

Department of Community Planning and Economic Development – Planning Division
Conditional Use Permits, Variances and Site Plan Review
BZZ-3018

Date: June 26, 2006

Applicant: 1375 Willow Street Associates, LLC

Address of Property: 1367 Willow Street and 1368 LaSalle Avenue

Project Name: Eitel Building City Apartments and Loring Park Condominiums

Contact Person and Phone: Joseph Bagnoli with McGrann Shea Anderson Carnival Straughn & Lamb, Chartered, (612) 338-2525

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

Date Application Deemed Complete: May 30, 2006

End of 60-Day Decision Period: July 29, 2006

End of 120-Day Decision Period: Not applicable

Ward: 7 **Neighborhood Organization:** Citizens for a Loring Park Community

Existing Zoning: OR3, Institutional Office Residence District and B4S-1, Downtown Service District

Proposed Zoning: Not applicable

Zoning Plate Number: 18

Legal Description: Not applicable

Proposed Use: Planned Residential Development including a total of 490 dwelling units and 2 retail spaces

Concurrent Review:

Conditional use permit: for a Planned Residential Development including a total of 490 dwelling units and 2 retail spaces

Variance: to increase the Floor Area Ratio (FAR) from the permitted 4.9 to 5.94

Variance: to reduce the front yard setback along Willow Street from the required 15 feet to a distance between zero and 13 feet

Variance: to reduce the front yard setback along Spruce Place from the required 15 feet to a distance between zero and 15 feet

Variance: to reduce the corner side yard setback along Grant Street from the required 15 feet to a distance between zero and 5 feet

Variance: to reduce the corner side yard setback along 14th Street West from the required 15 feet to a distance between zero and 7 feet

Site plan review

Applicable zoning code provisions: Chapter 525, Article VII, Conditional Use Permits, Chapter 525, Article IX, Variances, specifically Section 525.520(1) “to vary the yard requirements, including permitting obstructions into required yards not allowed by the applicable regulations”, Section 525.520(3) “to vary the gross floor area, the floor area ratio and seating requirements of a structure or use” and Chapter 530, Site Plan Review.

Background: In December of 2005 the City Planning Commission approved applications for a Planned Residential Development including 479 dwelling units and two retail spaces on the site located at 1367 Willow Street and 1368 LaSalle Avenue. Now, Village Green Companies wants to increase the total number of units within the rental portion of the development by eleven units which triggers another review by the City Planning Commission. In addition to the increase in the number of dwelling units, the gross floor area of the development is increasing by approximately 3,100 square feet and the setbacks of the building have changed. Please note that no changes are proposed to be made to the for-sale portion of the development.

Two developers are involved in this project; Village Green Companies and Magellan Development Group. Together, they are proposing to construct a Planned Residential Development containing a total of 490 dwelling units and two retail spaces on the properties located at 1367 Willow Street and 1368 LaSalle Avenue. The Village Green Companies’ development located on the site at 1367 Willow Street will be a seven-story, 215 unit apartment building with a small retail space located on the corner of Willow Street and Grant Street West. This development also includes below ground parking containing 220 parking spaces. This project involves the renovation of the existing Eitel Hospital building. The Magellan Development Group’s development located on the site at 1368 LaSalle Avenue will be a 39-story, 275 unit for-sale condominium building with a small retail space located on the corner of LaSalle Avenue and 14th Street West. Located below the building and within the building there will be a total of 359 structured parking spaces.

The parcel located at 1367 LaSalle Avenue has split zoning on it; OR3 and B4S-1. In situations where a parcel of land contains more than one zoning classification the more restrictive of the zoning district’s regulations are adhered to. In this case, the OR3 zoning district is more restrictive so therefore all of the calculations for the development use the regulations of the OR3 zoning district.

Environmental Assessment Worksheet: An Environmental Assessment Worksheet (EAW) was required for this development given that it contains over 375 dwelling units. An EAW was completed for this development in September of 2005. It was reviewed at the Zoning and Planning Committee hearing on November 10, 2005, and approved at the November 18, 2005, City Council meeting. Given the scope of the changes to the development a revised EAW is not required.

Travel Demand Management Plan: A Travel Demand Management Plan (TDMP) for both the rental and for-sale portions of the development were submitted to the City for review in June of 2005. The conclusions of both plans were similar. Impacts on traffic movement would be negligible as the key intersections that were studied would remain operating at an acceptable level after construction and the

development contained enough off-street parking to support the parking demand generated by the development. Both of the TDMP's were approved by the Planning Division and Public Works in August of 2005. Given the scope of the changes to the development a revised TDMP is not required.

CONDITIONAL USE PERMIT - for a Planned Residential Development including a total of 490 dwelling units and 2 retail spaces

Findings as Required by the Minneapolis Zoning Code:

The Department of 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 Planning Division does not believe that a planned residential development including a total of 490 dwelling units and retail space will be detrimental to or endanger the public health, safety, comfort or general welfare. The site is located on the southern edge of downtown Minneapolis. Of the total number of dwelling units being proposed, 44 percent of them are rental and the remaining 56 percent of them are for-sale. The additional for-sale units will help strengthen the owner-occupied base within the neighborhood. In addition, the development will support not only the amenities found in the immediate neighborhood but also all of the amenities in downtown Minneapolis.

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 Planning Division does not believe that a planned residential development including a total of 490 dwelling units and retail space would be injurious to the use and enjoyment of other property in the area. Constructing a new residential development on the site would provide additional opportunities for housing within the neighborhood including additional for-sale units. Also, the proposed retail space would allow for a greater mix of commercial uses found within the neighborhood.

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

The applicant will be working closely with the Public Works Department, the Plan Review Section of the Inspections Department and the various utility companies during the duration of the development to ensure that all procedures are followed in order to comply with city and other applicable requirements.

