

Community Planning and Economic Development Planning Division Report
Conditional Use Permit for a Planned Unit Development,
Variances, Site Plan Review, and Preliminary Plat
BZZ-5522 & PL-263

Date: April 23, 2012

Applicant: Minneapolis Leased Housing Associates IV, Limited Partnership (Dominium Inc.)

Address of Property: 100 3rd Avenue SE, 300 2nd Street SE, and 400 2nd Street SE (also known as 301 Main Street SE)

Project Name: A Mill Artist Lofts

Contact Person And Phone: Owen Metz – Dominium Inc. 763-354-5618

Planning Staff And Phone: Jim Voll 612-673-3887

Date Application Deemed Complete: March 30, 2012

End of 60 Day Decision Period: May 29, 2012

Ward: 3 **Neighborhood Organization:** Marcy-Holmes

Existing Zoning: C3A Community Activity Center District

Existing Overlay Districts: SH Shoreland Overlay District, MR Mississippi River Critical Area Overlay District, and UA University Area Overlay District

Proposed Zoning: Not applicable for this application.

Plate Number: 15

Legal Description: Not applicable for this application.

Proposed Use: Planned unit development with 255 dwelling units.

Concurrent Review:

Conditional Use Permit: For a planned unit development of 255 dwelling units with alternatives for an increase in height and for a reduction in building setbacks.

Variance: Of the maximum allowable floor area ratio of 2.7 to approximately 3.6.

Variance: Of the screening requirement for mechanical equipment.

Site Plan Review.

Appropriate Section(s) of the Zoning Code: Chapter 525, Article VII Conditional Use Permits and Article IX Variances, Specifically 525.520(3) “to vary the gross floor area” and 525.520(25) “to vary the screening requirements”; Chapter 527 Planned Unit Developments; Chapter 530 Site Plan Review; and Chapter 598 Subdivisions.

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Background: In August of 2006, the City Planning Commission approved a planned unit development for the East Bank Mills development. This was a proposal to rehabilitate the existing A Mill buildings and construct six new residential towers with 960 dwelling units and approximately 85,000 square feet of office and commercial space (BZZ-3137). These approvals expired and the property owner, BNC Bank, sold part of the site to the applicant, Minneapolis Lease Housing Associates IV (Dominium) for the proposal reviewed in this staff report. The remainder of the site has or will be sold to Doran Construction. Phase I of the Doran site, the 180 unit Mill and Main apartment building, was approved by the City Planning Commission at its meeting of February 6, 2012 (BZZ-5456). Phase II has not yet been submitted for review by the City Planning Commission.

The A Mill Artists Lofts project will redevelop the historic Pillsbury A Mill complex by rehabilitating existing milling and warehousing structures as 255 units of housing. Please note that all directions (north, south, east, and west) in the staff report are plan directions as listed on the site plan sheets, rather than the true directions with 3rd Avenue SE as north, vacated 5th Avenue SE as south, 2nd Street SE as east, and Main Street SE as west. For this staff report the structures have been grouped and named as follows, which may be slightly different than the naming conventions in the Heritage Preservation Commission (HPC) staff reports and actions.

Pillsbury A Mill: This is also known as the A Mill North and is located at the northeast corner of 3rd Avenue SE and Main Street SE. The A Mill will be renovated as a 119 unit residential building.

South Mill: This building is adjacent to and south of the A Mill and contains the buildings known as the South Mill, South Mill Silos, Cleaning House, Transmission Building, and Warehouse 1. The South Mill will be renovated as a 70 unit residential building.

Red Tile Elevator: The Red Tile Elevator is adjacent to and south of the South Mill. It will be renovated as a 23 unit residential building, with units in the five floors of the head house above the silos.

Warehouse 2: Warehouse 2 is located at the northwest corner of the vacated 5th Avenue SE and 2nd Street SE. It will be renovated as a 43 unit residential building.

Parking structure: There will be a new 152 space underground parking structure in the mid-block rail corridor and between the Machine Shop and the White Elevators. On the surface level of the structure, south of the Machine Shop, there will be an additional 21 surface parking spaces. Further, there are an additional 31 spaces in the mid-block corridor.

White Elevators: The White Elevators are north of Warehouse 2 and east of the A Mill, South Mill, and Red Tile Elevators. They will remain as vacant elevators and will not be redeveloped. The applicant proposes creating a separate lot for the elevators.

Machine Shop: The Machine Shop is located at the southwest corner of 3rd Avenue SE and 2nd Street SE, east of the A Mill. It is part of the planned unit development, but is not proposed to be redeveloped at this time. A separate lot will be created for the Machine Shop and it will most likely be redeveloped as commercial or office space by others.

Manildra Building: The Manildra building adjacent to and south of the Red Tile Elevators, at 413 Main Street SE, and has been approved for demolition. The proposed site plan shows this area as a new connection through the site and part of Mill and Main Phase II (to be developed in the future by others).

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The applicant has applied for a conditional use permit for a planned unit development because there will be more than one residential building on a platted lot. As a part of the planned unit development, the applicant is also requesting an alternative to the height limits to allow a hallway corridor addition to the A Mill penthouse, to replace a connecting walkway between the South Mill and the Red Tile Elevators, and to replace and enlarge an elevator and staircase tower on the Red Tile Elevator. These additions expand the building envelopes over the height limits in the SH Shoreland Overlay and the C3A Activity Center Commercial District, but they do not add height above the top of the existing buildings. Another requested alternative is to reduce the setback on the south side of the Red Tile Elevator from 15 feet to ten feet.

A variance to increase the maximum allowable floor area ratio (FAR) from 2.7 to approximately 3.6 is required because the floor area of the A Mill and Red Tile Elevator are slightly increased, due to the above noted additions, and because BNC Bank sold or has an agreement to sell part of the overall campus to Doran Companies for the Mill and Main buildings. This makes the overall zoning lot smaller, which in turn increase the FAR significantly, even though the actual square footage of the building additions is relatively small.

The applicant proposes to place a transformer and a generator on a flatbed rail car as a historical interpretive element of the mid-block rail corridor. Mechanical equipment is required to be screened by Section 535.70 of the zoning code. The applicant is requesting a variance from this standard for this interpretive element only.

Site plan review is required for developments of five or more dwelling units. The introduction to the site plan review section of the staff report contains a detailed list of changes to the site and buildings.

The planned unit development ordinance requires replatting of the site, so a preliminary plat has been submitted. That will create four lots out of several tax parcels and underlying platted lots and vacated right-of way.

The site is located in the St. Anthony Falls Historic District. The applicant obtained approval of Certificates of Appropriateness (BZH-27213, BZH-27214, and BZH-27215) at the March 20, 2012, meeting of the Heritage Preservation Commission (HPC). In addition, the HPC approved the demolition of the Manindra Building, located at 413 Main Street SE (BZH-27247). Finally, the HPC recommended approval of a historic parking variance (BZH-27254) for the project from the required 293 spaces to 204 spaces. The historic parking variance requires City Council approval and is scheduled for the April 19, 2012, meeting of the Zoning and Planning Committee of the City Council. The HPC actions are attached to this report for reference.

The proposed plans have not received Building Plan Review approval and City Planning Commission approval does not obligate Building Plan Review to approve construction plans.

Please see the attached letter from the Marcy- Holmes neighborhood.

CONDITIONAL USE PERMIT (for a Planned Unit Development with 255 dwelling units)

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.**

This area has seen a transition from industrial to mixed-use and residential over the past decade. The proposed development has received HPC approval and has an approved Travel Demand Management Plan. The project is subject to site plan review and is required to provide amenities as a part of the planned unit development. A stormwater management plan and erosion control plan is required and the site is further subject to the SH Shoreland and MR Mississippi River Critical Area Overlay District regulations. With the above noted standards and reviews and the staff recommended conditions of approval the proposed development should not be detrimental to the public health, safety, comfort or general welfare.

- 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 mostly developed or there are plans to redevelop various parcels near the site in the future for residential use. To the north is the Phoenix Lofts with 80 dwelling units and ground floor commercial, to the south is the recently approved Mill and Main Phase I with 180 dwelling units, to the east is the General Mills research facility, and to the west is Father Hennepin Park. Also in the area to the south are the Flour Sack Flats with 59 dwelling units, 520 2nd Street SE (approved, but not yet constructed) with 91 dwelling units, and the Stone Arch Apartments with 221 dwelling units. The reuse of transitioning industrial properties to residential will not be out of character with existing and proposed development and should not be detrimental to surrounding properties.

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

Utilities and access are existing and adequate. Public Works and the Fire Department have reviewed the development plans for access and circulation and they are acceptable, subject to the comments in the attached PDR report. The comments will be addressed as a part of the final site plan before permits may be issued. The final drainage plan is required to be approved by Public Works as a part of the final site plan before permits may be issued.

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

The majority of the required parking is located within a parking structure that will be built into the grade, between the Machine Shop and White Elevators, with the west side exposed for two levels, and

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then underground in the mid-block rail corridor. Access to the parking structure will be from the drive in the mid-block rail corridor to a door on the west side of the exposed part of the parking structure. There will also be parking in the mid-block corridor. The drive in the corridor is accessed from 3rd and 5th Avenues SE. In addition, there is parking on the surface of the roof of parking structure south of the Machine Shop that is accessed from 2nd Street SE.

