

Department of Community Planning and Economic Development – Planning Division
Conditional Use Permit and Variance
BZZ-5506

Date: April 23, 2012

Applicants: Rob Miller and Sarah Bonvallet

Address of Property: 1300 2nd Street Northeast

Project Name: Dangerous Man Brewing Company

Contact Person and Phone: Rob Miller, (612) 209-2626

Planning Staff and Phone: Brad Ellis, (612) 673-3239

Date Application Deemed Complete: March 16, 2012

End of 60-Day Decision Period: May 17, 2012

Ward: 3 **Neighborhood Organization:** Sheridan Neighborhood Organization

Existing Zoning: C1 Neighborhood Commercial District

Proposed Zoning: Not applicable for this application

Zoning Plate Number: 9

Legal Description: South 1/2 of lot 10, block 5, Marshall's Addition to the Town of St. Anthony, according to the recorded plat thereof, Hennepin County, Minnesota

Proposed Use: Limited production and processing for a food and beverage products use; specifically, beer brewing.

Concurrent Review:

- **Conditional use permit** to allow a limited production and processing use in the C1 District.
- **Variance** to increase the gross floor area of a limited production and processing use from 1,200 square feet to 3,288 square feet.

Applicable zoning code provisions: Chapter 525, Article VII Conditional Use Permits, Chapter 525, Article IX, Variances and Chapter 548 Commercial Districts.

Background: Rob Miller and Sarah Bonvallet have submitted a land use application to establish a limited production and processing use in an existing building at 1300 2nd Street Northeast. The proposed use would be a microbrewery called Dangerous Man Brewing Company that would focus on creating craft beers. In addition to the brewing activity, the applicant plans to have a retail component

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for growler sales as well as a taproom for on-site consumption. The retail area makes up the majority of the square footage of the use which will be used primarily for the taproom and growler sales. Both growler sales and a taproom are allowed as accessory uses to a brewery subject to obtaining the appropriate licenses from the City. There is a vacant building to the west (formerly a recording studio) and a coffeeshop and dental clinic to the north. There are offices above.

Limited production and processing is a conditional use in the C1 Neighborhood Commercial District. Limited production and processing in commercial districts includes food and beverage products such as beer brewing. Section 548.30 of the zoning code states that limited production and processing is allowed as a principal use in commercial districts, and may include wholesale and off-premise sales, provided the use shall not exceed 1,200 square feet of gross floor area, and the main entrance shall open to a retail or office component equal to not less than 15 percent of the floor area of the use. The applicant is proposing to establish the use in a 3,288 square foot portion of an existing building with 750 square feet dedicated to production and processing. The applicant has applied for a variance to increase the gross floor area of the use accordingly.

The site is in the Sheridan neighborhood. As of the writing of this staff report, no correspondence has been received from the neighborhood organization. Any correspondence, if received, will be forwarded to the Planning Commission.

CONDITIONAL USE PERMIT: to allow a limited production and processing use in the C1 District.

Findings as required by the Minneapolis Zoning Code for the conditional use permit:

The Community Planning and Economic Development Planning Division has analyzed the application and from the findings below 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 is proposing to convert an existing commercial building to a microbrewery. A microbrewery is classified as a limited production and processing use in the commercial zoning districts. The applicant is proposing to remodel the building to create a space in the rear for brewing activities. All activities related to the use will occur indoors and no excessive noise or odors are expected to result from the use. Spent grain will be stored in airtight plastic buckets for pick up later that same day by a local farmer. Planning staff believes that the proposed use will not prove detrimental to public health, safety, comfort or general welfare provided the development complies with all applicable building codes and life safety ordinances.

- 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 surrounding area is fully developed with a mix of commercial and residential uses. The conversion of an existing commercial building to accommodate a limited production and

processing use within the building should not impede on the normal or orderly development of surrounding property in the area. The use will have a larger retail component to activate the street. The use is not expected to produce any significant odors. No other nuisances are expected. The use will not be injurious to the use and enjoyment of adjacent properties.

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

The site is served by existing infrastructure. The applicant is proposing no changes that will affect drainage, and will make changes as required by the building code if needed to address waste water or other utility usage.

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

The project is not expected to contribute to congestion in the public streets. The parking requirement for the use is one space for each 300 square feet of gross floor area up to 4,000 square feet, but not more than 4 spaces, plus one space for each 1,000 square feet from 4,000 square feet to 20,000 square feet. The applicant's portion of the building has 3,288 square feet of gross floor area, resulting in a parking requirement of four spaces, and is replacing a general retail sales and services use (Furniture Store) that also had a minimum parking requirement of four spaces. Per 541.70, the parking and loading requirements of chapter 541 do not apply except where there is an intensification of use. As noted above, the parking requirement is identical, so there is no intensification. There is no bicycle parking requirement for this use.

Delivery trucks will access the rear of the building using an existing curb cut. The applicant has indicated that trucks will access the site during regular daytime business hours. The site is also served by a bus line and is within two-and-a-half blocks of two additional bus lines.

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

The site is designated as Mixed Use on the future land use map in *The Minneapolis Plan for Sustainable Growth* and is within the boundaries of a Neighborhood Commercial Node and is on a Community Corridor (2nd Street Northeast). Neighborhood Commercial Nodes primarily serve the needs of the immediate surrounding area, although they may also contain specialty stores that serve a regional client base. Neighborhood Commercial Nodes are typically comprised of traditional commercial storefront buildings.

