

**Department of Community Planning and Economic Development**  
Conditional Use Permit  
BZZ-5920

**Date:** February 19, 2013

**Applicant:** DMM Associates, LLC, Attn: Marshall Mintz, 4321 25<sup>th</sup> Street West, Minneapolis, MN 55416, (952) 927-0081

**Address of Property:** 718-720 Central Avenue NE and 119½ 7<sup>th</sup> Street SE

**Project Name:** 718-720 Central Avenue Renovation

**Contact Person and Phone:** DMM Associates, LLC, Attn: Marshall Mintz, 4321 25<sup>th</sup> Street West, Minneapolis, MN 55416, (952) 927-0081

**CPED Staff and Phone:** Becca Farrar, (612) 673-3594

**Date Application Deemed Complete:** January 15, 2013

**End of 60-Day Decision Period:** March 14, 2013

**End of 120-Day Decision Period:** Not applicable for this application.

**Ward:** 3

**Neighborhood Organization:** Marcy Holmes Neighborhood Association

**Existing Zoning:** I1 (Limited Industrial) District, Industrial Living Overlay District (ILOD), and University Area (UA) Overlay District

**Proposed Zoning:** Not applicable for this application

**Zoning Plate Number:** 14

**Lot area:** 12,142 square feet or approximately .28 acres

**Legal Description:** Not applicable for this application.

**Proposed Use:** Add one dwelling unit in the ILOD.

**Concurrent Review:**

- Conditional Use Permit (CUP) in the ILOD to allow one dwelling unit within the existing multi-tenant structure.

**Applicable zoning code provisions:** Chapter 525, Article VII, Conditional Use Permits, and Chapter 551.370, Conditional Uses in the Industrial Living Overlay District.

**Background:** The applicant, DMM Associates, LLC, proposes to convert an existing office tenant space into a residential unit within the existing multi-tenant structure on the properties located at 718-720 Central Avenue NE and 119½ 7<sup>th</sup> Street SE. The site is zoned I1 District and is located in the ILOD, and UA Overlay District.

Dwelling units require a conditional use permit in the ILOD. Typically, conditional use permits trigger other site improvements associated with the design and maintenance provisions outlined in Section 530.170 of the Zoning Code. CPED Staff is not recommending compliance with these provisions based on the proposal as these improvements may be practically or economically infeasible at this time; however, any future proposals or modifications to the structure would likely trigger that the existing surface parking lot come into compliance with these provisions.

The existing structure was constructed as a warehouse in 1922. Currently the structure contains multiple tenants that include office uses, artists, musicians, recording studios and photography spaces. One existing vacant tenant space exists in the upper level of the structure that the applicant proposes to convert to a dwelling unit in order to allow for a live/work space for an artist. There are a total of 19 off-street parking spaces located in the surface parking lot at the rear of the building that serve the building and are accessed off of 8<sup>th</sup> Street SE.

Staff has not received official correspondence from the Marcy Holmes Neighborhood Association or any neighborhood emails/letters prior to the printing of this report. Any correspondence received after the printing of this report shall be forwarded on to the Planning Commission for consideration.

**CONDITIONAL USE PERMIT** – to allow one dwelling unit in the ILOD

**Findings As Required By the Minneapolis Zoning Code:**

The Community Planning and Economic Development Department – 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.**

Allowing one residential tenant within the existing multi-tenant structure would not have negative impacts on the area. The proposed live-work unit would not be out of character with the area and would further complement the neighboring residential uses and further strengthen the existing commercial base within the broader neighborhood. Staff does not believe that the project would prove detrimental to public 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.**

This property is located in a fully developed area and allowing one live-work dwelling unit within an existing multi-tenant structure would not be injurious to the use and enjoyment of other property in the vicinity nor would it impede on possible future development. The proposal would provide an additional opportunity for housing within the neighborhood as well as support the existing commercial uses within the general vicinity.

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

Adequate utilities access, roads, and drainage facilities exist. The site will continue to have access off of 8<sup>th</sup> Street SE to the existing surface parking lot that provides 19 off-street parking spaces for the development at the rear of the property.

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

Measures have been provided in regard to minimizing traffic congestion from a parking perspective as adequate parking for the building exists. The conversion of the existing office tenant space to a residential unit does not result in an increase in parking. Chapter 541 of the Zoning Code requires that one off-street parking space be provided for the residential dwelling unit. A total of 19 off-street parking spaces are located within the surface parking lot located at the rear of the building. Further, the site is located in close proximity to multiple bus lines.