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

The zoning code requires 0.9 parking spaces per dwelling unit, one parking space per 300 square feet of gross floor area over 4,000 square feet for general retail sales and services uses and parking equal to 30 percent the capacity of food and beverage uses. There are a total of 490 dwelling units in the development (215 in the apartment building and 275 in the condominium building), one 2,100 square foot food and beverage use and one 3,300 square foot general retail sales and services space. Of the 2,100 square feet in the food and beverage use space only 1,215 square feet of it is available to the public. The resulting parking requirement for this development is 470 spaces; 442 spaces for the residential (194 for the apartment building and 248 for the condominium building), 24 for the food and beverage use and 4 for the general retail sales and services use. In total, there will be 579 parking spaces provided between the two buildings; 220 in the apartment building and 359 in the condominium building.

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

According to the *Minneapolis Downtown 2010 Plan*, this property is located in an area designated as a downtown neighborhood as found on the concept plan map. According to the Principles and Policies outlined in *Downtown 2010 Plan*, the following apply to this proposal:

- Capitalize on sites that are well suited for housing, especially along the riverfront and around Loring Park, by encouraging medium to high-density housing development (Downtown Living Policy number 2).
- Locate medium to high-density housing in an area designated as a Downtown Residential District located between Loring Park and the Office and Retail Districts. This district should provide a location for housing that is near the downtown employment and retail. Other retail, office and educational uses should be encouraged to provide diversity, but should be compatible with housing (Downtown Living Policy number 3).
- Ensure that new residential development contributes to the sense of neighborhoods through appropriate site planning and architectural design (Downtown Living Policy number 5).
- Protect residential areas from encroachment of incompatible land uses, and ensure that the physical environment of downtown residential areas is minimizing traffic impacts, maintaining security, and providing and maintaining amenities (Downtown Living Policy number 7).
- Support the retention and development of neighborhood-serving retail (Downtown Living Policy number 9).
- Promote a street-level design of buildings that contributes to downtown's vitality and security by encouraging individual entrances to street-level building tenants, windows and architectural detailing (Downtown Physical Setting Policy number 1).
- Encourage the creation of new parks and plazas that are within easy access to the majority of the downtown workforce (Downtown Physical Setting Policy number 12).
- Emphasize good open space design (Downtown Physical Setting Policy number 14).
- Preserve, restore and reuse historic buildings and sites in Downtown (Downtown Physical Setting Policy number 16).

The Planning Division believes that the proposed development is in conformance with the policies of the *Downtown 2010 Plan*. The applicant is proposing to construct a high-density housing development in an area where the plan indicates it would be appropriate. And although the existing Eitel Hospital

building is not historically designated, the development incorporates the adaptive reuse of the building into the design. The location of the site is within walking distance of downtown employment sites, retail stores and entertainment venues. The development incorporates open space, not only for the residents but also for those in the neighborhood. The development also provides for a walking path connecting Loring Park to the neighborhood.

6. And, does in all other respects conform to the applicable regulations of the district in which it is located.

527.120. Exceptions to Zoning Ordinance Standards: Chapter 527, Planned Unit Development authorizes the City Planning Commission to approve exceptions to the zoning regulations that are applicable to the zoning district in which the development is located. This may be done only upon finding that the Planned Unit Development includes adequate site amenities to address any adverse effects of the exception.

Placement of Structures: In a Planned Unit Development there may be more than one principal structure located on a lot. There will be two lots in this development with one building on each.

Bulk Regulations:

Floor Area:

In General: The maximum FAR in the OR3 zoning district is 3.5. The lot in question is 109,364 square feet in area. The applicant proposes a total of 649,451 square feet of gross floor area, an FAR of 5.94.

Section 547.130 allows a 20 percent increase in the maximum floor area ratio if all required parking is provided within the building, entirely below grade, or in a parking garage of at least two levels. This development qualifies for this density bonus as all of the required parking is located within the building. When calculated this would allow a FAR of 4.2. In a Planned Unit Development the maximum gross floor area may be increased by 20 percent for the purpose of promoting an integrated project that provides additional site amenities. The Planning Division believes that this development does qualify for the floor area increase given the amenities provided. Such amenities include; outdoor open space, a series of green roof systems, a mix of uses, enclosed parking and the renovation of an existing building. When calculated this would allow a gross floor area of 551,209 square feet. Because the gross floor area of the development exceeds the permitted gross floor area the applicant has applied for a variance.

Individual Uses: The maximum gross floor area of a neighborhood serving retail sales and services use in the OR3 zoning district cannot exceed 2,000 square feet. One of the proposed commercial spaces within the condominium building has a gross floor area of 3,300 square feet.

In a Planned Unit Development the maximum gross floor area may be increased by 20 percent for the purpose of promoting an integrated project that provides additional site

amenities. The Planning Division believes that this development does qualify for the floor area increase given the amenities provided. Such amenities include; outdoor open space, a series of green roof systems, a mix of uses, enclosed parking and the renovation of an existing building. When calculated this would allow a gross floor area of 2,400 square feet. Because the gross floor area of the neighborhood serving retail sales and services use exceeds the permitted gross floor area a variance is required. The applicant applied for this variance in December of 2005. This variance was approved by the City Planning Commission and is still valid.

Building Height: The height requirement in the OR3 zoning district is 6 stories or 84 feet, whichever is less. However, the property is also located within 1,000 feet of the high-water mark of Loring Pond and is therefore subject to the height requirements of the SH Shoreland Overlay District, which is 2.5 stories or 35 feet, whichever is less.

The purpose of the SH Shoreland Overlay District is established to “preserve and enhance the environmental qualities of the surface waters and the natural and economic values of Shoreland areas within the city, to provide for the efficient and beneficial utilizations of those waters and Shoreland area, to comply with the requirements of state law regarding the management of Shoreland areas, and to protect the public health, safety and welfare”.

