass (67% and 100% on the 5th Ave. and 2nd St. sides respectively). This will enhance the pedestrian experience. Its three-story massing holds the corner and extends the street walls along 5th Ave. and 2nd St. The outdoor plaza will be framed by the new building on the south and west sides, by the end of the four-story Metropolitan Lofts building and the two-story Depot East parking ramp on the east, and by the tall brick wall of the historic Ceresota Mill across 2nd St. on the north. Views to the east will also include the historic Northstar Woolen Mill building. Traffic will be light on 2nd St. and in the adjacent private alley so vehicular noise will be minimized, which is important when the plaza is used for formal and informal musical performances and recreation.

The project architect describes the advantage as follows: “The proposed development promotes open space around the building along both street frontages with both a landscaped right-of-way along 5th Avenue and the courtyard facing 2nd Street while at the same time anchoring the intersection of the two streets with the large volume of the performance hall.”

- **Alternative:** On the other hand, the proposed design moves the main entrance from the important corner and into the recessed area behind the plaza. Since those who will use vehicles to access the site will walk to the two mid-block entrances from the two parking lots and the drop-off stalls, the design does not enhance the pedestrian activity at the corner. Planning staff requested the architect to consider flipping the plan so that the plaza and main entrance were oriented to the corner.

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The following describes some of the site context issues but ignores the numerous architectural ramifications such a “flipping” would trigger. If the plan were flipped, the plaza would be framed as follows (refer to the pictures in Attachment 7):

- **Buildings and views on the west:** The four-story Marriott Residence Inn across 5th Ave. would frame the plaza.
 - **North and northwest:** The two driveways and landscaping to the north across 2nd St. are less desirable as is the large parking lot between the River West building to the northwest and 2nd St. However, the City owns this parking lot (known as Parcel A) and is actively seeking development proposals, so this future building will help frame the plaza. The plaza would be open to dramatic views of historic buildings that included not only the historic Ceresota Mill but also the Crown Roller Mill, and Mill Place. These are the original projects that initiated the redevelopment of the Mills District beginning in the late 1980s. The important view corridor north along 5th Ave. reveals the historic Third Avenue Bridge and the Riverplace development across the river as well as the distant high-rise development on the site of the former Eastgate shopping center. Other high-rise buildings to the northwest, including the soon-to-be-built Eclipse, contribute to the view, especially with evening sunsets.
 - **South and east:** The MacPhail building would frame the plaza on the south and east and the secondary entrance would serve those using the short-term stalls located on the east side of the site and the Depot east ramp. Flipping the design also solves concerns described below regarding the large blank wall on the southwest corner of the building and the close proximity of the loading area to 5th Ave. Placing the plaza on the corner brings the plaza users into the view corridor that includes the historic Crown Roller Mill and the Third Avenue Bridge. Also, the 6-story MacPhail building will cast less of a shadow on the plaza later in the day, especially in summer when it is most likely to be used.
- e. **The relation of the proposed planned unit development to existing and proposed public facilities, including but not limited to provision for stormwater runoff and storage, and temporary and permanent erosion control.**

Refer to the responses to Findings 1-4 in the previous section of this report.

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2. That the planned unit development complies with all of the applicable requirements contained in Chapter 598, Land Subdivision Regulations.

As described above, the City has approved a preliminary plat for the site.

Section 598.230 (5) of the Subdivision regulations requires utility easements: “Where no alleys are provided, utility easements required by the city engineer shall not be less than five feet on side lot lines and ten feet on rear lot lines.” The site is too small to comply with the rear lot line requirement (south side of the site). However, the side and rear lot lines abut the private, L-shaped alley that separates MacPhail and the CSM-owned portion of the Depot East project. When MacPhail is ready to bring forward the final plat for the project, Planning and Public Works staff are prepared to recommend that the Commission vary the Subdivision regulations to eliminate this requirement per Section 598.310 of the Zoning Code. Approval of the final plat would be conditioned on the execution of an agreement between MacPhail and CSM that grants a joint easement to both parties for access, drainage, and utilities within the private alley. CSM and MacPhail have been refining this agreement for some time as part of the original PUD approval (BZZ-359). This agreement is also required in CPED’s redevelopment agreement with MacPhail and CSM. The vacation request that will be coming to the City will address the matter of the existing drainage and utility easement on the western portion of the site. The subject recommendations for approvals are conditioned on this subsequent approval of this vacation.

