Department of Community Planning and Economic Development – Planning Division
Rezoning and Variance
BZZ-3690

Date: August 13, 2007

Applicant: The Star Tribune Company

Address of Property: 425 Portland Avenue South

Project Name: The Star Tribune

Contact Person and Phone: Walter Rockenstein II with Faegre & Benson LLP, (612) 766-7208

Planning Staff and Phone: Hilary Dvorak, (612) 673-2639

Date Application Deemed Complete: July 18, 2007

End of 60-Day Decision Period: September 16, 2007

End of 120-Day Decision Period: A 60-day extension letter was mailed on August 3, 2007, extending the 120-day decision period to November 15, 2007

Ward: 7 **Neighborhood Organization:** Downtown Minneapolis Neighborhood Association

Existing Zoning: B4S-2, Downtown Service District and DP, Downtown Parking Overlay District

Proposed Zoning: B4-1, Downtown Business District

Zoning Plate Number: 19

Legal Description: Lots 1 to 10, inclusive, Block 74, Town of Minneapolis, including that part of the Southeasterly 4 inches of adjoining Sixth Avenue South, vacated, lying between lines extending Northwesterly, at right angles to the Northwesterly line of said Block 74, from points on said Northwesterly line distant 43 feet and 171 feet respectively, Northeasterly from the Southwesterly corner of said Block 74, according to the recorded plat thereof.

Proposed Use: Office

Concurrent Review:
Rezoning: of the property located at 425 Portland Avenue South from the B4S-2 zoning district to the B4-1 zoning district
Variance: to reduce the off-street parking requirement

Applicable zoning code provisions: Chapter 525, Article VI, Zoning Amendments and Chapter 525, Article IX, Variances, specifically Section 525.520(7) "to reduce the applicable off-street parking

requirements up to one hundred percent, provided the proposed use or building serves pedestrian or transit-oriented trade or occupancy, or is located near an off-street parking facility that is available to the customers, occupants, employees and guest of the use".

Background: The Star Tribune Company owns the subject site and four adjacent blocks (see zoning map) which will be sold to the Minnesota Vikings. The subject site is occupied by the company's main building and the four surrounding blocks are occupied primarily by surface parking spaces. The surface parking spaces are utilized by employees of the Star Tribune as well as others through individual parking contracts.

As with any use, an office building located in the B4S-2 zoning district has a parking requirement. When the Star Tribune sells the four adjacent blocks to the Minnesota Vikings they will be making themselves non-conforming as to parking as they do not have the required amount of parking spaces located on the block where their main building is located. The parking requirement for all non-residential uses in the B4S-2 zoning district is one space per every 1,400 square feet of gross floor area. The building (minus the basement) is approximately 269,000 square feet in size. Given this the parking requirement for the building is 192 spaces.

The applicant has submitted two different land use applications to the City of Minneapolis to correct the parking situation that will result after the land sale is complete. The first application is a rezoning petition to the change the zoning classification of the property to the B4-1 district. The parking requirement for buildings smaller than 400,000 square feet in the B4-1 zoning district is zero. The other application that was submitted was a parking variance to reduce the off-street parking requirement. Please note that if one of these applications is approved the other application is not needed.

The variance application triggers the need for the property to come into compliance with the landscaping and screening requirements per 531.110 and 541.360. As a condition of approval for the variance, the applicant would be required to submit a site plan showing compliance with Section 530.170, Parking and loading landscaping and screening.

REZONING - of the property located at 425 Portland Avenue South from the B4S-2 zoning district to the B4-1 zoning district

Findings as Required by the Minneapolis Zoning Code:

1. Whether the amendment is consistent with the applicable policies of the comprehensive plan.

The *Downtown 2010 Plan* is the adopted comprehensive plan for the downtown area. The *Downtown East/North Loop Master Plan*, which is an addendum to the *Downtown 2010* Plan, was adopted by the City Council in October of 2003. The land use designation for this block in the *Downtown East/North Loop Master Plan* is office. As a follow-up to the adoption of *The Downtown East/North Loop Master Plan*, a comprehensive rezoning study of the plan area was approved by the City Council in October of 2006. As part of the comprehensive rezoning study the subject site was rezoned from B4C-2 to B4S-1.

According to the Principles and Polices outlined in the *Downtown 2010 Plan*, the following apply to this proposal:

- Maintain a compact downtown by concentrating office development in an area that supports downtown retail and encourages the use of mass transit (Office Policy 1).
- Locate highest density office development in an area designated as the Primary Office District. This district should be the focus of major office activity in Minneapolis. Although this area is intended primarily for office uses, other uses including hotels and retail should be encourage to add diversity and activity beyond the working day (Office Policy 2).
- Locate medium-density office development in an area designated as the Secondary Office District. This district should provide opportunities for office development that is convenient to transit and retail and that provides a transition in density to housing and mixed-use areas (Office Policy 3).

The Planning Division does not believe that rezoning the site from the B4S-2 zoning district to the B4-1 zoning district would be in conformance with the above policies of the *Downtown 2010 Plan*. The B4-2 zoning district is the zoning classification used to identify the Primary Office District and the B4-1 zoning district is the zoning classification used to identify the Secondary Office District. Rezoning the site to the B4-1 district would be placing this site in the Secondary Office District which would not be appropriate given that the comprehensive rezoning study consciously evaluated how much the office core should be expanded and drew the boundary line at Portland Avenue.

