

**Department of Community Planning and Economic Development**  
Conditional Use Permit for a Planned Unit Development,  
Variance, Site Plan Review, and Preliminary and Final Plat  
BZZ-5935 & PL-274

**Date:** March 25, 2013

**Applicant:** Doran Companies

**Address of Property:** 413, 425 and 501 Main Street SE

**Project Name:** Mill and Main I and II Planned Unit Development

**Contact Person And Phone:** Anne Behrendt – Doran Companies 952-288-2005

**CPED Staff And Phone:** Jim Voll 612-673-3887

**Date Application Deemed Complete:** March 1, 2013

**End of 60 Day Decision Period:** April 30, 2013

**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 359 dwelling units; 180 are approved and under construction as part of Mill and Main Phase I and 179 are proposed as part of Mill and Main Phase II.

**Concurrent Review:**

**Conditional Use Permit:** For a planned unit development of 359 dwelling units with alternatives for an increase in height and for a reduction in building setbacks.

**Variance:** Of the northwesterly side yard setback from 15 feet to zero feet.

**Site Plan Review.**

**Preliminary and Final Plat.**

**Appropriate Section(s) of the Zoning Code:** Chapter 525, Article VII Conditional Use Permits and Article IX Variances, Specifically 525.520(1) “to vary the yard 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 (or has the property under a purchase agreement) part of the site located at 413, 425, and 501 Main Street and part of the vacated 5<sup>th</sup> Avenue SE to the applicant, Doran Companies. The Mill and Main Phase I apartment building, with 180 units, was approved by the City Planning Commission at its meeting of February 6, 2012, (BZZ-5456) and is under construction. Mill and Main Phase II is proposed as a part of this application at 179 units. Dominion will purchase the remainder of the site. They proposed a 252-unit planned unit development known as the A Mill Artist's Lofts and it was approved at the City Planning Commission April 23, 2012, and the City Council, on appeal, on May 25, 2012, (BZZ-5522).

The applicant is creating a private drive in the area of vacated 5<sup>th</sup> Avenue SE that in conjunction with the Dominion development will provide vehicular, bike, and pedestrian access through and to the site from 2<sup>nd</sup> Street SE to Main Street SE. For liability, ownership, and maintenance purposes the applicant proposes an "outlot" between the existing Mill and Main Phase I building and the proposed Mill and Main Phase II building. Under the Minneapolis subdivision ordinance, outlots are required to be undeveloped, except when used for common area in cluster developments and planned unit developments. Therefore, the applicant has applied for a conditional use permit for a planned unit development to create a common area outlot between, and for, the two Mill and Main buildings. As a part of the planned unit development, the applicant is also requesting an alternative to the height limits to allow an increase in height to seven stories for the Mill and Main Phase II building and to reduce the interior side yard setbacks for the sides of the Mill and Main buildings adjacent to the outlot, in the vacated 5<sup>th</sup> Avenue SE, from 15 feet to zero feet. With the exception of the reduction in the interior side yard setback, all other approvals for Mill and Main Phase I are in effect and are not under review as a part of this conditional use permit application.

Chapter 527, Planned Unit Developments, allows the reduction or elimination of interior yard setbacks, with the provision of amenities, except for setbacks on the perimeter of the planned unit development. The applicant, in conjunction with the Dominion A Mill Artist's Lofts planned unit development to the northwest, is providing a pedestrian connection, roughly where 4<sup>th</sup> Avenue SE would be, through the site along the west side of the White Elevators, east down the mid-block rail corridor and south along the east side of the Red Tile Elevators. Between the Red Tile Elevators and the Mill and Main II building, this feature will be co-owned by Dominion and Doran on an outlot platted as part of the Artist's Lofts planned unit development. The Mill and Main building is on the property line adjacent to this outlot. The applicant is requesting a variance to reduce this side yard from 15 feet to zero feet.

Site plan review is required for developments of five or more dwelling units.