The zoning code requires one parking space per dwelling unit. The UA University Area Overlay District requires .5 spaces per bedroom, but not less than one per dwelling unit. The development has 255 units with 337 bedrooms, which requires 255 parking spaces. The A Mill building will have an approximately 4,500 square foot museum space that will be open to the public. A museum requires one space per 500 square feet of gross floor area over 4,000 square feet, but not less than four spaces. The Machine Shop does not have a proposed use, but the most likely use is general commercial, restaurant, or office. These uses have a parking requirement of one space per 500 square feet of gross floor area over 4,000 square feet, or 46 spaces. Section 541.430 of the zoning code allows the minimum parking requirement for landmarks that are non-residential uses to be 75 percent of the minimum required, so the Machine Shop required parking is reduced to 35 spaces and the museum required parking is reduced to three spaces. The overall required parking for the development is 293 spaces.

The project provides 31 spaces in the mid-block rail corridor and 173 in the proposed ramp for a total of 204 spaces. This is 89 spaces short of the amount required by the zoning code. Section 525.530 of the zoning ordinance allows the City Council to grant variances from the provisions of the code for locally designated historic properties to promote the use and conservation of historic properties. These historic variances are reviewed by the HPC, which makes a recommendation, and the City Council, which takes the final action on the variance. The HPC recommended that the City Council approve the historic variance to reduce the required parking to 204 spaces at its meeting of March 20, 2012. The historic variance is scheduled for the April 19, 2012, meeting of the Zoning and Planning Committee of the City Council. Staff will provide an update at the April 23, 2012, meeting of the City Planning Commission. The HPC adopted findings for the approval of this variance are based on the finding that the only place for additional structured or surface parking is in the mid-block corridor and that allowing parking there, beyond what is currently proposed, would destroy this historic resource.

A Travel Demand Management Plan (TDMP) was required and approved by Public Works and is attached to this staff report. The report notes the availability of contract parking in the Impark surface lot to the northeast. Further there are 600 spaces within the St Anthony Falls Ramp, which is also to the northeast, of which up to 150 spaces may be available for contract parking.

Multiple-family dwellings are required to provide one bike parking space per every two dwelling units; however, the UA University Area Overlay District requires one bike parking space per bedroom. At 337 bedrooms, 337 bike parking spaces are required. Not less than 90 percent of these spaces shall meet the standards for long-term bicycle parking, which requires that they are located in enclosed or supervised areas providing protection from theft, vandalism, and weather and are accessible to intended users. At 337 required spaces, 90 percent would be 303 long-term spaces. There are 383 bike parking spaces within secured rooms or wall-mounted above stalls in the ramp that meet the definition of secured spaces. There are an additional 30 spaces outside the building in various locations for a total of 413 bike parking spaces.

The proposed development provides the maximum amount of parking that can be allowed on-site without harming the historic resource, has access to nearby parking facilities, provides an excess of bicycle parking, and is within close proximity to downtown, the University of Minnesota, and transit. It is the opinion of staff that adequate measures have been provided to minimize traffic congestion in the public streets.

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

The Minneapolis Plan for Sustainable Growth designates this area as part of the East Hennepin Activity Center. Activity Centers support a mix of high-intensity uses including employment, commercial, office, and residential uses. High density (50-120 dwelling units per acre) to very-high density (120-200 dwelling units per acre) housing is encouraged within Activity Centers. The proposed development has a density of 53 dwelling units per acre, which is considered high density. The plan has the following relevant policy for Activity Centers:

Policy 1.12: Support Activity Centers by preserving the mix and intensity of land uses and by enhancing the design features that give each center its unique urban character.

- 1.12.1 Encourage a variety of commercial and residential uses that generate activity all day long and into the evening.
- 1.12.2 Encourage mixed use buildings, with commercial uses located on the ground floor and secure entrances for residential uses.
- 1.12.3 Encourage active uses on the ground floor of buildings in Activity Centers.
- 1.12.4 Discourage uses that diminish the transit and pedestrian character of Activity Centers, such as automobile services, surface parking lots, and drive-through facilities.
- 1.12.5 Encourage a height of at least two stories for new buildings in Activity Centers, in keeping with neighborhood character.
- 1.12.6 Encourage the development of high- to very-high density housing within the boundaries of Activity Centers.
- 1.12.7 Encourage the development of medium- to high-density housing immediately adjacent to Activity Centers to serve as a transition to surrounding residential areas.
- 1.12.8 Support district parking strategies in Activity Centers, including shared parking facilities with uniform signage, and other strategies.
- 1.12.9 Encourage architectural design, building massing and site plans to create or improve public and semi-public spaces in Activity Centers.

The plan also has the following relevant policies from the land use and housing chapters:

Policy 1.8: Preserve the stability and diversity of the city's neighborhoods while allowing for increased density in order to attract and retain long-term residents and businesses.

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1.8.1 Promote a range of housing types and residential densities, with highest density development concentrated in and along appropriate land use features.

1.8.2 Advance land use regulations that retain and strengthen neighborhood character, including direction for neighborhood-serving commercial uses, open space and parks, and campus and institutional uses.

Policy 3.1: Grow by increasing the supply of housing.

3.1.1 Support the development of new medium- and high-density housing in appropriate locations throughout the city.

3.1.2 Use planning processes and other opportunities for community engagement to build community understanding of the important role that urban density plays in stabilizing and strengthening the city.

Policy 3.2: Support housing density in locations that are well connected by transit, and are close to commercial, cultural and natural amenities.

3.2.1 Encourage and support housing development along commercial and community corridors, and in and near growth centers, activity centers, retail centers, transit station areas, and neighborhood commercial nodes.

3.2.2 Engage in dialogue with communities about appropriate locations for housing density, and ways to make new development compatible with existing structures and uses.

Policy 3.3: Increase housing that is affordable to low and moderate income households.

3.3.1 Continue to utilize housing development finance programs to foster growth in the city's affordable housing stock in all parts of the city.

3.3.2 Utilize city housing resources and partnerships to preserve the affordability of existing affordable housing.

3.3.3 Work to provide affordable housing for both rental and ownership markets at a broad range of income levels.

3.3.4 Support policies and programs that create long-term and perpetually affordable housing units.

3.3.5 Support the development of housing with supportive services that help households gain stability in areas such as employment, housing retention, parenting, and substance abuse challenges.

3.3.6 Use planning processes, requests for proposals for city owned properties, and other community engagement processes to engage in dialogue with community participants about affordable housing and its compatibility with all Minneapolis neighborhoods.

3.3.7 Increase low-income family access to ongoing rental assistance.

3.3.8 Foster partnerships with housing developers, financial institutions, faith communities and others to extend the city's capacity to create affordable housing.

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3.3.9 Partner with other municipalities, along with county, metropolitan, state and federal agencies and policymakers, to develop a regional strategy for increasing the supply of affordable housing, supported by a more predictable, long-term revenue stream.

The Master Plan for the Marcy-Holmes Neighborhood was approved by the City Council on December 29, 2003. Chapter One (Land Use) states that land to the river side of 4th Street SE may be considered for higher density multi-family housing. It also supports mixed-use developments, including multi-family housing, for the industrial properties on the river side of University Avenue, if the businesses relocate. Further the plan states that the neighborhood supports the adaptive reuse of the A Mill site as mixed residential and commercial uses that attract pedestrian traffic to the area.

Chapter Four (Economic Development) supports the existing industrial uses in the A Mill campus area, but supports residential options when the uses cease.

Chapter Five (Public Realm) has the objective of the eventual reconnection of the neighborhood to the river by opening extensions of 4th Avenue SE, 5th Avenue SE, 7th Avenue SE, and 8th Avenue SE between 2nd Street SE and Main Street SE if and when redevelopment of adjacent parcels occurs. The applicant is providing a pedestrian connection, roughly where 4th Avenue SE would be, through the site along the north side of the White Elevators, south down the rail corridor and west along the south side of the Red tile Elevators. In addition, a public sidewalk easement will be provided in the vacated 5th Avenue SE right-of-way that will connect to an easement required as part of the Mill and Main Phase I approvals making a continuous connection between 2nd Street SE and Main Street SE.

Chapter Six (Social and Cultural) has a goal to develop more arts and cultural opportunities in the neighborhood. The development will be targeted towards artist and there will be studio space in the building for their use.

Chapter Seven (Transportation) has the objective to preserve bicycle and pedestrian accommodations and to find parking solutions that avoid parking problems and increased traffic in the neighborhood.

Chapter Eight (Character and Design) outlines various design guidelines including preserving the street character, appropriate landscaping including varied plant types, varied rooflines especially on longer buildings, quality building materials, and appropriate building massing.

Chapter Nine (Historic Preservation) has the objectives to avoid the loss of historic properties and to preserve the historical character of the area.

This site is in the MR Mississippi River Critical Area Overlay District. *The Mississippi River Critical Area Plan* was approved by the City Council on June 16, 2006. The plan states that “the City will follow the land use guidelines of *The Minneapolis Plan* except where modified by small area plans...” Development in the Urban Diversified District should have a high degree of visual compatibility with the river and should not block or impact key scenic views.