2. Whether the amendment is in the public interest and is not solely for the interest of a single property owner.

The amendment is primarily in the interest of the property owner. The Planning Division believes that maintaining the current zoning classification of the property would be in the public interest. Given that this site was rezoned as part of a comprehensive rezoning study in 2006 the Planning Division believes that the current zoning classification is the most appropriate for the site. Rezoning the site to the proposed B4-1 district would expand the office core. Because of the longstanding policy of maintaining a relatively compact office core, the City is very cautious about expanding the boundaries of the B4-1 and B4-2 Districts.

3. Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of particular property.

The properties to the north, east and south are all zoned B4S-2 and the properties to the west are all zoned B4-1. Uses within the surrounding area include surface parking lots, parking ramps and office buildings. Rezoning the site to the B4-1 zoning district would not be out of character with surrounding zoning or allow uses that are not already allowed in the B4S-2 zoning district. However, as noted above, because of the longstanding policy of maintaining a relatively compact office core, the City is very cautious about expanding the boundaries of the B4-1 and B4-2 Districts.

4. Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of particular property.

There are reasonable uses of the property permitted under the B4S-2, Downtown Service District. Permitted uses in the B4S-2 zoning district include the following:

- General retail sales and services
- Offices
- Hotels
- Clinic, medical or dental
- Multiple-family dwellings, five units or more
- School, vocational or business
- Museum
- Place of assembly

5. Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of particular property.

The Downtown East/North Loop Master Plan, which is an addendum to the *Downtown 2010* Plan, was adopted by the City Council in October of 2003. This plan gives more explicit guidance to those areas contained within the boundaries of the plan area. As a follow-up to the adoption of *The Downtown East/North Loop Master Plan*, a comprehensive rezoning study of the plan area was approved by the City Council in October of 2006. As part of the comprehensive rezoning study the subject site was rezoned from B4C-2 to B4S-1. The former and current zoning plates (Zoning Plate 19) for this area are included in the report so one can see what the zoning classifications of the properties in the area were prior to the comprehensive rezoning study.

VARIANCE - to reduce the off-street parking requirement

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

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.

Parking reduction: The applicant is seeking a variance to reduce the off-street parking requirement from 192 spaces to 48 spaces. The applicant has indicated that it would not be reasonable to require that they keep their surface parking lots in order to maintain a minimum number of parking spaces when there are several options for parking within a two block radius of the site and the Hiawatha LRT runs along South 5th Street in front of the building.

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.

Parking reduction: The zoning code authorizes a variance to reduce the applicable off-street parking requirement up to 100 percent provided the proposed use or building serves pedestrian or transit-oriented trade or occupancy, or is located near an off-street parking facility that is available to the customers, occupants, employees and guests of the use. There are several structured parking facilities located within a two block radius of the site (see the surrounding parking map included in the report). Although a number of the spaces within the parking facilities are reserved via individual contracts there are spaces available to individual for daily use. In addition, the Hiawatha LRT line runs along South 5th Street with stops located at the Metrodome and the Government Center. Both of these stops are located within walking distance of the site. The widespread availability of off-street parking and the location of a LRT station are relatively unique circumstances that have not been created by the applicant.

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.

Parking reduction: The Planning Division believes that the granting of the variance would be in keeping with the spirit and intent of the ordinance. The *Downtown East/North Loop Master Plan* calls for the redevelopment of the surface parking lots within the area. As noted above, there is no shortage of off-street parking in the vicinity. To accommodate those who bike to the site the Planning Division is recommending that the applicant provide a bicycle parking facility on the site that can accommodate a minimum of four bicycles.

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.

Parking reduction: The Planning Division believes that the granting of the variance would likely have little impact on congestion of area streets or fire safety, nor would the proposed setback variance be detrimental to welfare or public safety.

RECOMMENDATIONS

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission and the City Council adopt the above findings and **deny** the rezoning petition to change the zoning of the property from B4S-2 to B4-1 located at 425 Portland Avenue.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the variance application to reduce the off-street parking requirement from 192 spaces to 48 spaces located at 425 Portland Avenue Subject to the following conditions:

1. Submission of a site plan for the property as required by sections 531.110 and 541.360 of the zoning code, showing compliance with Chapter 530 requirements related to landscaping and screening of parking and loading areas.

2. A bicycle parking facility that can accommodate a minimum of four bicycles shall be provided on the site as required by Section 541.440

Attachments:

1. Rezoning and conditional use permit memorandums
2. July 11, 2007, and July 13, 2007, letters to Council Member Goodman, the Downtown Minneapolis Neighborhood Association, the Elliot Park Neighborhood, Inc., and the Minneapolis Downtown Council
3. Zoning Map
4. Surrounding parking map
5. Zoning Plate 19, current
6. Zoning Plate 19, prior to the adoption of the *Downtown East/North Loop Master Plan* rezoning
7. Office policies and map from the *Downtown 2010 Plan*
8. Site survey and building floor plans
9. Photographs of the site
10. Photographs of the on-premise signs