By today’s zoning code standards the height of the existing Eitel Hospital building is seven stories. The height of the addition is proposed to also be seven stories. Although the height of the addition exceeds 2.5 stories, the Planning Division does not believe that it will have a negative impact on the shoreland of Loring Pond. The front wall of the addition along Willow Street will be set back the same distance as the existing building from the front property line. In addition, the new building has been designed with a large courtyard in between it and the Eitel Hospital building. Given this, the overall size of the building from Loring Pond will appear smaller than the existing Eitel Hospital building.

The height of the proposed for-sale portion of the development is 39 stories. The building will be located one block off of Loring Pond. Located between Loring Pond and the building would be the seven story rental portion of the development. The Planning Division recognizes that the proposed height of the building is a substantial deviation from the height requirement in the Shoreland Overlay District but does not believe that it will have a negative impact on the shoreland of Loring Pond. The location of the proposed building is such that it is a continuance of the tall buildings found in downtown Minneapolis. Within three blocks of the site there are several tall buildings ranging in height between 12 and 36 stories. In addition, the orientation of the street grid south of Grant Street is north-south and east-west. North of Grant Street the orientation of the street grid turns 60 degrees so when looking at the proposed building from Loring Pond it will appear to be located amongst the taller buildings nearby.

Lot Requirements:

In General: The minimum lot area for a Planned Unit Development in the OR3 zoning district is two acres. This site is 109,364 square feet (2.51 acres).

Lot area per dwelling unit: The minimum lot area per dwelling unit in the OR3 zoning district is 300 square feet. With 490 proposed dwelling units on a lot of 109,364 square feet, the applicant proposes 223 square feet of lot area per dwelling unit.

Section 547.130 allows a 20 percent increase in the number of dwelling units allowed within a development if all required parking is provided within the building, entirely below grade, or in a parking garage of at least two levels. This development qualifies for this density bonus as all of the required parking is located within the building. When calculated this would allow up to 436 dwelling units on the site each with a minimum lot area of 250 square feet. In a Planned Unit Development the minimum lot may be reduced by 20 percent for the purpose of promoting an integrated project that provides a variety of housing types and additional site amenities. The Planning Division believes that this development does qualify for the minimum lot size reduction given the amenities provided. Such amenities include; both for-sale and rental dwelling units, outdoor open space, a series of green roof systems, a mix of uses, enclosed parking and the renovation of an existing building. Given this, the minimum lot size would be 200 square feet per dwelling unit, which would permit the proposed number of units.

Yards: This development is located in the OR3 zoning district. The front yard setback in the OR3 zoning district is 15 feet. Willow Street, Spruce Place and LaSalle Avenue are all front yards. The corner side yard setback in the OR3 zoning district is $8+2x$, where x equals the number of stories above the first floor. However, the corner side yard setback shall not exceed the applicable front yard setback so the corner side yard setback is also 15 feet. Grant Street and 14th Street West are both corner side yards. The interior side yard setback in the OR3 zoning district is $5+2x$, where x equals the number of stories above the first floor. The interior side yard setback for the 39-story portion of the development is 81 feet. The applicant applied for variances of the required setbacks for both the rental and for-sale portions of the development in December of 2005. These variances were approved by the City Planning Commission and are still valid. However, the placement of the apartment building has changed since these approvals were granted. Therefore, the applicant has applied to vary all of the setback requirements for the rental portion of the development.

On-Premise Signs: Signs are subject to the requirements of Chapter 543 of the Zoning Code. The sign standards for a Planned Residential Development are as approved by conditional use permit. The applicant is proposing to have three signs on the apartment building and three on the condominium building. All six of the signs are located over an entrance that leads into the building. Given the size of the development, the Planning Division does not believe that the proposed sign plan is obtrusive.

Off-Street Parking and Loading: The zoning code requires 0.9 parking spaces per dwelling unit, one parking space per 300 square feet of gross floor area over 4,000 square feet for general retail sales and services uses and parking equal to 30 percent the capacity of food and beverage uses. There are a total of 490 dwelling units in the development (215 in the apartment building and 275 in the condominium building), one 2,100 square foot food and beverage use and one 3,300 square foot general retail sales and services space. Of the 2,100 square feet in the food and beverage use space only 1,215 square feet of it is available to the public. The resulting parking requirement for this development is 470 spaces; 442 spaces for the residential (194 for the apartment building and 248 for the condominium building), 24 for the food and beverage use and 4 for the general retail sales

and services use. In total, there will be 579 parking spaces provided between the two buildings; 220 in the apartment building and 359 in the condominium building.

The loading requirement for a Planned Residential Development is as approved by the Conditional Use Permit application. In this development, both the rental and the for-sale portions of the development have two internal loading docks.

527.280. Required Findings: 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 proposed mix of rental and for-sale dwelling units and the small retail uses will fit in well with the surrounding area. The site is surrounded by residential buildings of varying densities, Loring Park, a school and a small shopping center. Also within the neighborhood one can find residential buildings with retail uses located within them.

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.

The approved TDMP's indicate that the development will not have a negative impact on traffic movement or parking in the area. Each portion of the development is providing more parking than required by the zoning code. In addition, each portion of the development has their own internal loading docks which may be used by both the residents and the retail tenants. The loading docks within the apartment building are located on the north end of the building and are accessed off of Grant Street. The loading docks within the condominium building are located in the middle of the building and are accessed off of LaSalle Avenue.

The site is located within walking distance of downtown Minneapolis and one block from Nicollet Mall which is well serviced by mass transit. The applicant has indicated that each condominium unit will be assigned one bicycle rack within the parking garage. The Planning Division is recommending that bicycle racks also be provided for the apartment building at one rack per unit. These should also be located within the parking garage. In addition, the Planning Division is recommending that a bicycle rack which can accommodate a minimum of four bicycles be located near each of the retail spaces within the building. These bicycle racks may be located in the right-of-way if approved by the City Engineer.

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.