With the staff recommended conditions of approval the proposed redevelopment is in conformance with the above noted goals and policies of the comprehensive plan and adopted small area plans.

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

The proposal will conform with the applicable regulations of the C3A District upon the approval of the conditional use permit, variances, and site plan review.

Findings Required For Planned Unit Developments:

- A. The planned unit development conforms to the applicable standards for alternatives and amenities. (See Section A Below for Evaluation)**
- B. Additional uses. (See Section B Below for Evaluation)**
- C. The planned unit development conforms to the required findings for a planned unit development. (See Section C Below for Evaluation)**

Section A: Authorized Alternatives and Amenities Provided

- All planned unit developments shall provide at least one (1) amenity or a combination of amenities that total at least ten (10) points, beyond those required for any alternative(s), and even if no alternative(s) is requested.
- For each alternative requested, an amenity or a combination of amenities totaling at least five (5) points, in addition to the amenity(ies) required in section 527.120(1), shall be provided. For multiple requests of the same alternative only one (1) amenity shall be required for those alternatives.
- Unless otherwise determined by the city planning commission, each phase of the planned unit development shall include the amenities provided for any alternatives in that phase, as a part of the construction of that phase.
- In no case shall any item be counted as an amenity for an alternative if it is utilized to qualify for a density bonus in any zoning district, a floor area ratio premium in the Downtown Districts, or any other amenity in Table 527-1, Amenities.
- Where an amenity is provided that meets the standards required in Table 527-1, Amenities, the full point value assigned to said amenity shall be obtained. Where the amenity does not meet all of the standards required in Table 527-1, Amenities, no points shall be awarded. Partial points for alternatives shall not be awarded, except as otherwise allowed in Table 527-1, Amenities.

Alternatives requested:

Placement and number of principal residential structures. The planned unit development chapter allows the placement of more than one residential building on a lot with the provision of an amenity. The applicant did not request this alternative in their application, but it is required. Lot 1 will have more than one building with the A Mill, South Mill, Red Tile Elevator, the parking structure, and Warehouse 2. The Machine Shop (Lot 2) will be on its own lot, but will have its required parking on Lot 1. The White Elevators will have their own lot (Lot 3).

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Bulk regulations. The land use application shows a request for an alternative for maximum allowable floor area ratio (FAR), but the applicant amended this and requested a variance of the maximum allowable FAR rather than an alternative (please see the variance section of this staff report).

The applicant is requesting an alternative to the height limits to allow a hallway corridor addition to the A Mill penthouse, to replace a connecting walkway between the South Mill and the Red Tile Elevators, and to replace and enlarge an elevator and staircase tower on the Red Tile Elevator. Building height in the C3A District is limited to four stores or 56 feet, whichever is less. In addition, all of the additions are in the SH Shoreland Overlay District that further limits height to 2.5 Stories, or 35 feet, whichever is less. The additions expand the building envelopes over the height limits in the SH Shoreland Overlay and the C3A Activity Center Commercial District, but they do not add height above the top of the existing buildings.

There is an existing penthouse on top of the A Mill building that will be expanded seven to the southeast to add a hallway corridor that is 46 feet long. This corridor will not be any taller than the existing penthouse, but it is expanding the area of the building that is higher than the height limits of the SH Shoreland Overlay District.

There is currently a connecting walkway between the South Mill and the Red Tile Elevator that will be removed and rebuilt at a lower floor and height. The current walkway is at approximately a height of 126 feet at the floor and 143 feet at the roof, connecting from the top floor of the South Mill across to the Red Tile Elevator. The new walkway is at a height of approximately 102 feet at the floor and 113 at the roof at its highest point sloping downward to the South Mill. The new walkway will be at a lower elevation than the existing walkway, but it is at a height greater than the height limits of the SH Shoreland Overlay District.

An elevator tower on the east side of the Red Tile Elevators will be removed and replaced with a 32 foot by 10 foot elevator and staircase tower that rises to 191 feet, to provide required ingress/egress to the building. This tower will not be any taller than the previous tower, or the Red Tile Elevator, but it is expanding the area of the building that is higher than the height limits of the SH Shoreland Overlay District.

In addition to the conditional use standards contained in Chapter 525 and this article, the city planning commission shall consider, but not be limited to, the following factors when determining maximum height:

- (1) Access to light and air of surrounding properties.**
- (2) Shadowing of residential properties or significant public spaces.**
- (3) The scale and character of surrounding uses.**
- (4) Preservation of views of landmark buildings, significant open spaces or water bodies.**

The proposed additions are relatively small and are integrated parts of the landmark buildings that will have little impact on access to light and air for surrounding properties, shadowing of significant public spaces, the scale and character of surrounding uses, or the views of historic buildings.

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Lot area requirements. No alternative is requested. The development meets the minimum required lot area. The C3A District requires not less than 400 square feet of lot area per dwelling unit. With 255 proposed dwelling units on a lot of 210,970 square feet, the applicant proposes 827 square feet of lot area per dwelling unit.

Yards. The applicant is requesting an alternative for the south side interior side yard setback. In general, setbacks are not required for properties in the commercial districts, except where adjacent to residential districts and for residential uses that contain windows facing a rear or interior side lot line. This structure is bordered by Main Street SE on the west, 3rd Avenue SE on the north, and 2nd Street SE on the east, so no setbacks are required on those sides. The A Mill, South Mill, Red Tile Elevators, and Warehouse 2 will have windows along the interior lot lines, so a setback of five feet plus two feet for each additional floor above the first are required, not to exceed 15 feet. The building is 192 feet tall so a 15 foot setback is required. The Red Tile Elevator does not meet the required 15 foot setback along the south side of the building as only 10 feet is provided. The applicant is requesting an alternative to ten feet as a part of the planned unit development approvals.

On-premise signs. No alternative is requested. The applicant is not providing a master sign plan at this time, but is aware that a master sign plan will require HPC and CPC review and approval as well as permits from the Zoning Office.

Off-street parking and loading. No alternative is requested for parking or loading. The applicant has applied for a historic parking variance to reduce the required parking from 293 spaces to 204 spaces. Planning staff and the HPC recommended approval of the historic variance. The variance requires City Council approval and is scheduled for the April 19, 2012, meeting of the Zoning and Planning Committee of the City Council. Multiple-family dwellings of more than 250 units shall provide one large loading space (12' by 50') or two small (10' by 25') loading spaces. The development has one large space in the mid-block rail corridor.

Phasing plan: Phase I: Restoration of the A Mill, South Mill, Red tile Elevator, and Warehouse two will commence in July of 2012, and will have a construction duration of 18 months.

Phase II: Restoration of the Machine Shop will commence in April of 2013, and will have a construction duration of 14 months.

Points required:

- Minimum required amenities – **10 points.**
- Placement and number of principal residential structures – **5 points.**
- Bulk regulations, height – **5 points.**
- Yard, interior – **5 points.**
- **Total – 25 points.**

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Amenities provided:

The applicant has provided a supplemental document, attached to this report, describing the alternatives requested and amenities provided. As noted above the form shows an alternative requested for maximum allowable FAR, but this is an error as a variance was requested for maximum allowable FAR. Further the applicant requested two alternatives, one for building height and one for the south interior yard setback. Staff further identified that an alternative is necessary for the placement of more than one residential building on platted lot.

Staff believes that 25 points worth of amenities are proposed as described below:

The applicant proposes the following amenities from Table 527-1, Amenities (the standards from the code are underlined below):

Historic Preservation: Preservation, rehabilitation or restoration of designated historic landmarks as a part of the development, subject to the approval of the Minneapolis Heritage Preservation Commission.

The applicant will restore the A Mill, South Mill, Red Tile Elevator, and Warehouse 2; all designated historic landmarks. This provision is worth 10 points.

Public right-of-way dedication: Dedication of land and construction of a public road, alley, pathway, or greenway that is part of an approved city plan or that restores the city's traditional grid subject to the approval of the applicable agencies or departments. Right-of-way improvements should be designed in accordance with Chapter 598, Land Subdivision Regulations. Points shall not be awarded for the reconstruction or relocation of an alley to facilitate an alley vacation.

The project will dedicate a pedestrian walkway easement along the north side of the vacated 5th Avenue SE to connect with the easement to be provided as a part of the Mill and Main Phase I project. This will provide a continuous connection between 2nd Street SE and Main Street SE. This provision is worth 10 points.

Underground parking: All parking shall be located underground. Where the grade of the site slopes significantly, all parking shall be enclosed in a floor level of the building that does not meet the definition of a story. Further, exterior parking garage walls adjacent to the public street shall not extend more than three (3) feet above the adjacent grade measured from the finished floor of the first level.