VARIANCE

Findings as Required By the Minneapolis Zoning Code for the yard variance:

The Board of Adjustment and Planning Commission shall not vary the regulations of the zoning code, unless it makes each of the following findings based upon the evidence presented to it in each specific case:

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

Although the Zoning Code has a general prohibition of rooftop signs, Section 551.855 that deals with the Downtown Height Overlay District allows an exception for buildings of 100,000 sq. ft. or larger in a specific area of the City within the district.¹ The site is within this area but the building is less than 100,000 sq. ft. (55,596 sq. ft.). MacPhail has applied for a sign variance to vary the 100,000 sq.-ft. requirement to 55,596 sq. ft. per Section 525.520

¹ 551.855. Roof signs. Notwithstanding any other provision to the contrary, on-premise roof signs may be allowed on nonresidential, multiple story buildings containing at least one hundred thousand (100,000) square feet of gross floor area located within the area bounded by Tenth Avenue South, Washington Avenue South, Third Avenue South and the Mississippi River, when approved as a sign adjustment pursuant to Chapter 543, On-Premise Signs, and Chapter 525, Administration and Enforcement.

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(20). This particular variance allows the Commission to vary the standards of any overlay district.

The applicant's statement follows: "The sign is mounted on top of the roof in part because of the difficulty in providing visually effective and meaningful signage for a major cultural institution given the nature of the building setback required along 5th Avenue and the nature of the immediately adjacent residential uses on the 2nd Street frontage."

There are no compelling reasons that prevent this new structure from complying with the sign ordinance.

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

The applicant's statement follows: "The sign provides effective and appropriate signage for the cultural nature of the building given its place within the immediately adjacent commercial and residential uses."

Refer to the response to the prior finding.

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

The applicant's statement follows: "The hardship is attributable to the specific restrictions on roof mounted signs for buildings less than 100,000 square feet and the spatial/visual limitations of the site and surrounding area. The variance will allow for a sign consistent with many building signs in the surrounding area, many of which are either historical or cultural, and will not contribute to street level visual clutter. The sign adjustment will satisfy the need to provide well-designed, effective and meaningful signage that reflects the cultural nature of the building within the immediate residential and commercial context. The historical evocativeness of the sign mounting on top of the roof is of a style that is consistent with other significant buildings in the surrounding area and as such will contribute positively to the Mills District area as a whole."

The sign, which is the MacPhail logo, is artistic in character. At a calculated size of 160 sq. ft., it is 90% of the allowable size and very transparent since it is composed of a single stylized letter made of polished aluminum channel (Attachment 4g). Overall, MacPhail is using only 31% of the total allowable signage. This rooftop sign will be on top of the 6-story southern portion of the building; more than 50 ft. back from the face of the curb on 2nd Street. This street has three other rooftop signs to the east: the North Star Blankets sign at Portland Ave., the Mill City Museum, and the large pillar signs on the new Guthrie Theater.

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

The sign variance will have no significant effect on congestion, the danger of fire, public welfare, or public safety.

SITE PLAN REVIEW

Findings as Required By the Minneapolis Zoning for Site Plan Review

Required Findings for Site Plan Review

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

Section A: Conformance with Chapter 530 of Zoning Code

BUILDING PLACEMENT AND FAÇADE:

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

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- a. Windows shall be vertical in proportion.
- b. Windows shall be distributed in a more or less even manner.
- Nonresidential uses:
Principal entrances shall be clearly defined and emphasized through the use of architectural features such as roofs or other details that express the importance of the entrance. Multiple entrances shall be encouraged. Thirty (30) percent of the walls on the first floor and ten (10) percent of the walls on each floor above the first that face a public street, public sidewalk, public pathway, or on-site parking lot, shall be windows as follows:
 - a. Windows shall be vertical in proportion.
 - b. Windows shall be distributed in a more or less even manner.
 - c. The bottom of any window used to satisfy the ground floor window requirement may not be more than four (4) feet above the adjacent grade.
 - d. First floor or ground floor windows shall have clear or lightly tinted glass with a visible light transmittance ratio of 0.6 or higher.
 - e. First floor or ground floor windows shall allow views into and out of the building at eye level. Shelving, mechanical equipment or other similar fixtures shall not block views into and out of the building in the area between four (4) and seven (7) feet above the adjacent grade. However, window area in excess of the minimum required area shall not be required to allow views into and out of the building.
 - f. Industrial uses in Table 550-1, Principal Industrial Uses in the Industrial Districts, may provide less than thirty (30) percent windows on the walls that face an on-site parking lot, provided the parking lot is not located between the building and a public street, public sidewalk or public pathway.

Minimum window area shall be measured as indicated in section 530.120 of the zoning code.

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

Conformance:

- The building is built close to the corner of 5th Ave. and 2nd Street. The following details the project's conformance with the Code's setback and amenity requirements:
 - **Front building setback on 2nd St.:** The building will be built on an angle relative to 2nd St., and the western half is close to the curb while the eastern half is set back 52 ft. from the curb to accommodate the outdoor plaza. The western half (59 ft. wide) ranges from 10 ft. from the property line on the west to 4 ft. at mid-block. (The upper portion of the building above the first floor extends out 4 ft. to the property line at mid-block.) Approximately 16 ft. of this portion of the first floor wall is more than 8 ft. from the property line. If counted with the 63 ft. of wall on the eastern half of the building, approximately 64% of the building is more than 8 ft. from the property line. There are amenities between the building and the property line including the outdoor plaza area, trees, landscaping pavers, and grass. The public sidewalk is very wide at 16 ft.
 - **Setback on 5th Ave.:** The street curves to the west to align with the portion of 5th Ave. north of 2nd St. This curve creates an area for pedestrian amenities and the project includes trees, sod, and a wide, 11' 8" sidewalk. The building also angles slightly to the west in this area. At its closest points, the first floor of the building is 8 to 12 ft. from the property line, and at most 43 ft. from the curb on 5th Ave. at the intersection with 2nd St. The building overhang for the upper floors reduces these distances by a little less than 4 ft.

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- The main entrance faces 2nd St. and there is a secondary entrance mid-block on 5th Ave. and close to the property line.
- The plaza area has two trees and a large open area of grass. The applicant considered but rejected the idea of adding permanent seating, for example benches to help define the edges of the site, in favor of achieving greater flexibility with the use portable seating as needed.
- There is no surface parking.
- The building has numerous projections and recessed areas and a variety of building materials to add architectural interest, divide the building into smaller identifiable sections, and to enhance the entrances.
- The following describes how the building conforms to the window requirement. All walls of the building are compatible with one another. The north and west walls exceed the minimum glass requirement with the exception that the first floor wall on the northeast elevation has 28% instead of the required 30% glass.

Windows	Elevations ²		
	West	Northwest	Northeast
Faces	5th Ave. S.	2nd St. S.	2nd St. S.
First Floor Code*	30%	30%	30%
First Floor Plan	67%	100%	28%
Other Floor Code*	10%	10%	10%
Second Floor	22%	20%	31%
Third Floor	12%	19%	31%
Fourth and Fifth Floors	14%		31%
Sixth Floor	18%		46%
* Code applies to walls that face a public street, public sidewalk, public pathway, or on-site parking lot (does not apply to alleys).			

- All windows will be vertical in orientation and are fairly evenly distributed although not in a rigid symmetrical manner. The glass will be clear or lightly tinted with a visible light transmittance ratio of 0.6 or higher.
- The first floor windows will allow views into and out of the building at eye level and no shelving, mechanical equipment or other similar fixtures will block views into and out of the building in the area between 4-7 ft. above the adjacent grade of the windows required by the Code.
- Building materials include brick, glass curtain walls, glass spandrel panels, and metal panels.
- There is one wall that is blank for more than 25 ft. This solid brick wall is located on the southwest corner of the building on the first floor and is 45 ft. wide and 12-to-19-ft. tall. Behind it are the fire pump room and the loading area shop. The large brick wall and a single large 87 sq. ft. window on the second floor face the sidewalk on 5th Ave. Planning staff encouraged the architect to flip certain uses in the building to address this concern. The first two floors have windows on the southeast sides for classrooms and offices but these windows

² The “Northwest” elevation refers to the western (performance hall) portion of the building that is three-stories tall and close to the property line on 2nd St. The “Northeast” elevation refer to the eastern portion of the building that is set back from 2nd St. behind the outdoor plaza.