The site amenities include the outdoor open space, a series of green roof systems, a mix of uses, enclosed parking and the renovation of an existing building. The Eitel Hospital building was constructed in 1911 and was utilized as a hospital until Allina Health Systems purchased the building in 1985 and began using the site for their IT offices. Although the existing Eitel Hospital building is not historically designated, the development incorporates the adaptive reuse of the building into the design. The amount of green space on the site will increase by approximately 73 percent. Greening of the site is important not just for aesthetic reasons but also environmental. The additional landscaped areas will absorb stormwater runoff.

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.

The apartment building expansion is being designed to blend in with the Eitel Hospital building that will remain on the site. The Eitel Hospital building is seven stories tall with a brick exterior. The building will be cleaned and tuck-pointed. The addition will be similar in height and will be constructed out of brick and cement board siding. There is a parking structure located beneath the building and is accessed off of 14th Street West. Except for the entrance to the parking structure none of it is visible from the street.

The condominium building will be 39 stories in height and will be constructed out of brick, pre-cast brick panels and pre-cast concrete panels. There will also be a large amount of glass incorporated into the façade of this building. There is a parking structure located one level beneath the building, at grade and five levels above grade. The lower level of the parking structure, the at grade commercial parking area and the loading area are all accessed off of LaSalle Avenue and all of the upper levels of the parking structure are accessed off of Spruce Place.

There are two-story townhomes located along 14th Street West which helps screen the parking structure within the building. Also to help screen the parking structure a commercial space is located along LaSalle Avenue and the residential lobby is located along Spruce Place. The parking structure located within the building is well screened from the street. Although the townhomes and the commercial space only screen the parking structure on the first and in some areas the second level the upper levels of the parking structure have been screened with similar building materials and decorative metal screens.

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.

The applicant will be working closely with the Public Works Department, the Plan Review Section of the Inspections Department and the various utility companies during the duration of the development to ensure that all procedures are followed in order to comply with city and other applicable requirements.

The City of Minneapolis will review and approve the applicant's stormwater management plan and erosion control plan.

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

The site is currently divided into two lots. No further platting is required.

551.490. Conditional Uses: In addition to the conditional use standards contained in Chapter 525, Administration and Enforcement, the city planning commission shall consider the following:

1. The prevention of soil erosion or other possible pollution of public waters, both during and after construction.

Public Works will review and approve an erosion control plan and a stormwater management plan prior to the issuance of building permits. The applicant has indicated that the proposed stormwater system will significantly improve the quality of the storm water leaving the site in the future.

2. Limiting the visibility of structures and other development from protected waters.

The requested height increase would substantially increase the visibility of the development from Loring Pond compared to a development built to comply with the Shoreland Overlay District or the restrictions of the base zoning district. The location of the proposed building is such that it is a continuance of the tall buildings found in downtown Minneapolis. Within three blocks of the site there are several tall buildings ranging in height between 12 and 36 stories. In addition, the orientation of the street grid south of Grant Street is north-south and east-west. North of Grant Street the orientation of the street grid turns 60 degrees so when looking at the proposed building from Loring Pond it will appear to be located amongst the taller buildings nearby.

3. The suitability of the protected water to safely accommodate the types, uses and numbers of watercraft that the development may generate.

This development will not impact watercraft usage on Loring Pond.

VARIANCE - to increase the Floor Area Ratio (FAR) from the permitted 4.9 to 5.94

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.

FAR increase: The applicant is seeking a variance to increase the Floor Area Ratio (FAR) from the permitted 4.9 to 5.94, a 17.5 percent increase over what would be allowed. The applicant has indicated that the eastern half of the site, where the condominium is proposed to be built, has B4S-1 zoning which

has a maximum FAR of 8 but because the other half of the site has OR3 zoning that the more restrictive of the regulations apply. Please note that this is one zoning lot that has a split zoning classification.

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.

FAR increase: The development site is unique in that a portion of it is zoned B4S-1 which has a higher FAR than allowed in the OR3. According to Hennepin County, of the 119,295 parcels in the City of Minneapolis, 583 have split zoning.

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.

FAR increase: The Planning Division believes that the granting of this variance would be in keeping with the spirit and intent of the ordinance. If the two buildings were being reviewed independently of one another the FAR for the apartment building would be 3.29 and the FAR for the condominium building would be 9.96. Although the FAR of the condominium building exceeds the maximum FAR in the B4S-1 zoning district with the enclosed parking bonus and the Planned Unit Development bonus no variance would be required. In this particular development the increase in FAR is resulting in a taller building. The location of the 39-story condominium building is such that it is a continuance of the tall buildings found in downtown Minneapolis. Within three blocks of the site there are several tall buildings ranging in height between 12 and 36 stories. In addition, the orientation of the street grid south of Grant Street is north-south and east-west. North of Grant Street the orientation of the street grid turns 60 degrees so when looking at the proposed building from Loring Pond it will appear to be located amongst the taller buildings nearby.

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.

FAR increase: 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 variance be detrimental to welfare or public safety.

VARIANCE - to reduce the front yard setback along Willow Street from the required 15 feet to a distance between zero and 13 feet

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.

Front yard setback along Willow Street: The applicant is seeking a variance to reduce the front yard setback along Willow Street from the required 15 feet to a distance between zero and 13 feet. The applicant has indicated that the southwest corner of the existing Eitel Hospital building is located 13.5 feet from the front property line and the northwest corner is located 13 feet from the front property line. The building addition will maintain a minimum of a 13-foot setback from the front property line. Other building elements such as a stairway, a sidewalk, a pathway, awnings and balconies are all located at the property line.

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.

Front yard setback along Willow Street: The circumstances are unique in that the existing Eitel Hospital building is located 13 feet from the front property line. Although the other elements will project closer to the front property line than the building their impact is minimal given that the development occupies the entire block.

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.