The applicant requests the amenity for the underground parking structure. This amenity is worth 10 points, but the applicant is request only five points, as not all of the parking is located underground. This amenity is intended to place all parking underground. Recognizing the difficulty and expense of this requirement, 10 points were allocated; however, it was not intended that partial placement of underground parking would then be able to be awarded five or three points. The applicant states that they can not place any more parking underground without altering existing historic structures or affecting the historic character of the site. Many developments can not provide all parking underground, due to site conditions or expense, and that is the reason for this amenity category, to encourage developers to provide an amenity that is difficult and that would not normally occur with out the incentive. Staff does not recommend granting any points for this request

Staff does recommend the following amenity in lieu of the underground parking request to provide the required points.

Conservation of the built environment: Significant renovation, rehabilitation and adaptive reuse of an existing building(s), rather than demolition.

The proposal preserves the mid-block rail corridor through the site, the rail corridor along Main Street SE on the west side of the site, and provides a through connection, where 4th Avenue SE would be located, running from 2nd Street SE to Main Street SE. This will improve access and circulation within and through the site. There will be historical interpretive elements including decorative pavers, rail lines, a relic garden, and a sunken garden that display the history and machinery of the site. This is worth five points. Staff recommends that the applicant work to improve the “grand staircase” on the southwest side of the parking structure to make it more open with wider stairs and landings and improved lighting.

Section C: Conformance with required planned unit development 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 residential uses, the variety of housing types and their relationship to other site elements and to surrounding development.**

The surrounding area is mostly developed or there are plans to redevelop various parcels near the site in the future for residential use. To the north is the Phoenix Lofts with 80 dwelling units and ground floor commercial, to the south is the recently approved Mill and Main Phase I with 180 dwelling units, to the east is the General Mills research facility, and to the west is Father Hennepin Park. Also in the area to the south are the Flour Sack Flats with 59 dwelling units, 520 2nd Street SE (approved, but not yet constructed) with 91 dwelling units, and the Stone Arch Apartments with 221 dwelling units. The reuse of transitioning industrial properties to residential will not be out of character with existing and proposed development and should not be detrimental to surrounding properties.

- 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, bicycle facilities and availability of transit alternatives.**

Please see finding number 5 of the conditional use permit section of this staff report that addresses traffic, access, and parking. Multiple-family dwellings of more than 250 units shall provide one large loading space (12' by 50') or two small (10' by 25') loading spaces. The development has one large loading space in the mid-block rail corridor. The site is near various transit routes.

- c. The site amenities of the proposed planned unit development, including the location and functions of open space, the preservation or restoration of the natural environment or historic features, sustainability and urban design.**

The development provides the required amenities and preserves a historic landmark. Please see the amenities section of this report. The site amenities include historic preservation of the buildings, public right-of way dedication of a sidewalk in the vacated 5th Avenue SE, and conservation of the built environment for the site treatments and historical interpretive elements in the mid-block corridor including the pavers, rails, pedestrian through connection in line with 4th Avenue SE, sunken garden, and relic garden.

- 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 development will rehabilitate the historic buildings of the Pillsbury A Mill complex. The proposal has received HPC approval for changes to the building and site. The amount of surface parking was limited to protect the historic features of the complex. There will not be significant additions to the buildings that will affect scale and massing, microclimate, or views.

- e. An appropriate transition area shall be provided between the planned unit development and adjacent residential uses or residential zoning that considers landscaping, screening, access to light and air, building massing, and applicable policies of the comprehensive plan and adopted small area plans.**

The buildings are existing and the additions are relatively small, so there will be little change to building massing or access to light and air. The site is bordered by streets on the north, east and west and the areas around and between the buildings will be landscaped or have historical interpretive elements that will serve as a transition to the surrounding area.

- f. 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.**

A stormwater management and erosion control plan is required as part of the site plan approval process before building permits may be issued.

- g. The consideration, where possible, of sustainable building practices during the construction phases and the use of deconstruction services and recycling of materials for the demolition phase.**

The applicant indicates in their statement that the reuse of the buildings is a sustainable building practice and that they will use sustainable practices wherever possible. The project will utilize LED lighting. In

addition, the developer is considering utilizing the Mississippi River water that runs through the building to heat and cool the building. Also, they may install a natural gas micro-turbine for power generation.

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

Please see the subdivision section of this report.

VARIANCE (of the maximum allowable floor area ratio)

Findings as 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 maximum allowable FAR in the C3A District is 2.7. The lot in question is 210,970 square feet in area. The project has 752,570 square feet of gross floor area, an FAR of 3.567. The need for the FAR variance is triggered by the proposal of the BNC bank to sell the land south of the Red Tile Elevators to Doran Construction, not by the applicant. This makes the overall zoning lot smaller increasing the FAR. The actual net addition of floor area to the buildings is 6,918 feet. The intent of the FAR regulations is to regulate the bulk of buildings. The buildings are existing and will not have significantly increased bulk. The actual intensity of use of the site will not reflect the large FAR numbers either, as approximately 306,000 square feet is composed of the White Elevators which will no longer be in use. In the C3A District a lot of 210, 970 square feet could have a density of 527 units and the applicant is only proposing 255 units. This circumstance is unique and not generally applicable to other properties throughout the City and can be considered a practical difficulty.

- 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.**

As noted in finding number one, the intent of the FAR regulations is to regulate the bulk of buildings. The buildings are existing and will not have significantly increased bulk. The actual intensity of use of the site will not reflect the large FAR numbers either, as approximately 306,000 square feet is composed of the White Elevators which will no longer be in use. In the C3A District a lot of 210, 970 square feet could have a density of 527 units and the applicant is only proposing 255 units. This request is reasonable and in keeping with the spirit and intent of the ordinance and 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.**

The development proposal will convert the existing mill buildings to a residential use, but there will be relatively little actual gross floor area added to the buildings. The granting of the variance should have little effect on surrounding property.

VARIANCE (of the mechanical screening requirements)

Findings as 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.**

Section 535.70 of the zoning code requires that mechanical equipment be screened by a fence, wall, or similar structure, by vegetation, or the structure it serves. The code further states that if screening is impractical it can be designed as an integrated part of the building. While the transformer and generator, in the rail corridor, are not being integrated as part of the buildings, they are designed to be part of an historical interpretive feature by being placed on a rail car on the reinstalled rail tracks. To screen these items would defeat the purpose of the interpretive feature. This can be considered a practical difficulty. This circumstance is unique and not generally applicable to other properties throughout the City.

- 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.**

The intent of the ordinance is that mechanical equipment be screened to eliminate visual clutter. As noted above in finding number one the code does recognize that in some cases screening could be impractical and that integrating the mechanicals into the structure is an alternative. In this case the applicant is integrating mechanicals into the historical interpretive elements of the mid-block rail corridor. Further, these mechanicals will not be visible from the public street as it is located in the corridor. This request is reasonable and in keeping with the spirit and intent of the ordinance and 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.**

The A Mill complex is a mill and warehouse facility that was historically an industrial property. While there will now be residential uses in the buildings and there is residential built or proposed around the complex, part of the HPC approvals require that the development respect and interpret the historic mid-block rail corridor. The placement of the transformer and generator on a flatbed rail car would be part of the interpretive features of the corridor. The granting of the variance should have little effect on surrounding property.

SITE PLAN REVIEW

Introduction

Pillsbury A Mill: This is also known as the A Mill North and is located at the northeast corner of 3rd Avenue SE and Main Street SE. The A Mill will be renovated as a 119 unit residential building. It will have a 4,500 square foot museum space in the basement that will be open to the public. In addition, there will be studio space for the residents. The building currently contains 154,288 square feet of gross floor area and after additions will have 157,592 square feet of gross floor area. The height of the building to the top of the penthouse roof is 107 feet (7 floors).

The applicant is proposing a new loading dock on the Main Street SE facade of the A Mill. It will project approximately five feet six inches from the building wall. In addition, there will be a small hallway corridor addition to the penthouse on the roof of the A Mill. Also, there will be a new canopy on the facade of the A Mill that also provides structural support to the building. The Main Street SE facade of the building bows and is currently being supported by I-beam whalers over the second floor windows that are tied by cable through the exterior building wall and through the building to structural anchors at the rear of the building. The applicant is proposing new structural steel columns to provide structural support to the building. The proposed canopy system conceals structural ties that extend through the building wall and tie back into the new internal structural system. The intent of this system is to stabilize the exterior building wall of the building.

South Mill: This is made up of the buildings known as the South Mill, South Mill Silos, Cleaning House, Transmission Building, and Warehouse 1. It is located adjacent to and south of the A Mill. The South Mill will be renovated as a 70 unit residential building with studio and performance space for the residents. The building currently contains approximately 140,213 square feet of gross floor area and after additions will have 144,849 square feet of gross floor area. The height to the top of the majority of the building is 144 feet (9 floors), but part of the building fronting on Main Street SE drops down to 45 feet. The building height does not include the existing water tower.

The applicant is proposing a new primary entrance along Main Street SE where the A Mill and the South Mill meet to access the interconnected buildings of the complex. The proposed entrance utilizes a former opening that has been infilled with concrete block and will be distinguished from the historic buildings by a projecting canopy with an angular design. The exterior landing for the entrance contains a stairway and ramp that will extend in front of a proposed reconstruction of the loading dock in front of the A Mill.