The planned unit development ordinance requires replatting of the site, so a preliminary and final plat have been submitted that will create two lots and one outlot out of several tax parcels, underlying platted lots, and vacated right-of way. As of the writing of this staff report, the City Attorney has not yet reviewed and approved the final plat documents. Staff will provide an update at the City Planning Commission meeting.

The site is also in the St. Anthony Falls Historic District. The applicant obtained approval of a Certificate of Appropriateness at the October 23, 2012, meeting of the Heritage Preservation Commission (BZH #27416). The HPC and City Council 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.

As of the writing of this report, staff has not received any correspondence from the neighborhood group, but will forward comments, if any, at the Planning Commission meeting.

**CONDITIONAL USE PERMIT (for a Planned Unit Development with 359 dwelling units)**

**Findings as required by the Minneapolis Zoning Code:**

The Department of Community Planning and Economic Development 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 Heritage Preservation Commission 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 are 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 approved plans to redevelop various parcels near the site in the future for residential use. To the north and northwest is the A Mill Artist's Lofts project approved for 252 dwelling units and the Phoenix Lofts building with 80 dwelling units and ground floor commercial; to the north of Mill and Main Phase I are the Flour Sack Flats built with 59 dwelling units and 520 2<sup>nd</sup> Street SE building under construction with 91 dwelling units; to the east is the Stone Arch Apartments with 221 dwelling units; and to the south is Father Hennepin Park. 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, stormwater, and erosion control plans are 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 with parking garages within the buildings. There are seven surface spaces in the drive area between the two buildings. 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. Mill and Main Phase I was approved at 180 units with 234 bedrooms, which required 180 parking spaces. There are 185 spaces provided within the building. Four accessible spaces were required in the building and four were provided. Mill and Main Phase II is proposed at 179 units with 248 bedrooms, which requires 179 spaces. There are 241 spaces provided in the building. Five accessible spaces are required and five are provided. There are seven surface spaces shown on the drive in the vacated 5<sup>th</sup> Avenue SE, shown as Mill Street SE on the plan, and in the area of Outlot A).

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. 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. Mill and Main Phase I was approved with 234 bedrooms, so 234 bike parking spaces were required. At 234 required spaces, 90 percent of that is 211 long-term spaces. There are two secure rooms in the parking garage on the lower level and first floor of the building that provide secure storage space for 176 bike parking spaces. There are an additional 84 wall mounted bike racks in the parking garage for a total of 260 spaces that meet the definition of long-term bicycle parking. Mill and Main Phase II will have 248 bedrooms, so 234 bike parking spaces are required. At 248 required spaces, 90 percent of that is 223 long-term spaces. There are two secure rooms in the parking garage and wall-mounted bike racks in the parking garage for a total of 255 spaces that meet the definition of long-term bicycle parking. There are also nine outdoor spaces for a total of 264 spaces.

The proposed development exceeds the minimum required parking, provides an excess of bicycle parking, and is within close proximity to downtown, the University of Minnesota, and transit. A Travel Demand Management Plan was required and approved by Public Works. Staff finds 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 119 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.**

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.

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.

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*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 4<sup>th</sup> 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 4<sup>th</sup> Avenue SE, 5<sup>th</sup> Avenue SE, 7<sup>th</sup> Avenue SE, and 8<sup>th</sup> Avenue SE between 2<sup>nd</sup> Street SE and Main Street SE if and when redevelopment of adjacent parcels occurs. The applicant, in conjunction with Dominion, is providing a pedestrian connection, roughly where 4<sup>th</sup> Avenue SE would be, through the A Mill site along the west side of the White Elevators, east down the rail corridor and south along the east side of the Red Tile Elevators. This feature, between the Red Tile Elevators and the Mill and Main II building, will be co-owned by Dominion and Doran, but is physically part of the A Mill Artist's Lofts planned unit development. In addition, a public walkway will be provided in the vacated 5<sup>th</sup> Avenue SE right-of-way that will connect to a public walkway required as part of the Dominion A Mill Artist's Lofts planned unit development making a continuous connection between 2<sup>nd</sup> Street SE and Main Street SE.

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. The proposed buildings have received HPC approval.

