

Department of Community Planning and Economic Development – Planning Division
Rezoning
BZZ-3293

Date: November 27, 2006

Applicant: Hillcrest Development

Address of Property: 1229, 1331, 1361 Tyler Street NE; 1308 ½ Fillmore Street NE

Project Name: Not applicable.

Contact Person and Phone: Anthony J. Gleekel, (612)337-6100

Planning Staff and Phone: Jennifer Jordan, (612)673-3859

Date Application Deemed Complete: October 30, 2006

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

Ward: 1 **Neighborhood Organization:** Northeast Park Neighborhood Association

Existing Zoning: I2, Medium Industrial District (1229, 1331 Tyler Street NE and 1308 ½ Fillmore Street NE) and I1, Light Industrial District (1361 Tyler Street NE)

Proposed Zoning: I2, Medium Industrial District and I1, Light Industrial District, Industrial Living Overlay District

Zoning Plate Number: 10

Legal Description: Parcel 1: That part of the Southwest Quarter of the Northwest Quarter of Section 13, Township 29, Range 24 and of Lot 1, Auditor's Subdivision No. 127, Hennepin County, Minn., and of the vacated portion of Polk Street Northeast, the entire tract being described as follows: Commencing at a point in the West line of Polk Street NE (now vacated) distant 492.9 feet South of the point of intersection of said West line of Polk Street NE with the Southwesterly right-of-way line of the Northern Pacific Railroad; thence Easterly to a point in the East line of said Polk Street NE distant 438.1 feet South of the point of intersection of said East line of Polk Street NE with the Southwesterly line of the Northern Pacific Railway Company right-of-way; thence Easterly at a right angle to the East line of Polk Street NE (now vacated) at a distance of 133.7 feet; thence Northerly deflecting to the left at an angle of 89 degrees 46 minutes a distance of 39 feet; thence Northerly and Northwesterly on a 6 degree curve, convex to the Northeast, a distance of 344.0 feet, more or less, to a point in the Southwesterly line of the right-of-way of the Northern Pacific Railroad Company distant 95.4 feet Southeasterly from the point of intersection of said Southwesterly right-of-way line with the East line of Polk street NE; thence Northwesterly along the Southwesterly line of said railroad right-of-way to the point of intersection of said right-of-way line with a line drawn parallel with and 71.0 feet West of the West line of Polk Street NE; thence Southerly

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parallel with the West line of Polk Street NE a distance of 196.8 feet more or less, to the intersection with a line drawn parallel with the North line of the Southwest Quarter of the Northwest Quarter of said Section 13 from a point in the West line of Polk Street NE distant 355.0 feet North of the point of beginning; thence West parallel with the North line of the Southwest Quarter of the Northwest Quarter of said Section 13 a distance of 193.0 feet to the East line of Tyler Street NE; thence Southerly along the East line of Tyler Street NE a distance of 355.0 feet to the point of intersection with a line drawn West from the point of beginning and parallel with the North line of said Southwest Quarter of Northwest Quarter of Section 13; then East Parallel with the North line of said Southwest Quarter of Northwest Quarter of Section 13 a distance of 264 feet to the point of beginning. (Torrens Property, Certificate of Title no. 838724)

Parcel 2: That part of the Southwest Quarter of the Northwest Quarter of Section 13, Township 29, Range 24, described as commencing at a point on the West line of Polk Street Northeast distant 137.9 feet South along said West line from its intersection with the Southwesterly right-of-way line of the Northern Pacific Railway Company; thence West, parallel with the North line of said Southwest Quarter of the Northwest Quarter to an intersection with a line drawn parallel with and 71 feet West of the West line of Polk Street Northeast, said intersection being the actual point of beginning; thence West, parallel with the North line of said Southwest Quarter of the Northwest Quarter a distance of 193 feet, more or less, to the East line of Tyler Street Northeast; thence North along said East line 357.1 feet, more or less, to the Southwesterly right-of-way line of the Northern Pacific Railway Company; thence Southeasterly along said Southwesterly right-of-way line to its intersection with a line drawn parallel with and 71 feet West of the West line of Polk Street Northeast; thence South along the last described parallel line 196.8 feet, more or less, to the actual point of beginning. (Torrens Property, Certificate of Title No. 838724)