Along the Main Street SE facade the applicant is proposing to retain the existing 5 foot wide concrete loading dock and to reconstruct and continue the 5 foot wide loading dock around the south building wall of the South Mill to where the Manindra Building currently is located. One of the existing door openings in the South Mill building will provide access to some of the performance spaces proposed in the South Mill and the Red Tile Elevator.

Red Tile Elevator: The Red Tile Elevator is adjacent to and south of the South Mill. It will be renovated as a 23 unit residential building, with units in the five floors of the head house above the silos. The building, including the silos, currently has 64,695 square feet of gross floor area and after construction it

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will be reduced to 64,106 square feet of gross floor area. The height to the top of the building is 192 feet. The building height does not include the existing Pillsbury sign.

A combined entrance for the A Mill, South Mill, and Red Tile Elevator building complex will be added on the east side facing the mid-block rail corridor at the recessed area between the South Mill and the Red Tile Elevator. The proposed entrance is a pedestrian entrance, but also contains two garage doors for move-in/move-out access, with the loading spaces just to the north of the entrance. The proposed entrance of the addition is designed with the same angular design as the Main Street SE addition on the front of the A Mill/South Mill.

The Applicant is proposing to demolish the existing stair tower on the east facade of the Red Tile Elevator and construct a new stair and elevator tower in its place.

The Applicant is proposing to remove the bridge between the 10th floor of the Red Tile Elevator and the 9th floor of the South Mill and install a new bridge between the 8th floor of the Red Tile Elevator and the 7th floor of the South Mill, as the existing bridge has collapsed and has been deemed unsafe. It will also provide a second form of ingress and egress as required by the building code.

Warehouse 2: Warehouse 2 is located at the northwest corner of the vacated 5th Avenue SE and 2nd Street SE. It currently has 53,526 square feet of gross floor area and after construction will be reduced to 53,083 square feet of gross floor area. It will be renovated as a 43 unit residential building. The height to the top of the building is 45 feet (4 floors). The applicant is proposing a new primary resident entrance for the building on the south facade of the building, in the current location of the loading dock and bays. The plans will retain the existing three loading bay configuration with the easternmost bay to become the primary entrance and the other two bays filled with an aluminum divided light storefront window system. The applicant is also proposing to remove the steel shed over the loading platform on the southwest side of the building replacing it with an open pergola.

Parking structure: There will be a new 152 space underground parking structure in the mid-block rail corridor and between the Machine Shop and the White Elevators. On the surface level of the structure south of the Machine Shop, there will be an additional 21 spaces. Further there are an additional 31 spaces in the mid-block corridor.

White Elevators: The White Elevators are north of Warehouse 2 and east of the A Mill, South Mill, and Red Tile Elevators. They will remain as vacant elevators and will not be redeveloped. The applicant proposes creating a separate lot for the elevators. They contain 305,930 square feet of gross floor area (the zoning code assumes one floor every 14 feet as a floor for elevators, even if floors don't actually exist). The height to the top of the silos, measured on the 2nd Street SE, is 83 feet and to the top of the head house is 158 feet.

Machine Shop: The Machine Shop is located at the southwest corner of 3rd Avenue SE and 2nd Street SE. It is part of the planned unit development, but is not proposed to be redeveloped at this time. A separate lot will be created for the Machine Shop and it will most likely be redeveloped as commercial or office space by others. It has approximately 27,000 square feet of floor area and is 3 stories or 33 feet (2 floors). Parking for the Machine Shop will be provided on the top level of the parking structure proposed for the development.

Manildra Building: The Manildra building adjacent to and south of the Red Tile Elevators, at 413 Main Street SE, and has been approved for demolition. The proposed site plan shows this area as a new connection through the site and part of Mill and Main Phase II (to be developed in the future by others).

Required Findings for Site Plan Review

- 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 DESIGN:

- 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, windows, and active functions:
 - 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

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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.
- f. 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.
- g. In multiple tenant buildings, each individual ground level tenant space that faces a public street, public sidewalk, public pathway, or on-site parking lot shall comply with the minimum window requirements of this section.

Minimum window area shall be measured as indicated in section 530.120 of the zoning code.

- **Ground floor active functions:**

Except for industrial uses in Table 550-1, Principal Industrial Uses in the Industrial Districts, the first floor or ground level of buildings shall be designed to accommodate active functions by ensuring that parking, loading, storage, or mechanical equipment rooms are limited to no more than thirty (30) percent of the linear building frontage along each wall facing a public street, public sidewalk, or public pathway.
- 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. In addition to compliance with minimum window requirements, principal and accessory parking garages shall comply with provisions requiring active functions on the ground floor. In the downtown districts, the more restrictive parking garage provisions of Chapter 549, Downtown Districts, shall apply.

All buildings are existing and no change is proposed to the building locations. The Machine Shop is up to the property line on both 3rd Avenue SE and 2nd Street SE, the White Elevators and Warehouse 2 are up to the property line on 2nd Street SE, and the A Mill is up to the property line on 3rd Avenue SE. The A Mill and South Mill are setback 12 feet from the Main Street SE property line, but will have loading docks retained or reconstructed on the front extending approximately five feet out from the building.

The area between the A Mill/South Mill and the public street will have an historical interpretation of the rail corridor that ran in front of the building with reinstalled tracks and rails as approved by the HPC. The area between the White Elevators and the public sidewalk will have landscaping added.

The entrance to the A Mill/South Mill faces Main Street SE. The entrance to the Machine Shop faces 2nd Street SE. Historically the entrance to Warehouse 2 faced the vacated 5th Avenue SE (there are loading dock doors and service doors facing 2nd Street SE) and that will not change, but the main entrance will be moved further to the southwest into what was traditionally a loading dock door.

The principal entrances are clearly defined. A new entrance with an angular metal feature that resembles historical interior mechanicals will be added to the entrance for the A Mill/South Mill facing Main Street SE. Warehouse 2 will have an entrance that is incorporated in an interpretation of the historical loading

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docks for the building. No changes to the Machine Shop entrance are proposed at this time.

Parking is located within the proposed 152 space parking structure, with 21 spaces on the top of the structure adjacent to the Machine Shop and 31 surface spaces in the mid-block rail corridor. All of this parking is located to the interior of the site.

The exterior materials of the existing buildings are made of made of brick, stone, tile, concrete, metal and glass. The exterior material of the new construction is as follows:

- The new entrance/exit to the A Mill/South Mill facing Main Street SE will utilize Corten steel flat panels as an exterior material (see Sheet 2-A501).
- The renovation and addition to the A Mill penthouse will utilize galvanized flat sheet panels, galvanized corrugated panels, and Corten steel as an exterior material se (Sheet 2-A520).
- The entrance/exit to the South Mill facing the mid-block corridor will utilize glass windows, galvanized flat sheet panels and Corten steel flat panels (see Sheet 2-A504).
- The walkway connection between the South Mill and the Red Tile Elevator will utilize galvanized flat sheet panels as an exterior material (see Sheets 2-A501 and 2-A504).
- The elevator and staircase tower addition to the Red Tile Elevator will utilize galvanized corrugated metal and galvanized flat sheet panels as exterior materials (see Sheet 2-A504).
- The changes to the Warehouse 2 loading dock area will utilize an aluminum and glass storefront system. The non brick parts of the building that were part of a 1957 loading dock addition will be clad in galvanized steel and Corten steel panels (see Sheets 3-A500 and 3-A501)
- The parking structure will be built into the grade with the majority of the structure underground except that the west wall of the part of the ramp between the Machine Shop and the White Elevators will be exposed for two levels. This will be clad in horizontal corrugated metal panels. On the east side, at the 2nd Street SE property line, there is a staircase overrun that is above grade and that will be clad in the same horizontal corrugated metal panels (see Sheet 1-A500).

There are no new blank walls on the building, without a change in material for lengths of more than 25 feet on any of the existing buildings or in the areas of new construction, except for the south elevation of the parking structure, which is 35 feet long with out a change in materials. Staff recommends alternative compliance as the design was approved by the HPC and there will be an open stair case in front of this wall that will break up the massing.

Residential uses are required to provide 20 percent windows on the first floor and 10 percent windows on the floors above for elevations facing a public street, sidewalk, or pathway, or an on-site parking area. In general, there is no reduction of the existing windows in the A Mill, South Mill, Warehouse 2, Red Tile Elevator or the Machine Shop facing the on-site parking or public streets and sidewalks. There are some areas where windows have been added or removed. The changes are as follows:

A Mill: The penthouse will have a small addition and windows will be added on the north, east, and west elevations. The north elevation will provide 31 percent windows, the west elevation will provide 25 percent windows, and the east elevation will provide 13 percent windows. All of the windows are vertical in proportion and are more or less evenly distributed.

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South Mill: Window openings facing the public streets and sidewalks and the on-site parking will not be reduced in size, but the glass block will be replaced with clear glass aluminum window systems. The walkway connecting the South Mill to the Red Tile Elevator will have 34 percent windows facing Main Street SE and zero windows facing the mid-block corridor. Staff recommends alternative compliance as the South Mill building has windows that exceed the required percentages and the walkway is a small part of the overall elevation facing the mid-block corridor. On the ground floor facing the mid-block corridor, in the recessed area between the South Mill and the Red Tile Elevators, there will be a new entrance utilizing an aluminum store front window system that increases the percentage of windows from zero to 32 percent.