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, variance, site plan review, and subdivision plat.

**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.** No alternative requested. Each building will be on its own lot.

**Bulk regulations.** The applicant is requesting an alternative to the height limits. Building height in the C3A District is limited to 4 stories or 56 feet, whichever is less. Part of the site is in the SH Shoreland Overlay District, which limits height to 2.5 stories or 35 feet, whichever is less. Mill and Main Phase I was approved at seven stories, or 76 feet, for the main building, and eight stories or approximately 91 feet for the mechanicals and elevator and staircase overruns. Mill and Main Phase II is proposed as seven stories, or 75 feet, for the main building, rising an additional 12 feet for mechanicals and elevator and staircase overruns. The requested alternative for height and following findings are for the Mill and Main II building only. The height increase for Mill and Main Phase I is already approved and under construction.

**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.**

While the proposed increase in height will shadow properties to the north at different times, the increase in height will not significantly prevent access to light and air for surrounding properties. To the northwest are the White Elevators, which have no windows. To the north is the Warehouse 2 building which is setback further to the north. To the west is the Red Tile Elevators, which will have no windows or residents below the top elevation of the Mill and Main II building. The proposed building will meet the required setbacks on the north side, which will allow access to light and air to the mid-block corridor.

**(2) Shadowing of residential properties or significant public spaces.**

Please see attached shadow study. There are no residential properties adjacent to the site at this time, but Warehouse 2 and the Red Tile Elevators will be converted to residential use and Mill and Main I is under construction. The Mill and Main II building will shadow properties to the west and north, but not significantly more than if the building were limited to four stories or in a manner out of character with existing or proposed buildings in the area.

**(3) The scale and character of surrounding uses.**

There are or will be buildings of similar or greater height in the immediate area, including the existing A Mill buildings and the Phoenix Lofts (up to 17 stories) to the west, 520 2<sup>nd</sup> Street SE (7 stories) to the northeast, Mill and Main I (seven stories) to the east, and Stone Arch Apartments (5 stories) to the east. Previously, on the Mill and Main site, four towers ranging from 17 to 27 stories were approved as a part of the 2006 East Bank Mills development, which has since expired.

**(4) Preservation of views of landmark buildings, significant open spaces or water bodies.**

To the north of the building are the White Elevators which already block views of the river from the north for a portion of the site. Beyond that, the building will block views of the river and downtown from the north, but not significantly more than it would if it were limited to four stories. It will affect views of the Red Tile Elevator from the east, but not significantly more than if it were limited to four stories. The design received approval from the Heritage Preservation Commission. Also, the mid-block rail corridor has been preserved as a part of this and adjoining development proposals, which allows views through the site.

**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 one density bonus (for enclosed parking) of 20 percent the minimum lot area is reduced to 336 square feet per dwelling unit. With 359 proposed dwelling units (180 in Phase I and 179 in Phase II) on a lot of 131,279 square feet, the applicant proposes 366 square feet of lot area per dwelling unit.

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**Yards.** The applicant is requesting an alternative for the west side interior setback of the Mill and Main Phase I building, adjacent to Outlot A, from 15 feet to zero feet. Also, the applicant is requesting an alternative for the east side interior setback of the Mill and Main Phase II building, adjacent to Outlot A, from 15 feet to zero feet. In general, setbacks are not required for properties in the commercial districts, except where adjacent to residential districts and permitted residential uses, or for residential uses that contain windows facing a rear or interior side lot line. Both buildings have windows facing the side yards and are adjacent to residential development.

**On-premise signs.** No alternative is requested. A two foot by 19 foot (38 square foot) projecting sign is proposed for the front of the building. The “Resident Parking” sign at the rear of the building will be reduced to the size of an auxiliary sign, which is the sign type that is allowed on a non-primary building wall. 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 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. Mill and Main Phase I was approved at 180 units with 234 bedrooms, which required 180 parking spaces. There are 185 spaces provided within the building. Four accessible spaces were required in the building and four were provided. Mill and Main Phase II is proposed at 179 units with 248 bedrooms, which requires 179 spaces. There are 241 spaces provided in the building. Five accessible spaces are required and five are provided. There are seven surface spaces shown on the drive in the vacated 5<sup>th</sup> Avenue SE, shown as Mill Street SE on the plan, and in the area of Outlot A). There is no maximum for dwelling units outside of the downtown.