Front yard setback along Willow Street: The Planning Division believes that the granting of this variance would be in keeping with the spirit and intent of the ordinance. Maintaining a similar setback for the addition helps to establish a building wall along the street. In addition, allowing the balconies to project outwards from the building will provide for eyes on the street and Loring Park when people are on them.

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.

Front yard setback along Willow Street: 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 variance be detrimental to welfare or public safety.

VARIANCE - to reduce the front yard setback along Spruce Place from the required 15 feet to a distance between zero and 15 feet

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.

Front yard setback along Spruce Place: The applicant is seeking a variance to reduce the front yard setback along Spruce Place from the required 15 feet to a distance between zero and 15 feet. The applicant has indicated that the southern half of the addition along Spruce Place is setback 15 feet from the front property line to replicate the setback of the residential buildings to the south and across 14th Street West from the site. The northern half of the addition along Spruce Place is setback five feet from the front property line to replicate the setback of the residential buildings to the east and across Spruce Place from the site. Other building elements such as stairways, a pathway, awnings and balconies are all located at the property line.

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.

Front yard setback along Spruce Place: The circumstances are unique in that the existing residential buildings to the south and east of the site are located closer than 15 feet to the property line or at the property line.

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.

Front yard setback along Spruce Place: The Planning Division believes that the granting of this variance would be in keeping with the spirit and intent of the ordinance. Maintaining a similar setback as what is established helps to establish a building wall along the street.

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.

Front yard setback along Spruce Place: 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 variance be detrimental to welfare or public safety.

VARIANCE - to reduce the corner side yard setback along Grant Street from the required 15 feet to a distance between zero and 5 feet

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.

Corner side yard setback along Grant Street: The applicant is seeking a variance to reduce the corner side yard setback along Grant Street from the required 15 feet to a distance between zero and 5 feet. The applicant has indicated that the residential buildings located to the east and across Spruce Place

from the site are located at the property line and in order to maintain the building wall along Grant Street the proposed building was set five feet back from the property line. Other building elements such as a stairway, an accessible ramp, an awning and balconies are all located at the property line.

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.

Corner side yard setback along Grant Street: The circumstances are unique in that the existing residential buildings to the east of the site are located at the property line.

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.

Corner side yard setback along Grant Street: The Planning Division believes that the granting of this variance would be in keeping with the spirit and intent of the ordinance. Maintaining a similar setback as what is established helps to establish a building wall along the street.

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.

Corner side yard setback along Grant Street: 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 variance be detrimental to welfare or public safety.

VARIANCE - to reduce the corner side yard setback along 14th Street West from the required 15 feet to a distance between zero and 7 feet

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.

Corner side yard setback along 14th Street West: The applicant is seeking a variance to reduce the corner side yard setback along 14th Street West from the required 15 feet to a distance between zero and 7 feet. The applicant has indicated that the existing Eitel Hospital building is located at the property line along 14th Street West. Half of the building addition will be setback 7 feet from the property line and the other half will be located at the property line similar to the existing Eitel Hospital building. Other building elements such as sidewalks, driveways and balconies are all located at the property line. Please note that there are balconies located on the second through fifth floors of the building that extend over

the right-of-way. The applicant should contact the Right-of-Way Department of Public Works to confirm whether or not an encroachment permit is required.

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.

Corner side yard setback along 14th Street West: The circumstances are unique in that the existing Eitel Hospital building is located at the property line. Although the other elements will project closer to the front property line than the building their impact is minimal given that the development occupies the entire block.

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.

Corner side yard setback along 14th Street West: The Planning Division believes that the granting of this variance would be in keeping with the spirit and intent of the ordinance. Maintaining a similar setback for the addition helps to establish a building wall along the street.

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.

Corner side yard setback along 14th Street West: 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 variance be detrimental to welfare or public safety.

SITE PLAN REVIEW

Findings as Required by the Minneapolis Zoning Code:

- 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 FACADE:

- 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:**
 - 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.**
- **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 roof lines 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.**

PLANNING DEPARTMENT RESPONSE:

- This development reinforces the street wall, facilitates pedestrian access and maximizes natural surveillance. The buildings are set close to the property lines and there are entrances and exits located along all sides of the development.
- There are setback requirements on all sides of the development. The applicant has applied to vary all of the required setbacks. The areas in between the building and the property lines include landscaping, balconies and plaza space for outdoor seating area.
- There are several entrances leading into the development. The main entrance to the apartment building is located on the Willow Street side of the building. Also on this side of the building is the entrance to the commercial space. On the other three sides of the apartment building there are residential entrances that lead to those dwelling units on the first floor of the building. In addition, on the 14th Street West side of the building there is an entrance to the outdoor courtyard which also provides access to individual dwelling units. The main entrance to the condominium building is located on the Spruce Place side of the building. Along 14th Street West there are individual residential entrances to those dwelling units on the first floor of the building and the entrance to the commercial spaces is located on the LaSalle Avenue side of the building.
- All of the on-site parking associated with this development is structured and located within the buildings. The portion of the structured parking area within the condominium building that is located above grade has been screened from view by similar building materials which will be used throughout the building. Sloped floors are not visible from the exterior of the building.
- The exterior materials of the apartment building include brick and cement board siding and the exterior materials of the condominium building include brick, pre-cast brick panels and pre-cast concrete panels. The Planning Division believes that the two buildings will be compatible with one another.
- The apartment building contains no blank, uninterrupted walls over 25 feet in length that are void of any windows, entries, recesses or projections, or other architectural elements. As for the

condominium building the first two floors on the north side and the upper three floors on the LaSalle Avenue side above the overhead door are blank. As part of the approvals in December of 2005 alternative compliance was granted to allow these areas of the condominium building to be blank. These approvals are still valid.

