

**Department of Community Planning and Economic Development—Planning Division
Conditional Use Permit
BZZ-2069**

Hearing Date: 11/22/04

Applicant: GrandMarc Minnesota, L.P.

Address of Property: 1807 Washington Ave. S.

Project Name: GrandMarc at Seven Corners

Contact Person and Phone: Nathan Wilkens, GrandMarc at Seven Corners, 1849 Washington Ave. S., Minneapolis, MN 55455

Staff Contact Person and Phone: J. Michael Orange, Principal Planner. Phone: 612-673-2347; facsimile: 673-2728; TDD: 673-2157; e-mail: michael.orange@ci.minneapolis.mn.us

Date Application Deemed Complete: 10/15/04

End of 60-Day Decision Period: 12/14/04

End of 120-Day Decision Period: N/A

Ward: 2 Neighborhood Organization: West Bank Community Coalition, Cedar Riverside Business Association

Existing Zoning: C3A, Community Activity Center District; Pedestrian-Oriented Overly District

Zoning Plate Number: 21

Proposed Use: Amendment of the existing Conditional Use Permit/Planned Business Development by GrandMarc to allow the existing 13,311 sq. ft. of commercial space to be used for food and beverage uses and to reduce the parking requirement for this space from the maximum possible requirement of 160 (not counting the 51 grandfathered stalls) down to the 6 existing surface parking spaces on the site.

Prior approvals:

- Conditional Use Permit Application/Planned Business Development C-1965, approved 3/22/99
- Rezoning Petition P-1049, approved 4/15/99
- Vacation Vac-1260, approved 4/15/99
- Travel Demand Management Plan, approved 5/5/99; first revision approved 3/28/03

Concurrent Review:

- Amendment to the existing Conditional Use Permit/Planned Business Development: Chapter 548, Commercial Districts and Chapter 527 Planned Unit Developments.

**If you need more information or have special needs, please call the
Minneapolis Planning Department at 612-673-2597.**

Department of Community Planning and Economic Development—Planning Division
Conditional Use Permit, BZZ-2069

- Second revision to the Travel Demand Management Plan (original TDMP ordered by Public Works)

Background: GrandMarc at Seven Corners is a privately owned, residential facility that is bordered by Cedar Avenue, Washington Avenue, and 19th Avenue. It is located in a C3A, Pedestrian-Oriented Overlay District and a designated Transit Station Area and Activity Center, pursuant to the *Minneapolis Plan*. It was originally approved as a Planned Business Development (with transit-oriented design elements in a recognized transit-oriented area)¹ in a Conditional Use Permit that was approved in 1999. The facility consists of 188 residential units and, based on an amended Travel Demand Management Plan that was approved in 2003, can provide beds for up to 492 students. There are currently 388 students residing in the facility. Parking for residents is provided on-site in a 195-stall, underground garage.

This application is for amendment of Conditional Use Permit C-1965 to approve an exception to zoning ordinance standards to allow intensification of the use of the commercial space to allow use of up to 100% of the 13,311 gross square feet of commercial space for food and beverage uses, without requiring an increase in the required parking.

Pursuant to Section 527.120, the Planning Commission may approve exceptions to the zoning regulations applicable to the zoning district in which the planned unit development is located upon finding that the planned unit development includes adequate site amenities to address any adverse effects of the exception. The Applicant requests a reduction of parking requirements for the 13,311 gross square feet of first floor commercial space, to allow the most intense use of that space to be served by six on-site parking spaces. The purpose of this exception to zoning ordinance standards is to allow flexibility in renting to space for permitted commercial uses without needing to apply to the City for further amendments of the CUP as tenancies change.

The facility also includes 13,311 square feet for retail uses on the ground floor. Retail uses currently under lease occupy 10,788 square feet, and the remaining 2,523 square feet planned for retail space is vacant. The six off-street parking spaces behind the facility can be accessed via a driveway on Cedar Avenue. The driveway is owned by GrandMarc At Seven Corners but, through an easement, is shared with Theatre in the Round, which is immediately adjacent to the residential facility to the south.

The permitted commercial uses with the highest parking requirement are the food and beverage uses. The requirement is 30% of building code seating capacity, based on lobby and seating area. As a rule of thumb, 60% or less of a restaurant space will be available for seating. This would yield a maximum occupancy of 533 and a parking requirement of 160. Although the applicant is using food and beverages uses to establish the parking demand, the applicant requests that the approval specifically covers all permitted commercial uses, as long as the total parking demand for those uses does not exceed 160 spaces.

¹ As a PUD with transit-oriented business uses, the development was eligible to receive "Transit Bonuses" that totaled 20 percent.

