

Department of Community Planning and Economic Development
Conditional Use Permit and Variance
BZZ-5943

Date: March 4, 2013

Applicant: Kristy Allen, The Beez Kneez, LLC

Address of Property: 3957-63 42nd Avenue S

Project Name: The Beez Kneez Honey House

Contact Person and Phone: Kristy Allen, (612) 990-9770

CPED Staff and Phone: Aly Pennucci, (612) 673-5342

Date Application Deemed Complete: February 6, 2013

End of 60-Day Decision Period: April 7, 2013

Ward: 12 **Neighborhood Organization:** Longfellow Community Council (Howe neighborhood; Hiawatha adjacent)

Existing Zoning: C1 Neighborhood Commercial District

Proposed Zoning: Not applicable for this application

Zoning Plate Number: 34

Legal Description: Lots 16 and 17, Block 5, "L.D. Richardson's 2nd Addition to Minneapolis"

Proposed Use: Limited production and processing for a food and beverage use; specifically, honey extraction, bottling and sales

Concurrent Review:

- **Conditional use permit** to allow a limited production and processing use in the C1 District.
- **Variance** to increase the gross floor area of a limited production and processing use from 1,200 square feet to 2,051 square feet.

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

Background: Kristy Allen, of The Beez Kneez, LLC, has submitted a land use application to establish a limited production and processing use in an existing building at 3957-63 42nd Avenue S. The proposed use will be a honey extraction, bottling and sales operation, known as The Beez Kneez Honey House. The Beez Kneez is a bicycle powered honey delivery and education business. The existing

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mixed use building contains a vacant commercial space on the first floor, one (1) residential dwelling unit on the first floor and two (2) residential dwelling units on the second floor.

The applicant intends to convert the commercial space on the first floor of the existing building into a honey extraction and bottling facility that will be used by the applicants and other beekeepers in the area. The proposal includes a retail component for honey sales and other bee-related products that will occupy approximately 30 percent of the gross floor area. In addition, The Beez Kneez will use the space for educational purposes to continue their work to raise awareness and educate communities about honeybees and honey production. The remainder of the first floor and the entire second floor of the building will continue to be used as three residential dwelling units.

Limited production and processing is a conditional use in the C1 district. Limited production and processing uses in commercial districts includes food and beverage products, such as honey extraction and bottling. Section 548.30 of the zoning code states that limited production and processing is allowed as a principal use in commercial districts, and may include wholesale and off-premise sales, provided the use shall not exceed 1,200 square feet of gross floor area, and the main entrance shall open to a retail or office component equal to not less than 15 percent of the floor area of the use. The applicant is proposing to establish the use in an approximately 5,300 square foot mixed use building; the limited production and processing use will occupy a portion of the first floor (approximately 2,051 square feet) and will include retail and office space that occupies more than 15 percent of the total floor area. The notice for the variance request stated that the use would occupy 2,900 square feet of gross floor area. After further review it was determined that the use will occupy 2,051 square feet of floor area.

The applicant will partner with the property owner to improve the outdoor space by installing a market garden where food and herbs will be grown to support local restaurants owned by the property owner. In addition, the applicants plan to locate two honey bee hives on the property in compliance with all applicable regulations, including Title 4, Chapter 74, of the Minneapolis Code of Ordinances that outlines regulations related to honey bee keeping. The existing site contains one (1) off-street parking in an existing garage. The retail space was originally used as a small grocery store.

The site is in the Howe neighborhood. Staff received a letter from the Longfellow Community Council in support of the conditional use permit and variance applications. Any additional correspondence, if received, will be forwarded to the Commission.

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

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

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

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

The applicant is proposing to convert the commercial portion of the first floor of an existing mixed use building to a food and beverage use (honey extraction, bottling and sales). This type of use is classified as limited production and processing for zoning purposes, which allows for the production of food and beverage products. To accommodate the use, the applicant is proposing minor changes to reconfigure the first floor plan to accommodate the extraction processes and to provide a rest room. All activities associated with the extraction, processing, bottling and sales will occur indoors and no excessive noise or odors are expected to result from the use.