- At least 30 percent of the first floor that is commercial space, at least 20 percent of the first floor that is residential space and at least 10 percent of the upper floors of the building walls facing all of the streets are required to be windows.
 - Apartment building:
 - Willow Street: the percentage of windows on the first floor of the building that is commercial is 44 percent and the percentage of windows on the first floor of the building that is residential is 32 percent. All of the upper floors of the building have more than 10 percent windows.
 - Grant Street: the percentage of windows on the first floor of the building that is commercial is 54 percent and the percentage of windows on the first floor of the building that is residential is 21 percent. All of the upper floors of the building have more than 10 percent windows.
 - Spruce Place: the percentage of windows on the first floor of the building is 33 percent. All of the upper floors of the building have more than 10 percent windows.
 - 14th Street West: the percentage of windows on the first floor of the building is 21 percent. All of the upper floors of the building have more than 10 percent windows.
 - Condominium building:
 - Spruce Place: the percentage of windows on the first floor of the building is 39 percent. All of the upper residential floors of the building have more than 10 percent windows. The portion of the structured parking area that is located above grade has been screened from view by similar building materials which will be used throughout the building. Sloped floors are not visible from the exterior of the building.
 - 14th Street West: the percentage of windows on the first floor of the building that is commercial is 94 percent and the percentage of windows on the first floor of the building that is residential is 21 percent. All of the upper residential floors of the building have more than 10 percent windows. The portion of the structured parking area that is located above grade has been screened from view by similar building materials which will be used throughout the building. Sloped floors are not visible from the exterior of the building.
 - LaSalle Avenue: the percentage of windows on the first floor of the building is 45 percent. The entire LaSalle Avenue side of the building is commercial on the first floor. All of the upper residential floors of the building have more than 10 percent windows. The portion of the structured parking area that is located above grade has been screened from view by similar building materials which will be used throughout the building. Sloped floors are not visible from the exterior of the building.
- The windows in the buildings are vertical in nature and are evenly distributed along the building walls.
- The roof line of both buildings will be flat. This roofline is similar to other buildings found 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.**

PLANNING DEPARTMENT RESPONSE:

- All of the entrances are connected to the public sidewalks.
- There are no transit stops located on either of the blocks associated with this development.
- All of the on-site parking associated with this development is structured and located within the building and each portion of the development has their own internal loading docks which may be used by both the residents and the retail tenants. Only two curbs access each building within the development; one for the parking and one for the loading. Given this, vehicular conflicts with pedestrians will be minimized.
- There are no public alleys on either of the blocks associated with this development.
- The OR3 zoning district requires that no more than 85 percent of the site be impervious. Approximately 86,826 square feet of the site, or 79 percent, is covered by the building, driveways, sidewalks and patios.

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.**

- **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.**

PLANNING DEPARTMENT RESPONSE:

- The zoning code requires that at least 20 percent of the site not occupied by the building be landscaped. The lot area of the site is 109,364 square feet. The footprint of the buildings is 73,392 square feet. When you subtract the footprint from the lot size the resulting number is 35,972 square feet. Twenty percent of this number is 7,194 square feet. The applicant has a total of 22,538 square feet of green space on the site, or 63 percent of the site not occupied by the building. In addition, the applicant is proposing to install a total of 5,909 square feet of green space in the right-of-way per the recently adopted City Council ordinance.
- The zoning code requires at least 1 canopy tree for each 500 square feet of required green space and at least 1 shrub for each 100 square feet of required green space be planted on the site. The tree and shrub requirement for this site is 14 and 72 respectfully. The applicant is providing a total of 48 canopy trees, 20 ornamental trees, 497 shrubs and 700 perennials on the site.
- The applicant is proposing to have a six-foot high decorative fence located along 14th Street West adjacent to the courtyard and along the north property line adjacent to the condominium building. Where adjacent to the north property line the fence cannot exceed four feet in the required front yard.

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.**

PLANNING DEPARTMENT RESPONSE:

- Stormwater runoff will be drained to an underground stormwater treatment system.
- A lighting plan showing footcandles was not submitted as part of the application materials. The Planning Division is recommending that the applicant submit a lighting plan so staff can verify that the lighting levels comply with the requirements of Chapter 535.
- Vehicular headlight glare should not impact the surrounding residential uses given that the parking structure will be screened from view by similar building materials which will be used throughout the building.
- Constructing a building either 2.5 stories in height or as tall as the proposed development would block views of Loring Pond and the open space around it from the properties to the east given the height of the existing Eitel Hospital Building. The condominium building will block views of the downtown skyline for properties immediately to the south but will add to the skyline for those properties further south.
- According to the shadow analysis that was submitted by the applicant, portions of the green space around Loring Pond and the residential buildings immediately to the north will be shadowed at different times throughout the year. The length of time that the green space or any one residential building is shadowed on any given day is minimal. The Planning Division does recognize that the residential building immediately to the north will be shadowed a majority of the time. However this would be the case even if the proposed building was built to the OR3 height limits of six stories.
- Setbacks and different architectural elements such as awnings have been incorporated into the design of the building which should minimize ground level winds.
- The Crime Prevention Specialist has reviewed the project in regards to crime prevention design elements. To be in compliance with the CPTED guidelines, the plaza should be designed in such a way to detract skateboarders. The development provides for eyes on the street and on the plaza areas as there are dwelling units on all sides of the development including the interior courtyards of the apartment building. There are lights proposed over every door and near the parking and loading entrances. In addition, there are pedestrian lights located along the pathway that leads from Loring Pond into the neighborhood and in the courtyards. The private spaces within the development have been delineated from the public spaces by planting beds and different paving materials.
- This site is neither historically designated nor located in a historic district. Although the existing Eitel Hospital building is not historically designated, the development incorporates the adaptive reuse of the building into the design.