Policy 1.9: Through attention to the mix and intensity of land uses and transit service, the City will support development along Community Corridors that enhances residential livability and pedestrian access.

1.9.1 Support the continued presence of existing small-scale retail sales and commercial services along Community Corridors.

- 1.9.2 Support new small-scale retail sales and services, commercial services, and mixed uses where Community Corridors intersect with Neighborhood Commercial Nodes.
- 1.9.3 Discourage uses that diminish the transit and pedestrian oriented character of Community Corridors, such as automobile services and drive-through facilities.

Policy 1.11: Preserve and enhance a system of Neighborhood Commercial Nodes that includes a mix of housing, neighborhood-serving retail, and community uses.

- 1.11.2 Support the continued presence of small-scale, neighborhood serving retail and commercial services in Neighborhood Commercial Nodes
- 1.11.7 Encourage the redevelopment of vacant commercial buildings and direct City services to these areas.

The proposed use would be established in an existing vacant building formerly occupied by a furniture store. The layout of the limited production and processing use would include a retail component at the front of the building facing 2nd Street Northeast. The production use is small-scale, with no ability to become a large-scale brewery at this location. The conversion of this existing building to a production and processing use with an active retail component at the street is consistent with the above policies of the Comprehensive Plan.

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

In addition to the conditional use permit, a variance has also been requested to increase the gross floor area of a limited production and processing use from 1,200 square feet to 3,288 square feet. If the variance is granted the use will comply with all applicable regulations of the C1 Neighborhood Commercial District.

VARIANCE – to increase the gross floor area of a limited production and processing use from 1,200 square feet to 3,288 square feet.

Findings Required by the Minneapolis Zoning Code:

1. Practical difficulties exist in complying with the ordinance because of circumstances unique to the property. The unique circumstances were not created by persons presently having an interest in the property and are not based on economic considerations alone.

The applicant is proposing to utilize an existing building for a limited production and processing use. Specifically, the limited production and processing would consist of a microbrewery. Limited production and processing is a conditional use in all commercial districts, provided the gross floor area of the production and processing use does not exceed 1,200 square feet. In addition to the limitation on 1,200 square feet of floor area, limited production and processing uses in the commercial districts must also include a retail or office component that is a minimum of 15 percent of the floor area of the use. The applicant is requesting a variance to the gross floor

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area limitation, proposing a production and processing space with a gross floor area of 3,288 square feet. However, only 750 square feet of the 3,288 square feet will be dedicated to the production and processing area, with the remaining 2,538 square feet consisting of the retail, lobby, and bathroom spaces. This retail space is equivalent to 77 percent of the floor area, far in excess of the 15 percent minimum retail requirement.

The applicant's portion of the existing building is 3,288 square feet in area. In order to comply with the regulations of the zoning ordinance, the applicant could only use 1,200 square feet of the space for everything including the retail component. As noted above, the applicant is providing a retail area that makes up 77 percent of the use, and is using only 750 square feet of the space for the production and processing. Practical difficulties exist in this case because the gross floor area limitation is for the entire use and does not take into account the actual square footage of the production and processing portion. This restriction does not allow the applicant to utilize the building for this conditional use without a variance. The conditions upon which the variance is requested are unique to the parcel of land and were not created by the applicant. The applicant is working within the confines of an existing building and the variance is needed to allow full use of the building.

- 2. The property owner or authorized applicant proposes to use the property in a reasonable manner that will be in keeping with the spirit and intent of the ordinance and the comprehensive plan.**

A limited production and processing use with a retail component is a reasonable use in the C1 Neighborhood Commercial District. A 750 square foot limited production and processing use is under the 1,200 square foot maximum and is in keeping with the spirit and intent of the ordinance. As discussed in the findings for the conditional use permit above, the use is also in keeping with the comprehensive plan.

- 3. The proposed variance will not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity. If granted, the proposed variance will not be detrimental to the health, safety, or welfare of the general public or of those utilizing the property or nearby properties.**

Section 543.30 of the zoning code describes limited production and processing uses as those that include activities that are consistent and compatible with retail sales and services. These uses produce minimal off-site impacts due to their limited nature and scale. The activities related to the proposed microbrewery, though larger than what is allowed under the zoning code, would be conducted completely within the building. Therefore, no off-site impacts are expected and the use is not expected to be detrimental to the health, safety or welfare of the general public, nor to those using nearby properties.

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 application for a conditional use permit to allow a limited production and processing use at 1300 2nd Street Northeast in the C1 Neighborhood Commercial District, subject to the following conditions:

1. The conditional use permit shall be recorded with Hennepin County as required by Minn. Stat. 462.3595, subd. 4 before building permits may be issued or before the use or activity requiring a conditional use permit may commence. Unless extended by the zoning administrator, the conditional use permit shall expire if it is not recorded within one year of approval.

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 application for a variance to increase the gross floor area of a limited production and processing use from 1,200 square feet to 3,288 square feet for property located at 1300 2nd Street Northeast in the C1 Neighborhood Commercial District.

Attachments:

1. Applicant’s statement of use and findings
2. Zoning map
3. Site plan and floor plans
4. Photos