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. 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.

Mill and Main Phase I was approved with 234 bedrooms, so 234 bike parking spaces were required. At 234 required spaces, 90 percent of that is 211 long-term spaces. There are two secure rooms in the parking garage on the lower level and first floor of the building that provide secure storage space for 176 bike parking spaces. There are an additional 84 wall mounted bike racks in the parking garage for a total of 260 spaces that meet the definition of long-term bicycle parking.

Mill and Main Phase II will have 248 bedrooms, so 234 bike parking spaces are required. At 248 required spaces, 90 percent of that is 223 long-term spaces. There are two secure rooms in the parking garage and wall-mounted bike racks in the parking garage for a total of 255 spaces that meet the definition of long-term bicycle parking. There are also 9 outdoor spaces for a total of 264 spaces.

Multiple-family dwellings of 100 to 250 units shall provide one small (10’ by 25’) loading space. Multiple-family dwellings of more than 250 units shall provide two small (10’ by 25’) loading spaces or one large loading space (12’ by 50’). Both buildings have a small loading space in their parking garages. In addition, there is a small loading space on the west side of the Mill and Main Phase I building in the parking and drive area between the two buildings.

**Phasing plan:**

Phase I: Mill and Main Phase I was approved by the City Planning Commission on February 6, 2012, and is under construction.

Phase II: Construction of Mill and Main II will commence in April/May of 2013, and will have a construction duration of 16 months.

**Points required:**

- Minimum required amenities – **10 points.**
- Bulk regulations, height – **5 points.**
- Yard, interior – **5 points.**
- **Total – 20 points.**

**Amenities provided:**

The applicant has provided a supplemental document, attached to this report, describing the alternatives requested and amenities provided. The applicant has requested two alternatives, one for building height and one for the west interior yard setback. The applicant has provided amenities under the categories of active liner uses as a part of a parking garage, public right-of-way dedication, conservation of the built environment, and amenities proposed by the applicant, for a total of 30 points. Staff finds that the proposed amenities, while similar to the zoning code categories, are different enough from the required standards that they should all be listed under the category of “amenities proposed by others.”

Staff finds that 20 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):

Active liner uses as part of a parking garage: Inclusion of housing, office, or other active uses around the perimeter of all floors of a parking garage that face a public street, sidewalk, or pathway. In any district where liner uses are already required on the first floor, points shall only be awarded for liner uses on all other floors above the first where parking is located. False or display windows shall not qualify.

The applicant states that “the two-story townhomes along SE Main Street in Mill & Main Phase II provide an active liner use. The townhomes, along with the building lobby and first floor amenity area, provide a complete liner of the parking garage along SE Main Street. The parking garage is not lined by active uses in other areas of the building, but those areas do not face a public street, sidewalk or pathway.” The applicant is requesting 10 points. The zoning code requires active uses on the ground floor, so it is only on the floor above (listed as the first floor in the plans, but above the street level ground floor) that has a liner use where not already required. Therefore, staff recommends that this be classified as an amenity proposed by the applicant and that it be awarded 5 points.

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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 applicant states that, “Doran will reconstruct the former 5<sup>th</sup> Avenue as part of the Mill & Main Phase II development. The street will be renamed Mill Street and will provide pedestrian and vehicular access through the site. Although the street will remain private, the reconstruction of this vacated street and the addition of sidewalks will restore the pedestrian and vehicle connection between SE Main Street and 2<sup>nd</sup> Street consistent with the spirit and intent of this amenity.” It is not possible to rededicate the street as Doran does not own all of the vacated 5<sup>th</sup> Avenue SE, between 2<sup>nd</sup> Street SE and Main Street SE. The west half of the northerly part of the vacated street is owned by Dominion and the east half by the Soap Factory. The applicant has coordinated with Dominion and the Soap Factory to create a pedestrian and vehicular connection that functions similar to a public street. Therefore staff recommends that it be reclassified as amenity proposed by the applicant and that it be awarded 10 points.