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

According to *The Minneapolis Plan for Sustainable Growth*, the subject parcel is located within an area designated as urban neighborhood and within the boundaries of an Activity Center. Urban neighborhoods are defined as a “predominantly residential area with a range of densities. May include other small-scale uses, including neighborhood serving commercial, and institutional and semipublic uses (for example, schools, community centers, religious institutions, public safety facilities, etc.) scattered throughout. Further, Central Avenue is a designated Commercial Corridor within the boundaries of the Activity Center, transitioning to a Community Corridor just north of the subject site. The properties surrounding the site are predominantly zoned industrial to the north, east and west of the site. To the south, the properties are commercially zoned; both C3A and C2. The uses within the area are varied and include industrial, commercial and residential uses. The proposal to incorporate one dwelling unit within the existing multi-tenant structure is consistent with the relevant provisions of *The Minneapolis Plan for Sustainable Growth*, as follows:

Land Use Policy 1.1 states, “Establish land use regulations to achieve the highest possible development standards, enhance the environment, protect public health, support a vital mix of land uses, and promote flexible approaches to carry out the comprehensive plan.” This policy includes the following applicable implementation step: (1.1.5) “Ensure that land use regulations continue to promote development that is compatible with nearby properties, neighborhood character, and natural features; minimizes pedestrian and vehicular conflict; promotes street life and activity; reinforces public spaces; and visually enhances development.”

Land Use Policy 1.4 states “Develop and maintain strong and successful commercial and mixed use areas with a wide range of character and functions to serve the needs of current and future users.”

Land Use Policy 1.10 states: “Support development along Commercial Corridors that enhances the street’s character, fosters pedestrian movement, expands the range of goods and services available, and improves the ability to accommodate automobile traffic.” This policy includes the following applicable implementation steps: (1.10.1) “Support a mix of uses – such as retail sales, office, institutional, high-density residential and clean low impact light industrial – where compatible with the existing and desired character,”

Land Use Policy 1.12 states: “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.”

Housing Policy 3.1 states, “Grow by increasing the supply of housing.”

Housing Policy 3.2 states, “Support housing density in locations that are well connected by transit, and are close to commercial, cultural and natural amenities.” This policy includes the following applicable implementation step: (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.”

Housing Policy 3.3 states, "Increase housing that is affordable to low and moderate income households." This policy includes the following applicable implementation step: (3.3.3) "Work to provide affordable housing for both rental and ownership markets at a broad range of income levels."

The proposal is in conformance with the above noted policies and implementation steps of the Comprehensive Plan.

There is one additional plan that must be considered when evaluating the proposal. The *Marcy Holmes Neighborhood Master Plan* was approved in 2003. Since that time, the neighborhood has completed additional planning work regarding specific redevelopment sites. The *Marcy Holmes Neighborhood Master Plan Supplement* was adopted into the master plan document and approved by the City Council in 2007. One of the supplemental documents includes the "Triangle Redevelopment or Study Area"; this subject site is included within this area. As identified in the original master plan, the future land use is identified or slated for multi-family residential. The plan identifies the following issues/opportunities for the triangle: "Underutilized land, potential to extend character and revitalization of East Hennepin Ave northward, higher intensity development possible with enclosed parking, high traffic visibility area, one-way streets make property access challenging, poor pedestrian street environment, neighborhood need for auto-related uses." The plan further has the following recommendations: redevelop eastern half of block north of 7th St to multi-family residential buildings that complement character and scale of adjacent warehouse buildings; promote reuse and restoration of existing warehouse buildings on western half of block north of 7th Street for multi-family residential uses; and create urban streetscapes using street trees and pedestrian amenities."

The proposal to incorporate a dwelling unit into the existing multi-tenant structure is in conformance with the adopted *Marcy Holmes Neighborhood Master Plan* and *Marcy Holmes Neighborhood Master Plan Supplement*.

**6. The conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located.**

With the approval of the conditional use permit this development would be in conformance with the applicable regulations of the Zoning Code including the additional standards identified for dwelling units in the ILOD as outlined in Section 551.370(1) and 551.380 regarding minimum lot area requirements for residential uses in the ILOD. The proposed project is not supportive housing, and the applicant is not proposing any exterior alterations that would detract from the building on the subject property or the surrounding area. The applicant is required to meet all applicable building code regulations including those that require the separation of the living unit from the work or studio component. This would protect the residential component of the building from dust, noise, light, glare, smoke, odor, and truck traffic. The proposal must also comply with Section 535.85 of the Zoning Code which requires separate access requirements for commercial and residential uses.

**RECOMMENDATION**

**Recommendation of the Department of Community Planning and Economic Development for the conditional use permit to allow a dwelling unit in the ILOD:**

The Department of Community Planning and Economic Development recommends that the City Planning Commission adopt the above findings and **approve** the conditional use permit application in the Industrial Living Overlay District (ILOD) to allow one dwelling unit within the existing multi-tenant structure on the properties located at 718-720 Central Avenue NE and 119½ 7<sup>th</sup> Street SE subject to the following conditions:

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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 two years of approval.
2. Compliance with Sections 551.370(1), 551.380 and 535.85 of the Zoning Code, in addition to compliance with all applicable building code requirements.

**Attachments:**

1. Statement of use / description of the project
2. Findings –CUP
3. Correspondence
4. Zoning map
5. Plans – Site and floor plans
6. Photos