Red Tile Elevator: Several openings that do not currently have windows will have windows added on levels nine and ten facing Main Street SE. Also, two openings will be cut on level eleven to add windows. Facing Main Street, level eight has seven percent windows, level nine has 20 percent windows, level 10 has 13 percent windows, level 11 has 47 percent windows, and level 12 has seven percent windows. Levels eight and 12 have less than 10 percent windows, but that is the existing percentage and no reduction is proposed. Facing the mid-block corridor, levels eight through 12 have provide five percent windows. This is less than the required 10 percent windows, but that is the existing percentage and no reduction is proposed.

Warehouse 2: There will be no reductions in the size or percentage of windows. There will be new window openings on the west elevation facing the mid-block corridor. Also, there will be additional windows added to the loading dock area facing west and south. These changes will increase the percentage of windows on the ground floor facing south from three percent to 29 percent and facing the mid-block corridor from zero to 14 percent. Although this is less than the required 20 percent it is not a reduction below the existing percentage, so alternative compliance is not required.

Parking structure: The stair case overruns do not provide windows. Staff does not recommend alternative compliance and recommends that the required 30 percent windows be provided facing the public street or sidewalk and on-site parking. The north and south elevations of the exposed part of the parking structure facing the mid-block corridor do not provide windows. The west elevation for the parking structure facing the mid-block corridor provides eight percent windows on both levels. Staff recommends alternative compliance as the applicant has made a design that reflects the historical industrial character of the area. In addition, there are windows in the A Mill and South Mill that face this area that provide views into the corridor.

The first floors of the A Mill, South Mill, and Warehouse 2, will have residential or active uses for the entire length of the frontage facing the public streets. There is no use proposed for the Machine Shop at this time.

The materials, windows, and building design have received HPC review and approval. Future changes to these items may require review before the Heritage Preservation Commission and City Planning Commission.

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.**

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- 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.

The primary entrance to the A Mill/South Mill/Red Tile Elevator opens onto the public sidewalk along Main Street SE. The primary entrance to Warehouse 2 opens onto the proposed public sidewalk easement on the vacated 5th Avenue SE. The entrance to the Machine Shop opens onto 2nd Street SE, but no use is proposed for this building at this time.

There are no integrated transit shelters on site.

Vehicular access and circulation has been designed to minimize conflict with residential properties and there is no alley adjacent to the site.

Public Works and the Fire Department have reviewed this proposal for access and circulation and have found them acceptable, subject to the comments in the PDR report.

The site has been designed to minimize impervious surfaces and all areas that are not covered by buildings, pedestrian access, historical interpretive elements, and paved areas necessary for parking, loading, and the associated maneuvering are pervious surfaces used for landscaping and stormwater management.

The Master Plan for the Marcy-Holmes Neighborhood recommends reestablishing connections to the Mississippi River (page 5-9) including at the vacated 5th Avenue SE. It is not possible to require a street to be rededicated without the City condemning the land. There is no proposal to condemn the land for a public street. The applicant has submitted, as an amenity, a pedestrian connection at 5th Avenue SE to connect with the proposed easement required on the Mill and Main Phase I site. Staff recommends that this sidewalk easement, that allows public access, be provided along the north side of the vacated 5th Avenue SE right-of-way. The easement area shall contain a built sidewalk, to provide access through the site. This easement and sidewalk shall be reviewed by Public Works and shall be coordinated, to the extent possible, with the adjacent redevelopment of the Mill and Main site by Doran Construction. Further, staff recommends that the parking bay along the south side of the sidewalk be eliminated and replaced with a green boulevard with grass or plantings and trees to provide a buffer from the drive aisles and parking.

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

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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.

The site plan shows 13 percent of the site, minus the building footprint, as landscaping. The lot area is 210,970 square feet and the footprint of the buildings is 122,882 square feet. This leaves 88,088 square feet, of which 20 percent (17,618 square feet) is required to be landscaped. The site plan shows approximately 11,050 square feet of landscaped area on site. An additional 6,216 square feet is provided in the interior boulevards, which if included would raise the percentage to 20 percent.

The development is required to provide 35 on-site trees and 176 on-site shrubs. The site plan shows 32 on-site trees, 79 on-site shrubs, and approximately 1,804 on-site perennials. There are an additional 18 trees and 518 perennials proposed in the right-of-way.

The parking lot does not meet the requirement that all spaces be within 50 feet of an on-site deciduous tree.

Staff recommends alternative compliance to the twenty percent landscaping, on-site trees and shrubs, and distance of parking spaces to trees. While the remainder of the site around the buildings and in the mid-block corridor could be landscaped, preservation staff, the HPC, and the National Park Service have determined that further landscaping would damage the historic character of the campus. The areas not landscaped have a treatment consisting of pavers and rails as an historical interpretive element approved by the HPC. In addition, the applicant is providing plantings in the right-of-way that if included would meet the 20 percent landscaping and required tree amounts.

All other areas not occupied by buildings, walks, plazas, historical interpretive elements, parking and loading and associated drives and maneuvering are landscaped.

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.
- 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.**

Curbing is not provided along the access drive. Access control will be accomplished by marking and materials that are part of the historical interpretive elements of the site design.

No new structures are proposed. The relatively small building additions to the A Mill penthouse, the connection between the South Mill and the Red Tile Elevator, and the new elevator staircase tower on the east side of the Red Tile Elevator are integrated parts of the historic buildings and will not significantly block views of the other historic buildings or the Mississippi River.

The above noted additions will not significantly generate wind currents at ground level beyond those of the existing complex of buildings.

The plan meets the CPED guidelines. The site is designed with landscaping, fencing, and architectural features to delineate space and control access while allowing views into and out of the site. Staff recommends that proper lighting be provided and that the landscaping follow the three-foot seven-foot rule to allow proper views into and out of the site.

The site plan and building changes have received HPC review and approval with conditions (please see attached HPC actions).

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: A planned unit development is a conditional use permit in the C3A District.

Off-Street Parking and Loading:

Minimum automobile parking requirement: The zoning code requires one parking space per dwelling unit. The UA University Area Overlay District requires .5 spaces per bedroom, but not less than one per dwelling unit. The development has 255 units with 337 bedrooms, which requires 255 parking spaces. The A Mill building will have an approximately 4,500 square foot museum space that will be open to the public. A museum requires one space per 500 square feet of gross floor area over 4,000 square feet, but not less than four spaces. The Machine Shop does not have a proposed use, but the most likely use is general commercial, restaurant, or office. These uses have a parking requirement of one space per 500 square feet of gross floor area over 4,000 square feet, or 46 spaces. Section 541.430 of the zoning code allows the minimum parking requirement for landmarks that are non-residential uses to be 75 percent of the minimum required, so the Machine Shop required parking is reduced to 35 spaces and the museum required parking is reduced to three spaces. The overall required parking for the residential, museum, and the Machine Shop is 293 spaces. Accessible spaces shall be provided as required by the building code.

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The project provides 31 spaces in the mid-block rail corridor and 173 in the proposed ramp for a total of 204 spaces. This is 89 spaces short of the amount required by the zoning code. Section 525.530 of the zoning ordinance allows the City Council to grant variances from the provisions of the zoning ordinance for locally designated historic properties to promote the use and conservation of historic properties. These historic variances are reviewed by the HPC, which makes a recommendation, and the City Council, which takes the final action on the variance. The HPC recommended that the City Council approve the historic variance to reduce the required parking to 204 spaces at its meeting of March 20, 2012. The historic variance is scheduled for the April 19, 2012, meeting of the Zoning and Planning Committee of the City Council. Staff will provide an update at the April 23, 2012, meeting of the City Planning Commission.

Maximum automobile parking requirement: There is no maximum for dwelling units outside of the downtown.

Bicycle parking requirement: Multiple-family dwellings are required to provide one bike parking space per every two dwelling units; however, the UA University Area Overlay District requires one bike parking space per bedroom. At 337 bedrooms, 337 bike parking spaces are required. Not less than 90 percent of these spaces shall meet the standards for long-term bicycle parking, which requires that they are located in enclosed or supervised areas providing protection from theft, vandalism, and weather and are accessible to intended users. At 337 required spaces, 90 percent would be 303 long-term spaces. There are 383 bike parking spaces within secured rooms or wall-mounted above stalls in the ramp that meet the definition of secured spaces. There are an additional 30 spaces outside the building in various locations for a total of 413 bike parking spaces.

Loading: Multiple-family dwellings of more than 250 units shall provide one large loading space (12' by 50') or two small (10' by 25') loading spaces. The development has one large space in the mid-block rail corridor.

Maximum Floor Area: The maximum FAR in the C3A District is 2.7. The lot in question is 210,970 square feet in area. The project has 752,570 square feet of gross floor area, an FAR of 3.567. The applicant has applied for a variance of the maximum allowable FAR and staff is recommending approval of the variance.