The proposed honey bee hives would be located outside within the proposed market garden if the applicant meets all of the requirements Title 4, Chapter 74, of the Minneapolis Code of Ordinances that outlines regulations related to honey bee keeping and receives approval from animal care and control for the keeping of honey bees. Honey bee keeping and market gardens are permitted outdoor activities and are exempt from the enclosed building requirement. The proposed use will not prove detrimental to public health, safety, comfort or general welfare provided the development complies with all applicable building codes and life safety ordinances, as well as all applicable regulations related to the keeping of honey bees.

- 2. Will not be injurious to the use and enjoyment of other property in the vicinity and will not impede the normal or orderly development and improvement of surrounding property for uses permitted in the district.**

The surrounding area is fully developed and is comprised primarily of residential uses. The conversion of a portion of an existing mixed use building to accommodate a limited production and processing use should not impede the normal or orderly development of surrounding property in the area. The building was originally constructed as a mixed use building with retail on the first floor and two residential units above. A portion of the first floor was converted to accommodate a third residential dwelling unit. The ground floor retail space was previously used as a grocery store but has been vacant for some time. The proposed use will have a retail component to activate the street. As a condition of approval, staff is recommending that all windows remain in compliance with section 530.120 of the zoning code and are not blocked by materials or equipment to allow views into and out of the building.

The use is not expected to produce any significant odors or exterior impacts. The applicant's business is designed around utilizing bicycles for all aspects of the business, including deliveries and to power the extraction equipment. Therefore the lack of off-street parking should have minimum impacts on the surrounding area. No other nuisances are expected. As such, the use will not be injurious to the use and enjoyment of adjacent properties.

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

Roads and utilities are existing and adequate. No changes are proposed as part of the project.

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

The project is not expected to contribute to congestion in the public streets. The existing site contains one (1) off-street parking in an existing garage. The off-street parking requirement for the previous grocery store is four spaces and the three residential dwelling units have a parking requirement of three spaces. Because the grocery store and two of the dwelling units were established prior to the adoption of the 1963 City of Minneapolis Zoning Code that incorporated parking requirements, the property has five parking credits. The vehicle parking requirement for the proposed limited production and processing use is four spaces. With the addition of the third dwelling unit and the re-establishment of the commercial use, the site is deficient one off-street parking stall. To meet the parking requirement, the applicant can receive a reduction from 4 spaces to 3 spaces by providing a bicycle rack, per Section 541.220 of the zoning code, so no new parking is required. The applicant will install bicycle racks on the property and is committed to minimizing the number of vehicles traveling to and from the site. As a condition of approval, staff recommends that a minimum of four (4) bicycle parking stalls are provided. There is an existing curb cut that provides access to loading doors to the side of the commercial space. The applicants will use this to enter and exit the building on bicycles for honey delivery and other associated activity.

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

The site is designated as Urban Neighborhood on the future land use map in *The Minneapolis Plan for Sustainable Growth*. The urban neighborhood classification is predominately a residential area with a range of densities and may include some other small-scale uses, including neighborhood-serving commercial and institutional and semi-public uses. The following policies of the Comprehensive Plan apply to this project and this site:

Land Use Policy 1.1: 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.

Land Use Policy 1.6: Recognize that market conditions and neighborhood traditions significantly influence the viability of businesses in areas of the city not designated as commercial corridors and districts.

1.6.1 Allow for retention of existing commercial uses and zoning districts in designated Urban Neighborhood areas, to the extent they are consistent with other city goals and do not adversely impact surrounding areas.

1.6.2 In parts of the city outside of designated corridors, nodes, and centers, limit territorial expansions of commercial uses and districts.

Land Use 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.

- 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

Economic Policy 4.2: Promote business start-ups, retention and expansion to bolster the existing economic base.

- 4.2.5 Encourage small business opportunities, such as appropriate home occupations and business incubators, in order to promote individual entrepreneurs and business formation.

Environment Policy 6.14: Preserve and enhance the quality of the urban environment to promote sustainable lifestyles for its citizens.

Environment Policy 6.15: Support local businesses, goods and services to promote economic growth, to preserve natural resources, and to minimize of the carbon footprint.

- 6.15.1 Invest in local businesses, goods and services.

- 6.15.2 Support the growth and development of local businesses.

The proposed use will be established in an existing building and the layout of the limited production and processing use will include a small-scale retail component with offices at the front of the building. The business model is designed to provide space for the community of bee keepers to access extraction equipment, to further educational endeavors around honey bees and to further a business that is designed around the use of bicycles to power deliveries and the extraction equipment. The conversion of this existing building to a production and processing use with active uses at the street is consistent with the above policies of the Comprehensive Plan.