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face the private alley to the south and east and the back of the four-story Depot East Office building and the two-story ramp only 30 and 25 ft. away respectively.

- The roof will be flat, consistent with other buildings in the area.

ACCESS AND CIRCULATION:

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

Conformance:

- Sidewalks along the two fronting streets will connect to the building entrances and to the plaza area. The sidewalk widths are almost 12 ft. on 5th Ave. and 16 ft. on 2nd St.
- Transit access is excellent in the area (refer to Table 6 and Figure 3 in Attachment 6), however, there are no transit shelters on or adjacent to the site.
- Vehicular access is via the one-way private alley/fire lane that is accessed from 2nd St.
- The parking for MacPhail will be provided both in adjacent Depot East ramp and in the Milwaukee Road Depot ramp on the west side of 5th Ave. This latter location will encourage mid-block pedestrian crossing. MacPhail will pay all costs for the City to install anti-jaywalking signs to discourage the practice, should the City decide to do so. Access from the Depot East ramp is directly east of the outdoor plaza area and close to the cross walk across the private alley.
- All areas of the site not covered by the building, sidewalks, and plaza hardscape are fully landscaped; 46% of the net site.

LANDSCAPING AND SCREENING:

- The composition and location of landscaped areas shall complement the scale of the development and its surroundings.
- Not less than twenty (20) percent of the site not occupied by buildings, including all required landscaped yards, shall be landscaped as specified in section 530.160 (a).
- Required screening shall be six (6) feet in height, unless otherwise specified, except in required front yards where such screening shall be three (3) feet in height.
- Except as otherwise provided, required screening shall be at least ninety-five (95) percent opaque throughout the year. Screening shall be satisfied by one or a combination of the following:
 - A decorative fence.
 - A masonry wall.
 - A hedge.
- Parking and loading facilities located along a public street, public sidewalk or public pathway shall comply with section 530.170 (b), including providing landscape yards along a public street, public sidewalk or public pathway and abutting or across an alley from a residence or office residence district, or any permitted or conditional residential use.
- The corners of parking lots where rows of parking spaces leave areas unavailable for parking or vehicular circulation shall be landscaped as specified for a required landscaped yard. Such spaces may include architectural features such as benches, kiosks or bicycle parking.

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- **In parking lots of ten (10) spaces or more, no parking space shall be located more than fifty (50) feet from the center of an on-site deciduous tree. Tree islands located within the interior of a parking lot shall have a minimum width of seven (7) feet in any direction.**
- **All other areas not governed by sections 530.160 and 530.170 and not occupied by buildings, parking and loading facilities or driveways, shall be covered with turf grass, native grasses or other perennial flowering plants, vines, mulch, shrubs or trees.**
- **Installation and maintenance of all landscape materials shall comply with the standards outlined in section 530.210.**
- **The city planning commission may approve the substitution or reduction of landscaped plant materials, landscaped area or other landscaping or screening standards, subject to section 530.80, as provided in section 530.220.**

Conformance:

- All areas of the site not covered by the building, sidewalks, and plaza hardscape are fully landscaped. The zoning lot (22,596 sq. ft.) less the footprint of the building (13,660 sq. ft.) yields a net site of 8,936 sq. ft. There is 4,108 sq. ft. of landscaping on the site; 46% of the net site.
- Although the attached landscape plan does not show it, MacPhail will add bushes and small trees to the southwest corner of the site, and a vegetative screen for the transformer located on the south side of the building
- The Code requires one tree per 500 sq. ft. of required landscaping (20% of the net site equals 1,787 sq. ft. of landscaping and a requirement of 2 trees), and one shrub for every 100 sq. ft. of required landscaping (which yields a requirement of 18 shrubs). Currently, the plan includes 2 trees on site and 4 more trees on the public right-of-way on 5th Ave. with more to come on the southwest corner of the site. MacPhail will add the required 18 shrubs along with the planned 181 perennials and 118 tall grass plants in one-gallon containers. These trees and bushes are appropriately distributed throughout the site.