Building Height: Building height in the C3A District is limited to 4 stories or 56 feet, whichever is less. Properties within the SH Shoreland Overlay District are further restricted to 2.5 stories, or 35 feet, whichever is less. The entire A Mill, South Mill, and Red Tile Elevators are within the SH Shoreland Overlay District. The Machine Shop, White Elevators, and Warehouse 2 are outside of the SH Shoreland Overlay District.

Pillsbury A Mill: The height of the building to the top of the penthouse roof is 107 feet (7 floors). There is an existing penthouse on top of the A Mill building that will be expanded seven feet to the southeast to add a hallway corridor that is 46 feet long. This corridor will not be any taller than the existing penthouse, but it is expanding the area of the building that is higher than 2.5 stories, or 35 feet, within the SH Shoreland Overlay District.

South Mill: The height to the top of the majority of the building is 144 feet (9 floors), but part of the building fronting on Main Street SE drops down to 45 feet. The building height does not include the

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existing water tower. There is currently a connecting walkway between the South Mill and the Red Tile Elevator that will be removed and rebuilt at a lower floor and height. The current walkway is at approximately a height of 126 feet at the floor and 143 feet at the roof, connecting from the top floor of the South Mill across to the Red Tile Elevator. The new walkway is at a height of approximately 102 feet at the floor and 113 at the top of the roof at its highest point sloping downward to the South Mill. While the new walkway will be at a lower elevation than the existing walkway, it is at a height greater than the 2.5 story, or 35 feet limit of the SH Shoreland Overlay District.

Red Tile Elevator: The height to the top of the building is 192 feet. The building height does not include the existing Pillsbury sign. An elevator tower on the east side of the Red Tile Elevators will be removed and replaced with a 32 foot by 10 foot elevator and staircase tower, to provide required ingress/egress to the building. This tower will not be any taller than the previous tower, or the Red Tile Elevator, but it is expanding the area of the building that is higher than 2.5 stories, or 35 feet, within the SH Shoreland Overlay District. It will rise to a height of 191 feet.

Warehouse 2: The height to the top of the building is 45 feet (4 floors). No change in height proposed.

White Elevators: The height to the top of the silos, measured at 2nd Street SE, is 83 feet and to the top of the head house is 158 feet. No change in height proposed.

Machine Shop: The height to the top of the Machine Shop is 33 feet (2 floors). No change in height proposed.

As a part of the planned unit development, the applicant is requesting an alternative to the height limits to allow a hallway corridor addition to the A Mill penthouse, to replace a connecting walkway between the South Mill and the Red Tile Elevators, and to replace and enlarge an elevator and staircase tower on the Red Tile Elevator building that expands the building envelopes over the height limits, but that does not add height above the top of the existing buildings. Staff is recommending approval of these alternatives.

Minimum Lot Area: The C3A District requires not less than 400 square feet of lot area per dwelling unit. With 255 proposed dwelling units on a lot of 210,970 square feet, the applicant proposes 827 square feet of lot area per dwelling unit.

Dwelling Units Per Acre: The applicant proposes 53 dwelling units per acre. High density is 50-120 dwelling units per acre.

Yard Requirements: In general, setbacks are not required for properties in the commercial districts, except where adjacent to residential districts and for residential uses that contain windows facing a rear or interior side lot line. This structure is bordered by Main Street SE on the southeasterly side, 3rd Avenue SE on the northwesterly side, and 2nd Street SE on the northeasterly side by public streets, so no setbacks are required on those sides. The A Mill, South Mill, Red Tile Elevators, and Warehouse 2 will have windows along the interior lot lines, so a setback of five feet plus two feet for each additional floor above the first is required, not to exceed 15 feet. The Red Tile Elevator does not meet the required 15 foot setback along the southeasterly side of the building as only 10 feet is provided. The applicant is requesting an alternative to ten feet as part of the planned unit development approvals. Staff recommends granting the alternative to reduce the yard to ten feet.

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Specific Development Standards: No specific development standards are applicable for this project.

Signs: All signs are required to meet the requirements of Chapter 543 of the zoning code and permits are required from the Zoning Office. In addition, HPC approval is required. No signage is proposed at this point, but the applicant is aware that sign plan will require HPC approval, possible CPC review and approval, and Zoning Office approval and permits.

Refuse storage: Section 535.80 of the zoning code requires that refuse storage containers shall be enclosed on all four (4) sides by screening compatible with the principal structure not less than two (2) feet higher than the refuse container or shall be otherwise effectively screened from the street, adjacent residential uses located in a residence or office residence district and adjacent permitted or conditional residential uses. Trash is stored inside the building, but if dumpsters are utilized in the future they are required to be screened to the standards of the zoning code.

Lighting: The lighting will comply with Chapters 535 and 541 including the following standards:

535.590. Lighting. (a) In general. No use or structure shall be operated or occupied as to create light or glare in such an amount or to such a degree or intensity as to constitute a hazardous condition, or as to unreasonably interfere with the use and enjoyment of property by any person of normal sensitivities, or otherwise as to create a public nuisance. (b) Specific standards. All uses shall comply with the following standards except as otherwise provided in this section:

- (1) Lighting fixtures shall be effectively arranged so as not to directly or indirectly cause illumination or glare in excess of one-half (1/2) footcandle measured at the closest property line of any permitted or conditional residential use, and five (5) footcandles measured at the street curb line or nonresidential property line nearest the light source.
- (2) Lighting fixtures shall not exceed two thousand (2,000) lumens (equivalent to a one hundred fifty (150) watt incandescent bulb) unless of a cutoff type that shields the light source from an observer at the closest property line of any permitted or conditional residential use.
- (3) Lighting shall not create a sensation of brightness that is substantially greater than ambient lighting conditions as to cause annoyance, discomfort or decreased visual performance or visibility to a person of normal sensitivities when viewed from any permitted or conditional residential use.
- (4) Lighting shall not create a hazard for vehicular or pedestrian traffic.
- (5) Lighting of building facades or roofs shall be located, aimed and shielded so that light is directed only onto the facade or roof.

MINNEAPOLIS PLAN FOR SUSTAINABLE GROWTH: In addition to the comprehensive plan policy listed in finding number 5 under the conditional use permit section of this report, the comprehensive plan has the following relevant policies related to urban design:

Policy 1.2: Ensure appropriate transitions between uses with different size, scale, and intensity.

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1.2.1 Promote quality design in new development, as well as building orientation, scale, massing, buffering, and setbacks that are appropriate with the context of the surrounding area.

1.2.2 Ensure that lighting and signage associated with non-residential uses do not create negative impacts for residential properties.

1.2.3 Lessen the negative impacts of non-residential uses on residential areas through controls on noise, odors, and hours open to the public.

Policy 1.3: Ensure that development plans incorporate appropriate transportation access and facilities, particularly for bicycle, pedestrian, and transit.

1.3.1 Require safe, convenient, and direct pedestrian connections between principal building entrances and the public right-of-way in all new development and, where practical, in conjunction with renovation and expansion of existing buildings.

1.3.2 Ensure the provision of high quality transit, bicycle, and pedestrian access to and within designated land use features.

Policy 10.4: Support the development of residential dwellings that are of high quality design and compatible with surrounding development.

10.4.1 Maintain and strengthen the architectural character of the city's various residential neighborhoods.

10.4.2 Promote the development of new housing that is compatible with existing development in the area and the best of the city's existing housing stock.

Policy 10.5: Support the development of multi-family residential dwellings of appropriate form and scale.

10.5.1 Smaller-scale, multi-family residential development is more appropriate along Community Corridors and Neighborhood Commercial Nodes.

10.5.2 Medium-scale, multi-family residential development is more appropriate along Commercial Corridors, Activity Centers, Transit Station Areas and Growth Centers outside of Downtown Minneapolis.

10.5.3 Large-scale, high-rise, multi-family residential development is more appropriate in the Downtown Minneapolis Growth Center.

Policy 10.6: New multi-family development or renovation should be designed in terms of traditional urban building form with pedestrian scale design features at the street level.

10.6.1 Design buildings to fulfill light, privacy, and view requirements for the subject building as well as for adjacent properties by building within required setbacks.

10.6.2 Promote the preservation and enhancement of view corridors that focus attention on natural or built features, such as the Downtown skyline, landmark buildings, significant open spaces or bodies of water.

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10.6.3 Provide appropriate physical transition and separation using green space, setbacks or orientation, stepped down height, or ornamental fencing to improve the compatibility between higher density and lower density residential uses.

10.6.4 Orient buildings and building entrances to the street with pedestrian amenities like wider sidewalks and green spaces.

10.6.5 Street-level building walls should include an adequate distribution of windows and architectural features in order to create visual interest at the pedestrian level.

10.6.6 Integrate transit facilities and bicycle parking amenities into the site design.

SMALL AREA PLANS ADOPTED BY COUNCIL: *The Master Plan for the Marcy-Holmes Neighborhood* was approved by the City Council on December 29, 2003. The land use chapter states that land to the river side of 4th Street SE may be considered for higher density multi-family housing. It also supports mixed-use developments, including multi-family housing, for the industrial properties on the river side of University Avenue, if the businesses relocate (see pages 1-2 and 1-3).

Chapter Eight outlines various design guidelines including preserving the street character, appropriate landscaping including varied plant types, varied rooflines especially on longer buildings, quality building materials and appropriate building massing.