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

The applicant states that, “the original rail lines that ran across the site will be rehabilitated and reused as part of the Mill & Main development. Doran has worked with the HPC to develop a plan for reuse of the rail lines as a historic interpretive element in the overall landscaping plan. The rails will be cleaned, refurbished and reinstalled in their exact location on the site. Doran will also salvage and reuse the historic pavers along SE Main Street. Conservation of these important features will provide historic context in the overall redevelopment of this site.” The proposed improvements will not rehabilitate an existing building, therefore, staff recommends that this be classified as an amenity proposed by the applicant. These features and the grand stair case requested by the applicant as an amenity proposed by the applicant (see next paragraph) together should be awarded 5 points.

Amenities proposed by the applicant or others: The city planning commission may consider other amenities not listed in Table 527-1, Amenities, that are proportionally related to the alternative requested. The commission may assign one (1), five (5), or ten (10) points based on the proportionality.

The applicant states that, “Doran has worked in conjunction with Dominion, the developer of the adjacent Pillsbury A-Mill site, to design a “Grand Staircase” feature that will be located between the west face of the Mill & Main Phase II structure and the east face of the Red Tile Building. The Grand Staircase will provide a pedestrian connection through the A-Mill site and was a requirement of previous City approvals for the Mill & Main development. This amenity will provide a unique design element to the overall redevelopment plan, enhancing the pedestrian experience.” The grand stair case was counted as an amenity for the adjacent A Mill Artist’s Lofts planned unit development, so it should not be counted twice in two separate projects. However, Doran will share in the ownership, construction, and maintenance of the staircase between the Red Tile Elevators and the Mill and Main Phase I building, so this in conjunction with the features listed in the preceding paragraph were considered together as one amenity and awarded points.

**Section C: Conformance with required planned unit development findings**

In addition to the conditional use permit standards 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 approved plans to redevelop various parcels near the site in the future for residential use. To the north and northwest is the A Mill Artist's Lofts project approved for 252 dwelling units and the Phoenix Lofts building with 80 dwelling units and ground floor commercial; to the north of Mill and Main Phase I are the Flour Sack Flats built with 59 dwelling units and 520 2<sup>nd</sup> Street SE building under construction with 91 dwelling units; to the east is the Stone Arch Apartments with 221 dwelling units; and to the south is Father Hennepin Park. The reuse of transitioning industrial properties to residential will not be out of character with the area.

**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.

**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. Please see the amenities section of this report. The site amenities will line the parking area with residential uses, provided a vehicular and pedestrian connection between 2<sup>nd</sup> Street SE and Main Street SE, and will provide historical interpretive elements in the mid-block corridor including the pavers, rails, and pedestrian through connections in line with 4<sup>th</sup> Avenue SE in a manner that is coordinated with the adjacent planned unit development.

**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 proposal has received HPC approval for the building and site. The massing of the buildings will be similar to those existing and proposed for the area. The proposed buildings should not have significant effects on microclimate or views. Please see the findings for an increase in height in this report.

- 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 will meet setbacks on the north side. Between the buildings are a vehicular and pedestrian connection that will have a walkway connection between 2<sup>nd</sup> Street SE and Main Street SE with landscaping and trees, subject to the HPC approvals. The site is bordered by streets on the south and east 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 project will have individually metered gas and electric service, energy efficient windows, and LED lighting for the building exterior and some common areas. In addition, the concrete demolition material from the warehouse on site will be ground up and used as fill material.

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.

### **Evaluation criteria for the Shoreland Overlay District.**

**In addition to the conditional use and variance standards contained in Chapter 525, Administration and Enforcement, the city planning commission and board of adjustment shall consider the following:**

1. **The prevention of soil erosion or other possible pollution of public waters, both during and after construction.**

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

**2. Limiting the visibility of structures and other development from protected waters.**

The height of Mill and Main Phase II will not be taller than the adjacent Red Tile Elevators, White Elevators, and the Mill and Main Phase I building under construction.