ADDITIONAL STANDARDS:

- **All parking lots and driveways shall be designed with wheel stops or discontinuous curbing to provide on-site retention and filtration of stormwater. Where on-site retention and filtration is not practical, the parking lot shall be defined by six (6) inch by six (6) inch continuous concrete curb.**
- **Lighting shall comply with the requirements of Chapter 535 and Chapter 541. A lighting diagram may be required.**
- **Parking and loading facilities and all other areas upon which vehicles may be located shall be screened to avoid headlights shining onto residential properties.**
- **To the extent practical, site plans shall minimize the blocking of views of important elements of the city.**
- **To the extent practical, buildings shall be located and arranged to minimize shadowing on public spaces and adjacent properties.**
- **To the extent practical, buildings shall be located and arranged to minimize the generation of wind currents at ground level.**
- **Site plans shall include crime prevention design elements as specified in section 530.260 related to:**
 - **Natural surveillance and visibility**
 - **Lighting levels**
 - **Territorial reinforcement and space delineation**
 - **Natural access control**
- **To the extent practical, site plans shall include the rehabilitation and integration of locally designated historic structures or structures that have been determined to be eligible to be locally designated. Where rehabilitation is not feasible, the development shall include the reuse of significant features of historic buildings.**

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Conformance:

- The Public Works Department has approved the Stormwater management Plan for the site. The private alley and the drop-off stalls on the east side of the site include curbing and adequate drainage.
- Lighting will be consistent with the Code through the use of full cut-off fixtures and proper placement (Attachment 4h).
- Loading will be confined to the private service alley (refer to discussion in the Site Plan Review section of this report).
- As stated above, the building will not obstruct the important view from the south up 5th Ave. S. towards the historic Crown Roller Mill and the Third Avenue Bridge in the distance.
- The taller, 6-story portion of the building is on the south half of the site so the shorter 3-story performance hall will be the dominant shadow that will be cast across 2nd St., 5th Ave., and across the outdoor plaza area.
- At 3 and 6 stories, the building will not generate any significant pedestrian-level winds.
- The Police Department reviewed the project as regards natural surveillance and site safety and made no substantive changes to the plan.
- The response to Finding 5 in the Conditional Use Permit section of this report discusses the project’s compatibility with the nearby historic structures.

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

Zoning Code: As stated above, the proposed use is classified as a “performing, visual or martial arts school” and is a permitted use in the C3A District. For the purposes of parking calculation, it is classified as an educational arts center. The site’s location within the Downtown Parking Overlay District means the three on-site drop-off/pick-up spaces cannot be used as long-term parking stalls.

Off-Street Parking, Loading, and the Travel Demand Management Plan: Attachment 6 includes excerpts from the Travel Demand Management (TDM) Plan that was approved for the full-block Depot East PUD project including MacPhail in 2002. Since the MacPhail project analyzed at that time was 56% larger than currently proposed, the Attachment 6 includes a revision to the TDM Plan to account for the smaller project.

- **Long-term parking requirements:** Table 541-1 in the Zoning Code specifies the following parking requirements for an “educational arts center:” One space per classroom and other rooms used by students and faculty plus one space per 5 students based on the maximum number of students attending classes at any one time. Section 541.170 (c)(2) allows off-site parking to be provide up to 300 feet away from the site, provided the use retains control of these off-site stalls per Section 541.250 (b). The Code also requires all vehicles necessary to the operation of the facility be maintained on site, which will be the case here.