This site is in the MR Mississippi River Critical Area Overlay District. *The Mississippi River Critical Area Plan* was approved by the City Council on June 16, 2006. The plan states that “the City will follow the land use guidelines of *The Minneapolis Plan* except where modified by small area plans...” Development in the Urban Diversified District should have a high degree of visual compatibility with the river and should not block or impact key scenic views.

It is the opinion of staff that with the staff recommendations the proposed site plan is in conformance with the above noted plans and goals.

Alternative Compliance. The Planning Commission 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.**

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- Blank walls without a change in materials for more than 25 feet.

The south elevation of the parking structure is a wall 35 feet long with out a change in materials. Staff recommends alternative compliance as the design was approved by the HPC and there will be an open stair case in front of this wall that will break up the massing.

- Twenty percent windows facing a public street, sidewalk, or on-site parking:

South Mill/Red Tile Elevator: The walkway connecting the South Mill to the Red tile Elevator will have 34 percent windows facing Main Street SE and zero windows facing the mid-block corridor. Staff recommends alternative compliance as the South Mill building has windows that exceed the required percentages and the walkway is a small part of the overall elevation facing the mid-block corridor.

Parking structure stair case overruns: The stair case overruns do not provide windows. Staff does not recommend alternative compliance and recommends that the required 30 percent windows be provided facing the public street or sidewalk and on-site parking.

Parking structure elevations: The north and south elevations of the exposed part of the parking structure facing the mid-bock corridor do not provide windows. The west elevation for the parking structure facing the mid-block corridor provides 8 percent windows on both levels. Staff recommends alternative compliance as the applicant has made a design that reflects the historical industrial character of the area. In addition, there are windows in the A Mill and South Mill that ace this area that provide views into the corridor.

- Twenty percent landscaping, on site trees and shrubs, trees within 50 feet of parking spaces.

Staff recommends alternative compliance to the twenty percent landscaping, onsite trees and shrubs, and distance of parking spaces to trees. While the remainder of the site around the buildings and in the mid-block corridor could be landscaped, preservation staff and the National Park Service have determined that further landscaping would damage the historic character of the campus. The areas not landscaped have a treatment consisting of pavers and rails as an historical interpretive element approved by the HPC. In addition the applicant is providing plantings in the right-of-way that if included would meet the 20 percent landscaping and required tree amounts.

PRELIMINARY PLAT

Required Findings:

1. The subdivision is in conformance with the land subdivision regulations and the applicable regulations of the zoning ordinance and policies of the comprehensive plan.

The proposed lots are in conformance with the zoning ordinance and comprehensive plan. Please see finding number one of the conditional use permit section of this report and the comprehensive plan and zoning code analysis of the site plan review section of the staff report. Plats that are part of a planned

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unit development are exempt from the public street frontage and subdivision design standards of Sections 598.230-598.250. However, the subdivision is in conformance with the street frontage requirement of the subdivision ordinance. In addition, there will be cross access agreements with the adjacent Doran properties and the Soap Factor for access through the vacated 5th Avenue SE right-of-way.

While planned unit developments are exempt from the design standards of the subdivision ordinance, the proposed plat creates a lot for the White Elevators that does not have a development plan for future use. In addition, the HPC required a maintenance plan for the elevators that has not yet been approved. Further, the lot is integrated as part of the planned unit development landscaping plan and stormwater management plans. Therefore, staff recommends that if Lot 3 is to be sold to anyone other than Minneapolis Leased Housing Associates IV, Limited Partnership, that planning staff be notified before the sale to determine that the proposed sale will not place the site out of conformance with the required zoning code, subdivision ordinance, and HPC requirements before the sale proceeds. A sale of the lot may not place the Lot 3 or the White Elevators out of conformance with the zoning code subdivision ordinance, or CPC and HPC approvals.

2. The subdivision will not be injurious to the use and enjoyment of other property in the immediate vicinity, nor be detrimental to present and potential surrounding land uses, nor add substantially to congestion in the public streets.

The proposed subdivision will create four lots out of several tax parcels and underlying platted lots and vacated right-of way. Lots 1-3 are part of the proposed planned unit development. Lot 4 is not part of the planned unit development, but is necessary to prevent the creation of remnant parcels, some without frontage, created by the sale of the property for this project and the adjacent Doran projects. This will not be injurious to the use and enjoyment of other property in the immediate vicinity, nor be detrimental to present and potential surrounding land uses, nor add substantially to congestion in the public street with the approval of the associated site plan, TDMP, stormwater management and erosion control plans, and the recommended conditions of approval for the associated land use applications.

3. All land intended for building sites can be used safely without endangering the residents or users of the subdivision and the surrounding area because of flooding, erosion, high water table, severe soil conditions, improper drainage, steep slopes, rock formations, utility easements, or other hazard.

The site does not present the above noted hazards.

4. The lot arrangement is such that there will be no foreseeable difficulties, for reasons of topography or other conditions, in securing building permits and in providing driveway access to buildings on such lots from an approved street. Each lot created through subdivision is suitable in its natural state for the proposed use with minimal alteration.

A site plan addressing these issues is required before building permits may be issued. Access is from 3rd Avenue SE and the vacated 5th Avenue SE.

5. The subdivision makes adequate provision for storm or surface water runoff, and temporary and permanent erosion control in accordance with the rules, regulations and standards of the city engineer and the requirements of these land subdivision regulations. To the extent practicable, the amount of stormwater runoff from the site after development does not exceed the amount occurring prior to development.

A stormwater management and erosion control plan is required as part of the site plan approval process before building permits may be issued.

RECOMMENDATIONS:

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

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 for a planned unit development with 255 dwelling units for property located 100 3rd Avenue SE, 300 2nd Street SE, and 400 2nd Street SE (also known as 301 Main Street SE) 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.
- 2) As required by Section 527.120 of the zoning code, the development shall comply with the standards for some combination of the following amenities from Table 527-1, Amenities, totaling a minimum of 25 points; historic preservation, public right-of-way dedication, and conservation of the built environment.
- 3) The “grand staircase” on the southwest side of the parking structure, which is part of the conservation of the built environment amenity, be revised to make it more open with wider stairs and landings and improved lighting.
- 4) If Lot 3 is to be sold to anyone other than Minneapolis Leased Housing Associates IV, Limited Partnership, planning staff shall be notified before the sale to determine that the proposed sale will not place the site out of conformance with the required zoning code, subdivision ordinance, CPC, and HPC requirements before the sale proceeds. A sale of the lot may not place the Lot 3 or the White Elevators out of conformance with the zoning code, subdivision ordinance, or CPC and HPC approvals.

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the floor area ratio 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 of the maximum allowable floor area ratio from 2.3 to approximately 3.6 for property located 100 3rd Avenue SE, 300 2nd Street SE, and 400 2nd Street SE (also known as 301 Main Street SE).

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the mechanical screening 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 of the mechanical screening requirements for property located 100 3rd Avenue SE, 300 2nd Street SE, and 400 2nd Street SE (also known as 301 Main Street SE) subject to the following conditions:

- 1) If the mechanical equipment is not located on a rail car as an historical interpretive feature, then it shall be screened as required by Section 535.70 of the zoning code.

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 application for property located 100 3rd Avenue SE, 300 2nd Street SE, and 400 2nd Street SE (also known as 301 Main Street SE) subject to the following conditions:

1. CPED Planning staff review and approval of the final elevations and site and landscaping plans before permits may be issued.
2. All site improvements for Phase I shall be completed by April 23, 2014, unless extended by the Zoning Administrator, or the permit may be revoked for noncompliance. Phase II, for the Machine Shop, will require additional HPC and possibly CPC review at which time a compliance deadline will be set.
3. Compliance with the HPC conditions of approval.
4. Approval of the historic parking variance. If the historic variance is not approved the project shall comply with parking regulations of the zoning code as allowed by the zoning code and any other applicable city ordinances.
5. Compliance with the applicable standards of the SH Shoreland Overlay District and the MR Mississippi River Overlay District.
6. Provision of a sidewalk easement, running east-west, that allows public access be provided along the north side of the vacated 5th Avenue SE right-of-way. The easement area shall contain a built sidewalk, to provide access though the site. This easement and sidewalk shall be reviewed by Public Works and shall be coordinated, to the extent possible, with the adjacent redevelopment of the Mill and Main site by Doran Construction. The parking bay shown on the site plan along the south side of the sidewalk shall be eliminated and replaced with a green boulevard with grass or plantings and trees to provide a buffer from the drive aisles and parking.

Recommendation of the Department of Community Planning and Economic Development – Planning Division for the preliminary subdivision plat:

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission **approve** the preliminary subdivision plat for property located at 100 3rd Avenue SE, 300 2nd Street SE, and 400 2nd Street SE (also known as 301 Main Street SE).

Attachments:

- 1) Preliminary Development Review Report.
- 2) Travel Demand Management plan.
- 3) Heritage Preservation Commission actions.
- 4) Letters from neighborhood group and public.
- 5) Zoning map.
- 6) Site plan, floor plan, renderings, and elevations.
- 7) Photos.