Parcel 3: That part of Lot 1, Auditor's Subdivision Number One Hundred Twenty-seven (127) Hennepin County, Minn. Described as commencing at a point on the Southwesterly right-of-way line of the Northern Pacific Railway Company where said right-of-way line intersects the East line of Polk Street Northeast (now vacated); thence Southeasterly along said Southwesterly right-of-way line (assumed to bear South 50 degrees 26 minutes East) a distance of 95.4 feet to the actual point of beginning of the land to be described; thence Southeasterly along the center line of a railroad spur track on a 6 degree curve having a radius of 955.37 feet, and a chord bearing of South 15 degrees 01 minutes East a distance of 179.86 feet; thence East in a straight line 164.6 feet more or less to a point on said Southwesterly right-of-way line, Southeasterly from the actual point of beginning; thence Northwesterly along said Southwesterly right-of-way line 273.9 feet to the actual point of beginning, according to the plat thereof on file and of record in the office of the Register of Deeds in and for Hennepin County, Minnesota. (Abstract Property)

Parcel 4: The Southwesterly 46.0 feet of The Burlington Northern and Santa Fe Railway Company's (formerly Northern Pacific Railway Company) 200.0 foot wide Station Ground Property at Minneapolis, Minnesota, being 100.0 feet wide on each side of said Railway Company's Main Track centerline as now located and constructed upon, over and across the NW ¼ of Section 13, Township 20 North, Range 24 West of the 4th Principal Meridian, Hennepin County, Minnesota lying between two lines drawn parallel with and distant, respectively, 54.0 feet and 100.0 feet Southwesterly of, as measured at right angles from said Railway Company's Main Track centerline and bounded on the Northwest by the Easterly extension of the North line of 14th Avenue NE, according to the recorded plat of Johnson's Addition to Minneapolis, and bounded on the Southeast by a line drawn parallel with and distant 8.5 feet

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Westerly of, as measured at right angles from said Railway Company’s Crown iron Works Spur Track No. 1 centerline, as originally located and constructed, said Crown Iron Works Spur being located within the right of way of Polk Street, according to the recorded plat thereof.

Proposed Use: Applicant proposes to keep the property as a mixed-use building with multi-tenant industrial and commercial uses within the footprints of the existing buildings. Applicant is still in the process of determining whether residential uses will be retained for the long-term.

Concurrent Review: Not applicable.

Applicable zoning code provisions: Chapter 525, Article VI, Zoning Amendments.

Background: The property is comprised of four parcels and is located in a triangular wedge of land adjacent to a rail corridor and approximately one block from both Central Avenue NE and Broadway Street NE. The property contains ten industrial buildings and is 264,963 square feet or 6.1 acres in size. The current land use by building is as follows:

Building	Current Use(s)	Size (Gross Floor Area)	Unit Count	Description
#1	Eide Saw Manufacturer and Warehouse; Carpentry Shop; Residential	45,000 sf	14	2 story
#2	1323 Enterprises Salvage and Storage	15,500 sf		1 story
#3	Gopher Towing and Storage; Office	20,640 sf		1 story and mezzanine
#4	Gopher Towing and Storage; Office	15,140 sf		1 story and mezzanine
#5	Guided Salvage and Antique Store; Residential	29,900 sf	8	1 story and mezzanine
#6	Caps Co. Office; Residential	12,000 sf	6	1 story and mezzanine
#7	Vacant warehouse	6,443 sf		2 story
#8	Private warehouse	8,058 sf		2 story
#9	Warehouse	1,468 sf		1 story
#10	Gopher Towing and Storage; Boesler Sheft	9,255 sf		1 story

Applicant acknowledges that the property needs to be brought into code compliance for fire, building and zoning. Applicant has met repeatedly with Rocco Forte’ and Henry Reimer, Regulatory Services, and has reached general agreement on all of the major Fire and Building Code Issues. Applicant has also met with Steve Poor, Zoning Administrator, and has come to an agreement about addressing the zoning and land use issues. Applicant is bringing forward the rezoning application as a first step in addressing those issues. Applications for site plan review and a conditional use permit for the housing units will be brought forward at a later date if the applicant decided to retain the existing residential uses.

Findings As Required By The Minneapolis Zoning Code:

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

The property is located in a triangular wedge of land adjacent to a rail corridor and roughly one block east from both Central Avenue NE and one block north from Broadway Street NE and currently operates with a collection of industrial uses and residential units. Both Central Avenue NE and Broadway Street NE are designated Community Corridors in The Minneapolis Plan. Community Corridors are locations that support new medium-density residential and neighborhood-serving commercial uses. The historical uses along these two corridor segments have been industrial which is not the typical land use found along most other Community Corridors in other parts of the city. Currently, industrial uses in the area exist in conjunction with office, artists' studios, and institutional uses along the two corridors. In some cases, the existing brick, industrial buildings along Central Avenue NE have been retained through conversion into offices.