Table 5 in Attachment 6 lists the parking demand for the Depot East PUD and for the adjacent Milwaukee Road Depot project. The table calculates the required parking and incorporates the reductions available through the shared parking and transit reduction formulas in the

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Zoning Code. On 3/31/03, the Planning Commission approved these reductions as a part of the prior PUD amendment for MacPhail. The TDM Plan revision accounts for the smaller proposed facility and states: “The original *Depot East (Parcel C) Development TDMP* projected a peak parking requirement of 121.5 spaces, which accounts for shared parking and transit reductions. With the revised land use plan (and corresponding reduction in student enrollment) the parking requirement will be decreased to 77 spaces (reduction of 44.5 spaces).” (Refer also to Table 2 in the 1/23/06 amendment to the TDM Plan.)

The MacPhail project includes no long-term parking stalls on site, but rather intends to obtain long-term leases for a total of 125 spaces in the two adjacent CSM-owned parking ramps as follows:

- **Milwaukee Road Depot parking ramp:** Most of the parking (77 of 125 total stalls) will be provided in the adjacent Milwaukee Road Depot parking ramp which has an entrance on the west side of 5th Ave. S. across from the project site.
- **The Depot East ramp:** This ramp, located to the east of the site, will accommodate the other 48 stalls to be provided.

Both of these ramps meet the 300-ft. Code requirement. The TDM Plan concludes that the Milwaukee Road Depot Parking Ramp could potentially absorb up to 401 overflow vehicles from the proposed Depot East developments. However, on Mondays and Fridays, there are typically 100 less spaces available. “In addition, there will likely be available parking in the neighboring facilities such as the St. Anthony Main or Gateway to accommodate any excess demand not satisfied by the excess supply, particularly during a major evening or weekend event at the Milwaukee Road Depot banquet facilities.” (p. 12)

- **Short-term parking needs:** Since many of MacPhail students are children, the Center will generate a demand for short-term parking for people who will drop off and pick up the students. The project includes three on-site stalls for short-term parking on the east side of the site that are accessed via the private service alley that separates the site from the rest of the Parcel C developments. This is a one-way alley that is accessed from 2nd St. MacPhail has a long-term agreement for the use of this alley with the property owner, the CSM Corporation. Further, Public Works is in favor of approving MacPhail’s plan to buy out the adjacent 6 parking meters located on the east side of 5th Ave. and the south side of 2nd St. In a buyout, MacPhail will reimburse the City for 80% of the revenues that would be expected from the normal use of these meters and then use signs to identify the stalls as limited to short-term use only for MacPhail. Attachment 6 includes an addendum to the TDM Plan that addresses the likely demand for short-term stalls based primarily on the demand at the current site downtown. It states the following:

“The existing facility does not regularly experience problems with queuing or backing up with dropping off or picking up. It should also be noted that as a rule, the existing facility patrons hesitate to double park or stop in lanes of traffic to accomplish the drop-off or pick-up in the short term area. Past experience has shown that parents coming to pick-up students will either circle the block until a space opens up, or they will use the adjacent parking

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supply. Similar conditions will be available in the proposed facility. . . . With the nine spaces available, short-term parking supply should not prove to be an issue for the proposed MacPhail Center. The only time period during the week of any concern would be the Saturday morning peak, but even then the space should be adequate. In the event that ample drop-off/pick-up supply is not available during peak periods, parking is available in the nearby parking ramp or on-street meters surrounding the center. . . . [N]o queuing issues are expected. By the above calculations, MacPhail will meet the expected drop-off/pick-up demand.”

- **TDM Plan measures:** In order to further minimize the potential parking and traffic impacts of the PUD, CSM and MacPhail agreed to the TDM Plan measures listed on pages 18-20 in Attachment 6.
- **Loading:** Loading is located on the southwest corner of the site in the private alley. MacPhail will contract with a private hauler for trash and recycling services. That hauler, WMI, will use a front-loading truck that will not block the sidewalk on 5th Ave. In the event that a very long truck or semi tractor-trailer must unload, MacPhail will manage traffic in the one-way alley so that the truck can make a reverse flow delivery or pick-up so that it does not obstruct the sidewalk or 5th Ave. The alley is 20 ft. wide so it can accommodate two-way traffic during these exceptional cases.
- **Conclusions:** The following conclusions are based on the approved TDM Plan and the amendments to it, and the developer’s commitment to implement the TDM Plan measures:
 - Long-term leases for off-site parking will satisfy the parking demand for MacPhail during all but the rare occasion when simultaneous scheduling of events might occur on the Parcel C block and the adjacent Milwaukee Road Depot site. At these times, neighboring ramps are likely to have the capacity needed because these simultaneous on-site events will likely occur in the evenings and on weekends during which there is an excessive amount of parking supply in the area because this is the off-peak period for the rest of downtown.
 - The combination of the three on-site stalls and MacPhail’s plan to buy out adjacent on-street parking meters will address the expected demand for short-term stalls.
 - The recommendations for approval include conditions to ensure that MacPhail meets all of the applicable Zoning Code and Travel Demand Management Plan requirements as regards loading and off-site and short-term parking.

