

**Department of Community Planning and Economic Development - Planning Division**  
Conditional Use Permit and Variances  
BZZ-3281

**Date:** November 13, 2006

**Applicant:** Stephen McCarty and Ryan Brevig

**Address of Property:** 606 Washington Avenue North

**Project Name:** 606 Washington and The Loop Bar & Restaurant

**Contact Person and Phone:** Vlad Fogel 612-501-1678 and Ryan Brevig 612-396-2985

**Planning Staff and Phone:** Jim Voll 612-673-3887

**Date Application Deemed Complete:** October 12, 2006

**End of 60 Day Decision Period:** December 11, 2006

**Ward:** 7      **Neighborhood Organization:** North Loop

**Existing Zoning:** I2 Medium Industrial District; ILOD Industrial Living Overlay District; and DP Downtown Parking Overlay District.

**Proposed Zoning:** Not applicable for this application.

**Zoning Plate Number:** 13

**Legal Description:** Not applicable for this application.

**Existing Use:** Four-story multi-tenant building with retail/restaurant on the first floor and office uses on the floors above.

**Proposed Use:** Four-story multi-tenant building with a restaurant/bar on the first floor, offices on the second and third floors, and a dwelling unit on the fourth floor.

**Concurrent Review:**

**Conditional Use Permit:** For one dwelling unit in the ILOD.

**Variance:** To reduce the required parking space for the dwelling unit from one to zero spaces (application was required in error and will be returned to the applicant with the associated fee).

**Variance:** To reduce the required parking for the restaurant use from 39 to zero spaces.

**Applicable zoning code provisions:** Chapter 525, Article VII, Conditional Use Permits; Article IX Variances, Specifically Section 525.520(7) “to reduce the applicable off-street parking requirements up to one hundred (100) percent...”; and Chapter 551, Article IV, Industrial Living Overlay District.

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**Background:** The applicant proposes to convert the fourth floor of the building at 606 Washington Avenue North into a dwelling unit. This requires a conditional use permit in the Industrial Living Overlay District (ILOD). Currently it is used as office space. The second and third floors will remain office space. The first floor has two tenant spaces; a retail space and a restaurant and bar. The applicants propose to expand the existing restaurant into the retail tenant space. The site has no parking, so a variance to reduce the required parking to zero has been requested.

The building as currently used is required to have 46 parking spaces, with four spaces required for each of the four office/retail tenant spaces (one on each floor) in the building. In addition to this, the first floor restaurant space, which was formerly occupied by Mell's Beauty Bar, has a parking requirement of 30 spaces. The 16 parking spaces for the office/retail tenant spaces have grandfather rights. Mell's obtained a variance from 30 to zero spaces for the daytime hours between 6:00 a.m. and 5:00 p.m. (BZZ-641) and leased the required amount during the other operating hours.

The dwelling unit on the fourth floor has a parking requirement of one parking space, but the former office use has grandfather rights for four spaces, so these can be credited toward the residential use and a variance is not necessary. Staff required this variance in error and recommends that it be returned along with the associated fee of \$550. The new restaurant tenant, the Loop Bar and Restaurant, is expanding into the adjacent retail tenant space. The Loop does not have leased parking spaces at this time and is requesting a variance from the required 39 parking spaces to zero.

The Loop is applying for a liquor license but will have to meet the food sales requirements to be classified as a restaurant under the Zoning Code. If these standards are not met then the use may be classified as a nightclub, which requires a conditional use permit in the I2 District.

The North Loop Neighborhood Association has sent a letter of support for the conversion of the fourth floor to a dwelling unit (please see the attached letter). As of the writing of this staff report, staff has not received any correspondence from the neighborhood group regarding the parking variance for the restaurant. Staff will forward their comments, if any, at the Planning Commission meeting.

### **CONDITIONAL USE PERMIT (for one dwelling unit)**

#### **Findings as required by the Minneapolis Zoning Code:**

The Minneapolis City Planning Department 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.**

Any residential development in the ILOD requires a conditional use permit. The addition of one condominium unit should not be out of character with an area that is being redeveloped as mixed use residential and is near several large residential buildings.

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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.**

Much of this area has been redeveloped for residential use. The addition of residential to this area should have few negative impacts on surrounding uses.

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

Adequate access and utilities exist at the site. Access is from Washington Avenue, but there is no vehicular access for the site.

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

No additional parking is required for this use.

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

Policy 4.11 and the relevant implementation steps of *The Minneapolis Plan* state the following:

**4.11 Minneapolis will improve the availability of housing options for its residents.**

**Implementation Steps**

Increase the variety of housing styles and affordability levels available to prospective buyers and renters.