**3. The suitability of the protected water to safely accommodate the types, uses and numbers of watercraft that the development may generate.**

The proposed development will generate no watercraft.

**VARIANCE (of the northwesterly interior side yard setback requirement from 15 to zero feet)**

**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.**

Chapter 527, Planned Unit Developments, allows the reduction or elimination of interior yard setbacks, with the provision of amenities, with the exception of those setbacks on the perimeter of the planned unit development. The applicant, in conjunction with the Dominion A Mill Artist's Lofts planned unit development to the northwest, is providing a pedestrian connection, roughly where 4<sup>th</sup> Avenue SE would be, through the site along the west side of the White Elevators, east down the rail corridor and south along the east side of the Red Tile Elevators. This feature will be co-owned by Dominion and Doran, between the Red Tile Elevators and the Mill and Main II building, on an outlot platted as part of the Artist's Lofts planned unit development. To require an additional 15 feet from the east side of the outlot, which will be an open area that is co-owned and maintained by Dominion and Doran Companies, but that is physically part of the Dominion A Mill Artist's Lofts planned unit development, can be considered a practical difficulty caused by the technical requirements of the zoning ordinance. 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 to provide access to light and air for residential units. The 22 foot wide outlot between the Red Tile Elevator and the Mill and Main Phase II building will provide the area the same as a setback. It can't be removed without an amendment to the approved planned unit development. 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.**

As noted in finding number two, the adjacent outlot will serve as a yard or setback area between the Red Tile Elevator and the Mill and Main II building. The granting of the variance should have little effect on surrounding property and will not be detrimental to the health, safety, or welfare of the general public in nearby properties.

## **SITE PLAN REVIEW**

### **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:

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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 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.

The Mill and Main I building has received its approvals and is under construction.

The Mill and Main II building is located at varying distances from the property line from one foot to six feet on Main Street SE. The area between the building and the public sidewalk will be landscaped or will have historical interpretive elements including pavers and railroad tracks as approved by the HPC. The principal building entrance opens onto the public sidewalk on Main Street SE and there are ten units, which have their own entrances opening out to the sidewalk on Main Street SE.

Parking is located within the structure.

The exterior materials are made of brick, stone veneer, cast stone, concrete, metal panels, and glass. Future changes in material may require review before the Heritage Preservation Commission and City Planning Commission. The new building contains architectural detail including varied material types and varying heights and articulation. The center part of the building has seven stories with floors three to seven setback approximately 60 feet with the first two floors one foot to six feet from the property line. The materials and design have received HPC review and approval.

There are blank walls on parts of the ground floor and the first floor of the building, without a change in material for lengths of more than 25 feet, at the northwest corner where there is an entrance to the parking garage. There is a blank section on the west side on the ground floor made up of concrete panels and on the first floor made up of concrete panels for one length over 25 feet and brick for one length over 25 feet. There is a section on the first floor on the north side that is made up of concrete panels and another that is cast stone. Staff recommends alternative compliance as the materials fit in with the industrial character of the surrounding structures.

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. The south elevation facing Main Street SE provides 57 percent on the first floor and 62 to 67 percent on the floors above. The east elevation facing the parking area on the vacated 5<sup>th</sup> Avenue SE (Mill Street) has 30 percent windows on the ground floor, 32 percent on the first floor, and 54 percent on the floors above.

The principal building entrance and the unit entrances facing Main Street SE are clearly defined.

The parking garage is lined with residential uses for the entire length facing Main Street SE.

#### **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.**
- **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 access and circulation plan for Mill and Main Phase I is approved, is under construction, and will not change. For Mill and Main Phase II:

The entrance to the building opens onto the public sidewalk on Main Street SE and the doors to the individual ground floor units open onto the public sidewalk on Main Street SE.

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 site does have a large area of pavers surrounding the building. This was required as part of the HPC approvals.