Maximum Floor Area: The maximum floor area ratio (FAR) in the C3A District is 2.7. The following table indicates the MacPhail project, along with the rest of the Depot East project has an FAR of 2.3, 85% of the amount allowed in the C3A District.

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Phase	Building Size	Lot area	FAR	% of Allowable FAR*
Depot East Office Building	151,062	75,586		
Metropolitan Lofts	44,644	10,685		
MacPhail	55,200	22,596		
Total	250,906	108,867	2.3	85%
* Allowable FAR = 2.7				

Building Height: Building height in the Downtown Height Overlay District is limited to 8 stories or 112 feet, whichever is less. MacPhail is 3-to-6 stories and a maximum of 85 ft. high.

Minimum Lot Area: The C3A District does not specify a minimum lot area requirement for performing, visual or martial arts schools.

Yard Requirements: The C3A District does not specify yards for performing, visual or martial arts schools.

Maximum lot coverage: The C3A District does not specify maximum lot coverage for performing, visual or martial arts schools.

Impervious surface coverage: The C3A District does not specify a maximum impervious surface coverage for performing, visual or martial arts schools.

Specific Development Standards: The C3A District does not have specific development standards for performing, visual or martial arts schools.

Hours of Operation: The hours open to the public for the C3A District are 6 a.m. to 1 a.m. Sunday through Saturday. MacPhail will conform to these hours.

Signs: Section 527.170 states that “all signs in a planned unit development shall conform to a master sign plan that shall be considered and approved with the development plan. All signs shall conform to the requirements of Chapter 543, On-Premise Signs, except as otherwise authorized by the city planning commission.” The above section that dealt with the sign variance indicates that the sign plan conforms to the Code with the exception of the rooftop sign that is the subject of the variance application.

Refuse storage: All storage of refuse and recyclable materials will be enclosed in the loading area/shop room located on the southwest corner of the building. It will be serviced by a front-loading truck that will use the private service alley.

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Minneapolis Plan: Refer to the Conditional Use Permit section of this report.

Alternative Compliance: The Planning Commission or zoning administrator may approve alternatives to any site plan review requirement upon finding any of the following:

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

Conformance:

The application meets all applicable provisions of the Zoning Code (subject to the approval of the subject variance and conditional use permit) with the following exceptions:

- **Building setback issues:**
 - **Front building setback on 2nd St.:** Inconsistent with the 8-ft. limit in the Code, approximately 64% of the building is more than 8 ft. from the property line. As regards the *Historic Mills District Master Plan* which calls for no more than a 10-ft. setback for 50% of the width of parcel, the entire western portion of the first floor wall is within 10 ft. of the property line, but which only equals 41% of the 148-ft. wide parcel. To conform to the Code, the angled orientation of the building would have to be reduced or eliminated. To get more than half of the facade within 8 ft. of the property line, the performance hall would have to become at minimum 2 ft. wider and the outdoor plaza at least 2 ft. smaller. The outdoor plaza is a sufficiently valuable amenity for granting alternative compliance for this matter.
 - **Setback on 5th Ave.:** Inconsistent with the 8-ft. limit in the Code, all of the first floor is set back more than 8 ft. from the 5th Ave. property line. However, the overriding concern in the *Historic Mills District Master Plan* is to maintain the view corridor north along 5th Ave. as established by the setback of the Depot East Office Building. Since only two small portions of the first floor of the MacPhail building will extend 5 ft. beyond the office building's setback line, the view corridor is maintained for the most part. Moving the building to the east to perfectly clear the view corridor would compromise the drop off lanes and adjacent sidewalks on the east side of the site and increase the nonconformity with the Zoning Code limit of 8-ft. setbacks. Maintaining this historic view corridor consistent with adopted plans is a sufficient basis for granting alternative compliance.