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:

- **Use:** Planned Residential Developments are conditional uses in the OR3 zoning district.
- **Off-Street Parking and Loading:** The zoning code requires 0.9 parking spaces per dwelling unit, one parking space per 300 square feet of gross floor area over 4,000 square feet for general retail sales and services uses and parking equal to 30 percent the capacity of food and beverage uses. There are a total of 490 dwelling units in the development (215 in the apartment building and 275 in the condominium building), one 2,100 square foot food and beverage use and one 3,300 square foot general retail sales and services space. Of the 2,100 square feet in the food and beverage use space only 1,215 square feet of it is available to the public. The resulting parking requirement for this development is 470 spaces; 442 spaces for the residential (194 for the apartment building and 248 for the condominium building), 24 for the food and beverage use and 4 for the general retail sales and services use. In total, there will be 579 parking spaces provided between the two buildings; 220 in the apartment building and 359 in the condominium building.

The loading requirement for a Planned Residential Development is as approved by the Conditional Use Permit application. In this development, both the rental and the for-sale portions of the development have two internal loading docks.

- **Maximum Floor Area:**

In General: The maximum FAR in the OR3 zoning district is 3.5. The lot in question is 109,364 square feet in area. The applicant proposes a total of 649,451 square feet of gross floor area, an FAR of 5.94.

Section 547.130 allows a 20 percent increase in the maximum floor area ratio if all required parking is provided within the building, entirely below grade, or in a parking garage of at least two levels. This development qualifies for this density bonus as all of the required parking is located within the building. When calculated this would allow a FAR of 4.2. In a Planned Unit Development the maximum gross floor area may be increased by 20 percent for the purpose of promoting an integrated project that provides additional site amenities. The Planning Division believes that this development does qualify for the floor area increase given the amenities provided. Such amenities include; outdoor open space, a series of green roof systems, a mix of uses, enclosed parking and the renovation of an existing building. When calculated this would allow a gross floor area of 551,209 square feet. Because the gross floor area of the development exceeds the permitted gross floor area the applicant has applied for a variance.

Individual Uses: The maximum gross floor area of a neighborhood serving retail sales and services use in the OR3 zoning district cannot exceed 2,000 square feet. One of the proposed commercial spaces within the condominium building has a gross floor area of 3,300 square feet.

In a Planned Unit Development the maximum gross floor area may be increased by 20 percent for the purpose of promoting an integrated project that provides additional site amenities. The Planning Division believes that this development does qualify for the floor area increase given the amenities provided. Such amenities include; outdoor open space, a series of green roof systems, a mix of uses, enclosed parking and the renovation of an existing building. When calculated this would allow a gross floor area of 2,400 square feet. Because the gross floor area of the neighborhood serving retail sales and services use exceeds the permitted gross floor area a variance is required. The applicant applied for this variance in December of 2005. This variance was approved by the City Planning Commission and is still valid.

- **Building Height:** The height requirement in the OR3 zoning district is 6 stories or 84 feet, whichever is less. However, the property is also located within 1,000 feet of the high-water mark of Loring Pond and is therefore subject to the height requirements of the SH Shoreland Overlay District, which is 2.5 stories or 35 feet, whichever is less.

The purpose of the SH Shoreland Overlay District is established to “preserve and enhance the environmental qualities of the surface waters and the natural and economic values of Shoreland areas within the city, to provide for the efficient and beneficial utilizations of those waters and Shoreland area, to comply with the requirements of state law regarding the management of Shoreland areas, and to protect the public health, safety and welfare”.

By today’s zoning code standards the height of the existing Eitel Hospital building is seven stories. The height of the addition is proposed to also be seven stories. Although the height of the addition exceeds 2.5 stories, the Planning Division does not believe that it will have a negative impact on the shoreland of Loring Pond. The front wall of the addition along Willow Street will be set back the same distance as the existing building from the front property line. In addition, the new building has been designed with a large courtyard in between it and the Eitel Hospital building. Given this, the overall size of the building from Loring Pond will appear smaller than the existing Eitel Hospital building.

The height of the proposed for-sale portion of the development is 39 stories. The building will be located one block off of Loring Pond. Located between Loring Pond and the building would be the seven story rental portion of the development. The Planning Division recognizes that the proposed height of the building is a substantial deviation from the height requirement in the Shoreland Overlay District but does not believe that it will have a negative impact on the shoreland of Loring Pond. The location of the proposed building is such that it is a continuance of the tall buildings found in downtown Minneapolis. Within three blocks of the site there are several tall buildings ranging in height between 12 and 36 stories. In addition, the orientation of the street grid south of Grant Street is north-south and east-west. North of Grant Street the orientation of the street grid turns 60 degrees so when looking at the proposed building from Loring Pond it will appear to be located amongst the taller buildings nearby.

- **Minimum Lot Area:**

In general: The minimum lot area for a Planned Unit Development in the OR3 zoning district is two acres. This site is 109,364 square feet (2.51 acres).

Lot area per dwelling unit: The minimum lot area per dwelling unit in the OR3 zoning district is 300 square feet. With 490 proposed dwelling units on a lot of 109,364 square feet, the applicant proposes 223 square feet of lot area per dwelling unit.

Section 547.130 allows a 20 percent increase in the number of dwelling units allowed within a development if all required parking is provided within the building, entirely below grade, or in a parking garage of at least two levels. This development qualifies for this density bonus as all of the required parking is located within the building. When calculated this would allow up to 436 dwelling units on the site each with a minimum lot area of 250 square feet. In a Planned Unit Development the minimum lot may be reduced by 20 percent for the purpose of promoting an integrated project that provides a variety of housing types and additional site amenities. The Planning Division believes that this development does qualify for the minimum lot size reduction given the amenities provided. Such amenities include; both for-sale and rental dwelling units, outdoor open space, a series of green roof systems, a mix of uses, enclosed parking and the renovation of an existing building. Given this, the minimum lot size would be 200 square feet per dwelling unit, which would permit the proposed number of units.