The Marcy-Holmes plan recommends reestablishing connections to the Mississippi River (page 5-9) including at the vacated 5<sup>th</sup> 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 zoning code does require that buildings be connected to public sidewalks by clear well-lighted walkways. The applicant is providing a pedestrian walkway and vehicular drive that connects with the pedestrian and vehicular drive of the adjacent A Mill Artist's Lofts planned unit development for a continuous connection between 2<sup>nd</sup> Street SE and Main Street SE as an amenity. In addition, the applicant, in conjunction with the A Mill Artist's Lofts planned unit development, is providing a pedestrian connection, roughly where 4<sup>th</sup> Avenue SE would be, through the site along the west side of the White Elevators, east down the rail corridor and south along the east side of the Red Tile Elevators. This feature will be co-owned by Dominion and Doran, between the Red Tile Elevators and the Mill and Main II building, on an outlot platted as part of the Artist's Lofts planned unit development.

#### **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 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.**

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The landscaping plan for Mill and Main Phase I is approved, is under construction, and will not change. It included half of Outlot A. For Mill and Main Phase II, the landscaped plan covers the area on platted lot for Mill and Main II and the west half of Outlot A:

The site plan shows 12 percent of the site, minus the building footprint, as landscaping. The lot area is 64,391 square feet, plus 5,321 square feet on the west half of Outlot A, for a total of 69,712 square feet. The footprint of the building is 51,790 square feet. This leaves 17,922 square feet, of which 20 percent (3,584 square feet) is required to be landscaped. The site plan shows approximately 2,200 square feet of landscaped area on site. Staff recommends alternative compliance as an additional 700 square feet is provided in the interior boulevard along Main Street SE, which raises the percentage to 16 percent. Also there is 7,300 square feet of open space along the north side of the building that can't be landscaped as it is part of a historical rail road corridor that will have pavers as approved by the HPC. If this could be landscaped it would increase the landscaping to 53 percent.

The development is required to provide seven on-site trees and 36 on-site shrubs. The site plan shows five on-site trees and approximately 1,127 on-site shrubs and perennials. Staff recommends alternative compliance as the applicant will add eight trees on the Main Street tree boulevard. Further, there are no other areas trees could be added on site that would not interfere with the approved HPC certificate of appropriateness plan for the mid-block rail corridor. Staff recommends that if allowed as a minor change to the existing approved mid-block corridor certificate of appropriateness, that at least two trees be added at the north side of the building.

The required seven-foot wide landscaped area with three-foot high screening that is 60 percent opaque is provided between the parking area and Main Street SE.

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 provided along the access drive to control drainage and vehicles in the surface parking area.

The building will partially block some views of the historic Red Tile Elevator to the west from properties to the east, but not significantly more than if it were four stories. It will block some views of the river for properties to the north, but no more than if the building were limited to four stories. The mid-block rail corridor will provide a view through the site as will the connection at the vacated 5<sup>th</sup> Avenue SE.

The development should not significantly generate wind currents at ground level.

The plan meets the CPTED 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 has received HPC review and approval.

**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:** The proposed planned unit development is a conditional use 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. Mill and Main Phase I was approved at 180 units with 234 bedrooms, which required 180 parking spaces. There are 185 spaces provided within the building. Four accessible spaces were required in the building and four were provided. Mill and Main Phase II is proposed at 179 units with 248 bedrooms, which requires 179 spaces. There are 241 spaces provided in the building. Five accessible spaces are required and five are provided. There are seven surface spaces shown on the drive in the vacated 5<sup>th</sup> Avenue SE, shown as Mill Street SE on the plan, and in the area of Outlot A)

*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. 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.

Mill and Main Phase I was approved with 234 bedrooms, so 234 bike parking spaces were required. At 234 required spaces, 90 percent of that is 211 long-term spaces. There are two secure rooms in the parking garage on the lower level and first floor of the building that provide secure storage space for 176 bike parking spaces. There are an additional 84 wall mounted bike racks in the parking garage for a total of 260 spaces that meet the definition of long-term bicycle parking.