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- **Glass minimum:** The first floor of the northeast wall has 28% glass instead of the required 30% minimum. As can be seen in the above table in the response to the building placement and façade findings, the other walls in this structure substantially exceed the minimums in the Code. This particular first floor wall has less glass because it designed as a backdrop for outdoor performances on the plaza. The architect asserts that glass is not appropriate here and Planning staff agree. This performance space and outdoor plaza comprise a sufficiently valuable amenity for granting alternative compliance.
- **Blank wall:** There is one wall that is blank for more than 25 ft. This solid brick wall is located on the southwest corner of the building on the first floor and is 45 ft. wide and 12-to-19-ft. tall. Behind it are the fire pump room and the loading area shop. The large brick wall and a single large 87 sq. ft. window on the second floor face the sidewalk on 5th Ave. Rather than recommend the granting of alternative compliance, Planning staff believe the architect can either flip certain uses in the building so that windows break up this wall or add other allowable elements including windows to eliminate this inconsistency. The accompanying condition of approval reflects this recommendation.

RECOMMENDATIONS

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the Conditional Use Permit for a Planned Unit Development for the proposed MacPhail Center for Music Project located at 501 2nd St. S.:

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the Conditional Use Permit for a Planned Unit Development application for the proposed MacPhail Center for Music Project located at 501 2nd St. S. subject to the following conditions:

1. The MacPhail Center for Music shall provide to the Planning Division written evidence that the proposed off-site parking meets the requirements of Section 541.170 (c) (2) of the Zoning Code.
2. The MacPhail Center for Music shall buy out a sufficient number of parking meters adjacent the site to satisfy the expected short-term parking need as predicted by the Travel Demand Management Plan. Signage shall reserve these stalls for the drop-off and pick-up of MacPhail students only.
3. MacPhail shall manage loading operations such that at no time will vehicles obstruct sidewalks or streets.
4. Approval of the vacation of the drainage and utility easement located on the western portion of the site.

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the roof sign Variance for the proposed MacPhail Center for Music Project located at 501 2nd St. S.:

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **deny** the variance application to allow a roof sign on a building having less than 100,000 square feet of gross floor area

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in the DH Overlay District for the proposed MacPhail Center for Music Project located at 501 2nd St. S.

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the Site Plan Review permit for the proposed MacPhail Center for Music Project located at 501 2nd St. S.:

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the Site Plan Review permit for the proposed MacPhail Center for Music Project located at 501 2nd St. S. subject to the following conditions:

1. CPED Planning staff review and approval of the final site plan, floor plans, landscaping plan, master sign plan, lighting plan, and building elevations.
2. The design shall modify the brick wall that is 45 ft. wide and 12-to-19-ft. tall that faces the sidewalk on 5th Ave. by adding architectural features consistent with Section 530.120 of the Zoning Code including windows.
3. All site improvements shall be completed by March 27, 2008, unless extended by the Zoning Administrator, or the permit may be revoked for noncompliance.

Attachments:

1. Zoning, lot lines, and uses in the vicinity
2. Primary and Overlay districts
3. Aerial photo
4. Project drawings and rendering:
 - a Site plan
 - b Grading and erosion control plan
 - c Utility plan
 - d Landscape plan
 - e Floor and roof plans
 - f Elevations
 - g Sign plan
 - h Lighting plan
5. Information from the applicant
6. Excerpts from the Travel Demand Management Plan and recent amendments
7. Photos of the site and surrounding buildings
8. Excerpts from the meeting minutes of the Industry Square Project Committee and other letters of support
9. Excerpts from the *Historic Mills District Master Plan*
10. Stormwater Management Plan buyout letter
11. Preliminary Development Review report