- **Yard Requirements:** This development is located in the OR3 zoning district. The front yard setback in the OR3 zoning district is 15 feet. Willow Street, Spruce Place and LaSalle Avenue are all front yards. The corner side yard setback in the OR3 zoning district is $8+2x$, where x equals the number of stories above the first floor. However, the corner side yard setback shall not exceed the applicable front yard setback so the corner side yard setback is also 15 feet. Grant Street and 14th Street West are both corner side yards. The interior side yard setback in the OR3 zoning district is $5+2x$, where x equals the number of stories above the first floor. The interior side yard setback for the 39-story portion of the development is 81 feet. The applicant applied for variances of the required setbacks for both the rental and for-sale portions of the development in December of 2005. These variances were approved by the City Planning Commission and are still valid. However, the placement of the apartment building has changed since these approvals were granted. Therefore, the applicant has applied to vary all of the setback requirements for the rental portion of the development.
- **Specific Development Standards:** The specific development standards for a Planned Residential Development are those standards as identified in Chapter 527, Planned Unit Development. These standards are discussed in the finding number six for the conditional use permit for the Planned Residential Development above.
- **Hours of Operation:** Residential uses are not subject to hours of operation. The hours of operation for the commercial portion of the development are Sunday through Thursday, 7 am to 10 pm and Friday and Saturday, 7 am to 11 pm.
- **Signs:** Signs are subject to the requirements of Chapter 543 of the Zoning Code. The sign standards for a Planned Residential Development are as approved by conditional use permit. The applicant is proposing to have three signs on the apartment building and three on the condominium building. All six of the signs are located over an entrance that leads into the building. Given the size of the development, the Planning Division does not believe that the proposed sign plan is obtrusive.

- **Refuse storage:** There will be a trash room in both the apartment building and the condominium building. The trash room will be accessible from the loading areas in both buildings.

MINNEAPOLIS PLAN:

According to the *Minneapolis Downtown 2010 Plan*, this property is located in an area designated as a downtown neighborhood as found on the concept plan map. According to the Principles and Policies outlined in *Downtown 2010 Plan*, the following apply to this proposal:

- Capitalize on sites that are well suited for housing, especially along the riverfront and around Loring Park, by encouraging medium to high-density housing development (Downtown Living Policy number 2).
- Locate medium to high-density housing in an area designated as a Downtown Residential District located between Loring Park and the Office and Retail Districts. This district should provide a location for housing that is near the downtown employment and retail. Other retail, office and educational uses should be encouraged to provide diversity, but should be compatible with housing (Downtown Living Policy number 3).
- Ensure that new residential development contributes to the sense of neighborhoods through appropriate site planning and architectural design (Downtown Living Policy number 5).
- Protect residential areas from encroachment of incompatible land uses, and ensure that the physical environment of downtown residential areas is minimizing traffic impacts, maintaining security, and providing and maintaining amenities (Downtown Living Policy number 7).
- Support the retention and development of neighborhood-serving retail (Downtown Living Policy number 9).
- Promote a street-level design of buildings that contributes to downtown's vitality and security by encouraging individual entrances to street-level building tenants, windows and architectural detailing (Downtown Physical Setting Policy number 1).
- Encourage the creation of new parks and plazas that are within easy access to the majority of the downtown workforce (Downtown Physical Setting Policy number 12).
- Emphasize good open space design (Downtown Physical Setting Policy number 14).
- Preserve, restore and reuse historic buildings and sites in Downtown (Downtown Physical Setting Policy number 16).

The Planning Division believes that the proposed development is in conformance with the policies of the *Downtown 2010 Plan*. The applicant is proposing to construct a high-density housing development in an area where the plan indicates it would be appropriate. And although the existing Eitel Hospital building is not historically designated, the development incorporates the adaptive reuse of the building into the design. The location of the site is within walking distance of downtown employment sites, retail stores and entertainment venues. The development incorporates open space, not only for the residents but also for those in the neighborhood. The development also provides for a walking path connecting Loring Park to the neighborhood.

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.**

PLANNING DEPARTMENT RESPONSE:

- With the approval of the conditions for site plan review alternative compliance is not warranted for this development.

RECOMMENDATIONS

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the conditional use permit:

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 application for a Planned Residential Development including a total of 490 dwelling units and 2 retail spaces located at 1367 Willow Street and 1368 LaSalle Avenue subject to the following conditions:

1. Bicycle racks, at a ratio of one per unit, shall be provided for the apartment portion of the development. These bicycle racks shall be located within the parking garage.
2. A bicycle rack, which can accommodate a minimum of four bicycles, shall be located near each of the retail spaces within the building. These bicycle racks may be placed in the right-of-way if approved by the City Engineer.

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 increase the Floor Area Ratio (FAR) from the permitted 4.9 to 5.94 located at 1367 Willow Street and 1368 LaSalle 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 front yard setback along Willow Street from the required 15 feet to a distance between zero and 13 feet located at 1367 Willow Street.

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 front yard setback along Spruce Place from the required 15 feet to a distance between zero and 15 feet located at 1367 Willow Street.

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 corner side yard setback along Grant Street from the required 15 feet to a distance between zero and 5 feet located at 1367 Willow Street.

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 corner side yard setback along 14th Street West from the required 15 feet to a distance between zero and 7 feet located at 1367 Willow Street.

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the site plan review:

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 for a mixed-use development for the properties located at 1367 Willow Street and 1368 LaSalle Avenue subject to the following conditions:

1. A lighting plan shall be submitted so staff can verify that the lighting levels comply with the requirements of Chapter 535.

Department of Community Planning and Economic Development – Planning Division
BZZ-3018

2. Approval of the final site, elevation and landscaping plans by the Department of Community Planning and Economic Development – Planning Division.
3. All site improvements shall be completed by June 26, 2008, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.

Attachments:

1. Project narrative
2. Conditional use permit and variance findings
3. May 4, 2006, letters to Council Member Goodman and CLPC
4. May 26, 2006, e-mail from SRF consulting regarding the TDMP
5. Letters from surrounding property owners
6. Zoning Map
7. Site plan and floor plans
8. Photographs of the site and surrounding area