**Department of Community Planning and Economic Development—Planning Division
Conditional Use Permit, BZZ-2069**

The following table that compares the parking requirements for the commercial space as approved in 1999 and as proposed today:

	1999 Approval	Current Proposal
Total space	13,311	13,311
Commercial parking requirement	31	
Maximum parking requirement*		160
Grandfathered stalls	51	51
On-site supply	6	6
Surplus/(gap)	26	-103
* Assumes all space used for food and beverage uses		

The on-site stalls and grandfathered stalls were sufficient to satisfy the parking requirement in 1999. The actual 31-stall demand was expected to be satisfied via on-street at parking meters and primarily in the Seven Corners Municipal Parking Ramp, located directly across the street from the site. According to Public Works staff, during peak usage periods, the Seven Corners ramp is only 79% utilized and has an excess of 160 stalls available (Attachment 6). Significantly more stalls are available during off-peak periods.

Citizen group response: On 10/21/04, the Cedar Riverside Business Association voted 9 to 2 to oppose the application (refer to Attachment 7). Planning staff have received no comment to date from the neighborhood group.

A. CONDITIONAL USE PERMIT

Findings as required by the Minneapolis Zoning Code for the GrandMarc project at 1807 Washington Ave. S.:

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

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

The applicant’s statement follows: “The exception to zoning standards is consistent with the findings of the original staff report and TDMP that (1) the neighborhood is essentially a pedestrian neighborhood, (2) the likely customers live in the neighborhood, or arrived to the neighborhood by transit or car for another reason, such as attending or working at the U, Theater in the Round, or the Southern Theater, and (3) the underutilized Seven Corners Municipal Parking Ramp is across the street with lots of short term parking available.

Department of Community Planning and Economic Development—Planning Division
Conditional Use Permit, BZZ-2069

“The exception is also consistent with the location of the site within a Pedestrian Overlay District and the designation of the site in the Minneapolis Plan as a Transit Station Area (TSA) and Activity Center. The customer base for the restaurant and retail space in the building is entirely made up of people who are in the neighborhood for reasons other than the restaurants and retail in the building: They are there because they live there, work there, go to school there, are staying at the Holiday Inn, are parking in the Seven Corners Municipal Ramp for an event at the Metrodome, or are attending an event at the University of Minnesota, Theater in the Round, or the Southern Theater. No one will be driving to the Project to buy a cup of coffee, a sandwich or a quart of milk. They will be patronizing the businesses at Seven Corners because they are already in the neighborhood for other reasons.

“In its findings for CUP C-1965, the Planning Commission found that the project helped address an unmet residential demand and created no significant problems regarding traffic generation, street capacity, vehicle access, loading areas, and pedestrian access. The proposed change to the CUP will allow a higher intense city use of the first floor commercial space without providing additional parking for that more intense use. The change will not be detrimental to or endanger the public health, safety, morals, comfort, or general welfare because (a) the specific uses to be established in the commercial space are and will continue to be regulated by the zoning ordinance, (b) the more intense uses (food and beverage uses) are uses that are already established in the immediate neighborhood, (c) the neighborhood is a pedestrian-oriented neighborhood, served by transit and the existing 700 car Seven Corners Municipal Ramp, and (d) the likely customers of the tenants in the commercial space live in the residential portion of the project or the nearby Seven Corners apartment, stay at the Holiday Inn across the street or are in the neighborhood because they are attending or working at the University of Minnesota, or are attending an event at the Theater in the Round or in the Southern Theater.

“For those customers who are in the neighborhood because of the University or the Theaters, arrive by public transit or personal vehicle. Those who arrive by personal vehicle need to park to attend the University or the Theater, whether or not they are also stopping to eat at Seven Corners. There is an over supply of parking at the Seven Corners Municipal Parking Ramp and, for those who are in the neighborhood because of the University, there is substantial onsite parking at the University. Providing additional parking at the GrandMarc at Seven Corners is unnecessary and inconsistent with the parking overlay district, which discourages providing excess parking.”

Staff concur with the applicant’s statement.

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 applicant’s statement follows: “The amendment to the Conditional Use Permit will not be injurious to the use and enjoyment of other property in the vicinity. The more intense use of the commercial space in GrandMarc at Seven Corners will enhance the existing entertainment and retail uses in the Seven Corners area. The restaurant uses in particular will support the existing

**Department of Community Planning and Economic Development—Planning Division
Conditional Use Permit, BZZ-2069**

theater and hotel uses in the area. The increased activity will, if anything, encourage rather than impede the normal and orderly development and improvement of the surrounding properties, to the extent any surrounding properties remain undeveloped or underdeveloped.”

Staff concur with the applicant’s statement.

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

The applicant’s statement follows: “The proposed reduction in parking requirements will not affect utilities, access roads, drainage, necessary facilities, or other measures. The increased level of activity in the commercial space at GrandMarc Seven Corners will serve an existing customer base that is drawn to the area by other uses. To the extent the amendment to Conditional Use Permit will allow more intense commercial use of existing space, the amendment should reduce demand on existing infrastructure.”

Staff concur with the applicant’s statement.

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

The applicant’s statement follows: “No measures are required to minimize traffic congestion on the public streets attributable to the amendment of the Conditional Use Permit. The more intense use of the existing commercial space should reduce traffic congestion to the extent it increases the availability of goods and services in the neighborhood, thus reducing the need to travel away from the neighborhood for goods and services.”