Provide and maintain moderate and high-density residential areas.

Provide and maintain areas that are predominantly developed with single and two family structures.

Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.

Promote accessible housing designs to support persons with disabilities.

Promote mixed-income housing development that offers a range of dwelling unit sizes and levels of affordability.

Diversify the location distribution of affordable housing in order to allay the historic patterns of concentration of poverty that characterizes some neighborhoods.

Encourage the rehabilitation and sensitive reuse of older or historic buildings for housing including affordable housing units.

The proposed reuse of part of this structure for residential use is in conformance with this policy of the comprehensive plan.

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The *Downtown 2010 Plan* is the part of the comprehensive plan that guides development for downtown. *Downtown 2010* identifies this area as a site for housing development. Policy number four of the Downtown Living chapter of the plan (see page 44) states that the city should “locate medium to high-density housing in areas designated as a Riverfront Residential District located adjacent to and near the West River Parkway. This district should provide locations for housing that can take advantage of the open space and recreational amenities of the riverfront. The primary use of this district should be housing. Other retail, office, cultural and recreational uses should be encouraged, especially those that revitalize historic structures, but should be compatible with housing.” While not a high-density residential, this development is in conformance with this goal.

*The Minneapolis Warehouse District Preservation Action Plan* was adopted by the City Council in 2000. The Economic Development chapter of the plan has the goal to “promote the adaptive reuse of buildings in the Plan Area and encourage appropriate development of vacant or underutilized parcels.” This development is in conformance with this goal of the plan.

**6. And, does in all other respects conform to the applicable regulations of the district in which it is located upon approval of the conditional use permit.**

The proposed use will conform to the applicable regulations of the zoning district in which it is located upon the approval of the conditional use permit.

**VARIANCE (to reduce the parking for the dwelling unit from one to zero spaces)**

The dwelling unit on the fourth floor has a parking requirement of one parking space, but the former office use has grandfather rights for four spaces, so these can be credited toward the residential use and a variance is not necessary. Staff required this variance in error and recommends that it be returned along with the associated fee of \$550.

**VARIANCE (to reduce the parking for the restaurant from 39 to zero spaces)**

**Findings Required by the Minneapolis Zoning Code:**

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

While the building could be put to a reasonable use without the restaurant, it may not be reasonable to expect the applicant to provide 39 parking spaces where large blocks of surface parking are very difficult to obtain. Much of the business is expected to come from surrounding businesses and residences where the employees and residents would be able to walk to the site. In addition, the site is relatively close to parking ramp to the west of the site at the corner of 10<sup>th</sup> Avenue North and Washington Avenue North and is on a bus route.

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- 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 circumstances are created by the applicant's desire to convert an office space to a more intense use that requires additional parking. However, the code doesn't recognize the unique circumstances of the area. Parking is very difficult to obtain, the zoning code prohibits the construction of commercial parking lots in this area, and there is a large municipal ramp to the west of the site. This is not generally applicable to other properties in the city.

- 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 intent of the ordinance is to provide sufficient parking for a restaurant use. The applicant expects significant business from the surrounding area, the site is on a bus route, and there is an underutilized municipal ramp near the site, therefore, the variance meets the intent of the ordinance.

- 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 variance should not increase congestion, increase the danger of fire, or be detrimental to the general welfare.

### **RECOMMENDATIONS:**

#### **Recommendation of the Community Planning and Economic Development Department - Planning Division for the conditional use permit for one dwelling unit:**

The Community Planning and Economic Development Department - Planning Division recommends that the City Planning Commission adopt the findings above and **approve** the conditional use permit application for one dwelling unit in the ILOD for property located at 606 Washington Avenue North.

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### **Recommendation of the Community Planning and Economic Development Department - Planning Division for the parking variance:**

The Community Planning and Economic Development Department - Planning Division recommends that the City Planning Commission adopt the findings above and **return** the variance application and associated fee to reduce the parking requirement for one dwelling unit from one to zero for property located at 606 Washington Avenue North.

### **Recommendation of the Community Planning and Economic Development Department - Planning Division for the parking variance:**

The Community Planning and Economic Development Department - Planning Division recommends that the City Planning Commission adopt the findings above and **approve** the variance application to reduce the parking requirement for the restaurant from 39 to zero for property located at 606 Washington Avenue North.

### **Attachments:**

1. Statement from applicants.
2. Letter from the neighborhood group.
3. Zoning map.
4. Plat, site plans, and elevations.
5. Photos.