While this area has historically been industrial and has industrial zoning, it is not a designated Industrial Business Park Opportunity Area in The Minneapolis Plan. An Industrial Business Park Opportunity Area is a priority location for industry to grow for the future. The City Council adopted the Industrial Land Use Study & Employment Plan on November 3, 2006 which designates geographic boundaries for Industrial Employment Districts for long-term protection and retention of industrial uses and gives specific policy direction for industrial employment within those areas. The property is not located within any of the designated Industrial Employment Districts and therefore could be permitted to transition to other uses. The proposed rezoning of the property is supported by the policies and implementation steps listed below:

4. Marketplaces: Neighborhoods

4.2 Minneapolis will coordinate land use and transportation planning on designated Community Corridors streets through attention to the mix and intensity of land uses, the pedestrian character and residential livability of the streets, and the type of transit service provided on these streets.

Implementation Steps

Strengthen the residential character of Community Corridors by developing appropriate housing types that represent variety and a range of affordability levels.

Promote more intensive residential development along these corridors where appropriate.

Require that street design for these corridors preserves and enhances the strong residential character and pedestrian orientation of these streets while maintaining the street's capacity to carry current volumes of traffic.

Discourage the conversion of existing residential uses to commercial uses, but encourage the development of mixed-use residential dwelling units in commercial buildings where appropriate.

9. City Form

9.23 Minneapolis will continue to provide a wide range of goods and services for city residents, to promote employment opportunities, to encourage the use and adaptive reuse of existing commercial buildings, and to maintain and improve compatibility with surrounding areas.

Implementation Steps

Plan, implement and monitor projects and programs that encourage and support the city's designated commercial areas.

Encourage comprehensive and site specific solutions that address issues of compatibility of commercial areas with surrounding uses.

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Facilitate the redevelopment of underutilized commercial areas and promote their reuse as infill development, such as office or housing, while maintaining neighborhood compatibility.

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

The purpose of the Industrial Living Overlay District per the zoning code is to encourage the rehabilitation and reuse of existing industrial structures and to provide for limited residential and retail uses in the I1 and I2 districts where such uses are compatible with other uses in the area. This property contains ten industrial buildings that could be adaptively reused for different uses. While the property is not historic, it would be in the public interest to retain the buildings, correct code compliance issues, and keep an active, tax-generating use.

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 property currently houses a number of industrial and commercial tenants as well as residential units. Residential uses are not permitted in the Industrial districts with the addition of the Industrial Living Overlay District. Addition of the Industrial Living Overlay District would expand the range of permitted uses that would be allowed to operate on the property for the future and begin the process of bringing the property into compliance with regards to the housing units. The surrounding area has Industrial zoning and includes a post office, a lumberyard, an architectural woodworking shop and the Minnesota Armory National Guard. Industrial Living Overlay District zoning is present on the industrial property on the west side of Central Avenue NE.

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.

The property will retain the existing I1 – Light Industrial District and I2 - Medium Industrial District base zoning so industrial uses would still be permitted. Reasonable uses would be allowed in the existing zoning classification. The addition of the Industrial Living Overlay District would allow for a greater range of commercial uses and housing as a conditional use than allowed under the base zoning.

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.

This area has been industrial since the early 1900's. Over time, additions and modifications were added on to accommodate changes in the industrial process. Many of the industrial buildings built in the first part of the 20th century are no longer viable for modern manufacturing due to functional obsolescence, inadequate loading areas and limited access to the freeway system. The area west of Central Avenue has seen a shift in industrial uses in that manufacturing has given way to art production studio space and showroom space within the existing, multi-story brick buildings. It would not be unreasonable to predict that a similar shift will occur for this contiguous area as well given the proximity to Central Avenue NE and supply of older industrial building stock.

RECOMMENDATIONS

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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 City Council adopt the above findings and **approve** the application to add the Industrial Living Overlay District to the property zoned I2 - Medium Industrial District (1229, 1331 Tyler Street NE and 1308 ½ Fillmore Street NE) and I1 - Light Industrial District (1361 Tyler Street NE)

Attachments:

1. Application Worksheet
2. Zoning Petition
3. Statement of use
4. Findings
5. Correspondence
6. Zoning map
7. Plans
8. Photos