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

In addition to the conditional use permit, a variance has been requested to increase the gross floor area of the limited production and processing use from 1,200 square feet to 2,051 square feet. With the approval of the requested conditional use permit and variance, the site will conform to the applicable district regulations.

VARIANCE – to increase the gross floor area of a limited production and processing use from 1,200 square feet to 2,051 square feet.

Findings Required by the Minneapolis Zoning Code:

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

The applicant is proposing to utilize an existing building for a limited production and processing use. Limited production and processing is a permitted conditional use in all commercial districts, provided the gross floor area of the production and processing component does not exceed 1,200 square feet. In addition to the limitation on 1,200 square feet of floor area, limited production and processing in commercial districts must also include a retail or office component that is a minimum of 15 percent of the floor area of the use. The applicant is requesting a variance to the gross floor area limitation from 1,200 square feet to 2,051 square feet. Approximately 30 percent of that space will consist of retail sales and office space, exceeding the 15 percent minimum retail requirement.

The existing two-story building is approximately 5,300 square feet in area. The second floor is occupied by two residential dwelling units and the first floor was previously used as a grocery store. A portion of the ground level commercial space was converted to a third dwelling unit. In order to comply with the regulations of the zoning ordinance, a 1,200 square foot production and processing area would equate to a maximum of 58 percent of the floor area that is dedicated to commercial use in the building. As stated above, the applicant is providing a retail and office area of a size that exceeds the requirements of the zoning ordinance. Practical difficulties exist in this case because the gross floor area limitation would not allow the applicant to fully utilize the remainder of the building for this conditional use without a variance.

The applicant's portion of the existing building is approximately 2,051 square feet in area. In order to comply with the regulations of the zoning ordinance, the applicant could only use 1,200 square feet of the space for everything including the retail component. As noted above, the applicant is providing a retail area that makes up approximately 30 percent of the use. In addition, approximately 20 percent of the space will be used as shared storage that will be used by the applicants and the property owner for the market garden equipment, leaving approximately 50 percent, or 1,025 square feet, of the space dedicated to the production and processing use. Practical difficulties exist in this case because the gross floor area limitation is for the entire use and does not take into account the actual square footage of the production and processing portion. This restriction does not allow the applicant to utilize the building for this conditional use without a variance. The conditions upon which the variance is requested are unique to the parcel of land and were not created by the applicant. The applicant is working within the confines of an existing building and the variance is needed to allow full use of the building.

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

A limited production and processing use with a retail component is a reasonable use in the C1 Neighborhood Commercial District. A 1,025 square foot limited production and processing use is under the 1,200 square foot maximum and is in keeping with the spirit and intent of the ordinance. As discussed in the findings for the conditional use permit above, the use is also in keeping with the comprehensive plan

- 3. The proposed variance will not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity. If granted, the proposed variance**

will not be detrimental to the health, safety, or welfare of the general public or of those utilizing the property or nearby properties.

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

RECOMMENDATIONS

Recommendation of the Department of Community Planning and Economic Development for the Conditional Use Permit:

The Department of Community Planning and Economic Development recommends that the City Planning Commission adopt the above findings and **approve** the application for a conditional use permit to allow a limited production and processing use at 3957-63 42nd Avenue S, in the C1 Neighborhood Commercial district, subject to the following conditions:

1. The conditional use permit shall be recorded with Hennepin County as required by Minn. Stat. 462.3595, subd. 4 before building permits may be issued or before the use or activity requiring a conditional use permit may commence. Unless extended by the zoning administrator, the conditional use permit shall expire if it is not recorded within two years of approval.
2. The commercial space, including the storage area, shall comply with the window requirements as required per section 530.120 of the zoning code. 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.
3. A minimum of four (4) bicycle parking spaces shall be provided.

Recommendation of the Department of Community Planning and Economic Development for the Variance:

The Department of Community Planning and Economic Development recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance to increase the gross floor area of a limited production and processing use from 1,200 square feet to 2,051 square feet for property located at 3957-63 42nd Avenue S, in the C1 Neighborhood Commercial district.

Attachments:

1. Statement of use and findings
2. Correspondence
3. Zoning map
4. Site plan and floor plans
5. Photos