The project is located in an area of high transit usage. Metro Transit and the University provide transit service to the area including the following routes:

- Routes passing the proposed facility on Washington and Cedar Avenues: Routes 7, 19, 20 and University Route 52M.
- Transit routes within walking distance of the site on 3rd and 4th Streets and Riverside Ave. and routes that cross the Washington Ave. bridge to connect the West Bank the East Bank campuses: Routes 2, 16, 19, 33, 45, 47, 50, 95E and 95U and University Route 52M.

While there are more details yet to be worked out, the project’s second revision to its Travel Demand Management (TDM) Plan is in a nearly approvable state currently. Final approval of the CUP is conditioned on the approval of the TDM Plan.

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

Applicable policies of the *Minneapolis Plan* and the City’s Eight Goals:

Department of Community Planning and Economic Development—Planning Division
Conditional Use Permit, BZZ-2069

- a. **The City's Goals (selected goal #4):** Create strong, vital commercial corridors city-wide through mixed-use development, including a variety of businesses and creative housing.
- b. **The *Minneapolis Plan* (adopted by the City Council in 2000):**
- **Policy 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 services provided on these streets.
 - **Policy 4.4:** 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.
 - **Policy 4.7:** Minneapolis will identify and support Activity Centers by preserving the mix and intensity of land uses and enhancing the design features of each area that give it a unique and urban character.
 - **Policy 4.18:** Minneapolis will encourage both a density and mix of land uses in TSAs that both support ridership for transit as well as benefit from its users.
 - **Policy 4.21:** Minneapolis recognizes that parking is a necessary part of the urban environment, but will limit the amount, location and design of parking in TSAs in order to encourage and support walking, bicycling, and transit use.
 - **Policy 9.27:** Minneapolis will coordinate land use and transportation planning on designated Community Corridors 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.
 - **Policy 9.28:** Minneapolis will support development in commercial corridors where it enhances the street's character, improves its ability to accommodate automobile traffic and foster pedestrian movement, and expands the range of goods and services offered.
 - **Policy 9.31:** Minneapolis will identify and support Activity Centers by preserving the mix and intensity of land uses and enhancing the design features of each area that give it a unique and urban character.
 - **Policy 9.36:** Minneapolis will encourage both a density and mix of land uses in TSAs that both support ridership for transit as well as benefit from its users.

- **Policy 9.39:** Minneapolis recognized that parking is a necessary part of the urban environment, but will limit the amount, location, and design of parking in TSAs in order to encourage and support walking, bicycling and transit use.

c. **Petition’s Consistency with City Plans and Policies:** The following describes how the petition relates to the above plans and policies and the Zoning Code:

- The Minneapolis Plan designates the commercial area as an Activity Center and both Cedar and Riverside Aves. as Community Corridors.
- The site is within the Pedestrian Oriented Overlay District (POOD) and the Cedar Riverside Transit Station Area (TSA). Since the area has a significant surplus of parking supply in the City ramp across the street from the site, it is especially important not to create new surplus parking and to maximize the use of existing commercial properties.
- Consistent with the City Goal #4 and all of the above policies, the application would allow the maximization of the available commercial spaces for uses appropriate to the area’s designation as an Activity Center and its location within a POOD and a TSA, and its location on two Community Corridors.

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

B. ADDITIONAL FINDINGS FOR PLANNED UNIT DEVELOPMENTS

Findings as required by the Minneapolis Zoning Code for the GrandMarc project at 1807 Washington Ave. S.:

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 project will allow a more intense use of already approved space. This more intense use will create additional parking demand but the off-site parking impacts will be minimal. (Refer also to the traffic and parking analysis in the response to the above Finding #4 and the proposed revision to the TDM Plan in Attachment 8).

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

Refer to the above response.

- 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 proposed amendment will not affect existing open space, except to the extent more intense use of existing development will allow more efficient use of existing resources.

- 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 amendment does not affect new construction. To the extent it prevents further development of parking in an area with an over supply, it will have a positive impact.

- 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 site is a fully developed urban site. Stormwater will be contained on site and directed to storm sewers. The project will not have an adverse effect on stormwater runoff. The amendment will encourage use of a currently under-used public parking structure.

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

The planned unit development complies with Chapter 598.

RECOMMENDATION

Conditional Use Permit: The 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 the GrandMarc at Seven Corners project located at 1807 Washington Ave. S subject to the following conditions:

1. The Community Planning and Economic Development—Planning Division and the Public Works Department shall review and approve the current revision to the Travel Demand Management Plan.
2. The applicant shall comply with the Zoning Code's landscaping and screening requirements as regards the six-stall parking lot.

Attachments:

- 1) Primary and Overly zoning in the area
- 2) Proposed Pedestrian Oriented Overlay District
- 3) Zoning and lot lines in the vicinity of the site
- 4) Aerial photo
- 5) Information from the applicant
- 6) Parking availability at Seven Corners ramp
- 7) Letters from the neighborhood group and others
- 8) Draft revision to the Travel Demand Management Plan