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Mill and Main Phase II will have 248 bedrooms, so 234 bike parking spaces are required. At 248 required spaces, 90 percent of that is 223 long-term spaces. There are two secure rooms in the parking garage and wall-mounted bike racks in the parking garage for a total of 255 spaces that meet the definition of long-term bicycle parking. There are also 9 outdoor spaces for a total of 264 spaces.

*Loading:* Multiple-family dwellings of 100 to 250 units shall provide one small (10' by 25') loading space. Multiple-family dwellings of more than 250 units shall provide two small (10' by 25') loading spaces or one large loading space (12' by 50'). Both buildings have a small loading space in their parking garages. In addition, there is a small loading space on the west side of the Mill and Main Phase I building in the parking and drive area between the two buildings.

**Maximum Floor Area:** The maximum FAR in the C3A District is 2.7 and with one density bonuses (for enclosed parking) of 20 percent the allowable FAR is 3.24. The planned unit development in question is 131,279 square feet in area, of which 189,273 is approved for Phase I and 193,504 is proposed for Phase II. The applicant proposes 382,777 square feet of gross floor area, an FAR of 2.92.

**Building Height:** Building height in the C3A District is limited to 4 stories or 56 feet, whichever is less. Part of the site is in the SH Shoreland Overlay District, which limits height to 2.5 stories or 35 feet, whichever is less. Phase I was approved at seven stories, or 76 feet, for the main building, and eight stories or approximately 91 feet for the mechanicals and elevator and staircase overruns. Phase II is proposed as seven stories, or 75 feet, for the main building, rising an additional 12 feet for mechanicals and elevator and staircase overruns. An alternative as a part of the conditional use permit for a planned unit development is required to allow the increase in height and staff is recommending approval of the alternative request.

**Minimum Lot Area:** The C3A District requires not less than 400 square feet of lot area per dwelling unit. With one density bonus (for enclosed parking) of 20 percent the minimum lot area is reduced to 336 square feet per dwelling unit. With 359 proposed dwelling units (180 in Phase I and 179 in Phase II) on a lot of 131,279 square feet, the applicant proposes 366 square feet of lot area per dwelling unit.

**Dwelling Units Per Acre:** The applicant proposes 119 dwelling units per acre. High density is 50-120 dwelling units per acre. Very high density is 120-200 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 permitted residential uses, or for residential uses that contain windows facing a rear or interior side lot line. Both buildings have windows facing the side and rear yards and are adjacent to residential development.

Mill and Main Phase I is bordered by 6<sup>th</sup> Avenue SE to the east and Main Street SE to the south, so no setbacks are required on those sides. The required rear yard setback of 15 feet is provided on the north side. Due to the creation of Outlot A between the buildings, the west side interior yard setback for Phase I is reduced from 15 feet to zero feet. The applicant is requesting an alternative as a part of the planned unit development approval for this reduction. Staff recommends approval.

Mill and Main Phase II will also have zero foot setbacks on the east and west side yards adjacent to outlots for common area. For the east side, the applicant is requesting an alternative as a part of the planned unit development approval to reduce the setback from 15 feet to zero feet. Staff recommends

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approval. For the west side, because it is a property line on the perimeter of the planned unit development, a variance is necessary to reduce the setback. The applicant is requesting a variance to reduce this side yard from 15 feet to zero feet. Staff is recommending approval. The building is bordered by Main Street SE to the south, so no setback is required on this side. The required rear yard setback of 15 feet is provided on the north side.

**Specific Development Standards:** A planned unit development shall conform to the standards of Chapter 527, Planned Unit Development.

**Signs:** All signs are required to meet the requirements of Chapter 543 of the zoning code and permits are required from the Zoning Office. A two foot by 19 foot (38 square foot) projecting sign is proposed for the front of the building. The “Resident Parking” sign at the rear of the building will be reduced to the size of an auxiliary sign, which is the sign type that is allowed on a non-primary building wall. The applicant is aware that signs require 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 buildings, 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.**

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 10.6: 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.

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.

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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 4<sup>th</sup> 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.

Staff finds 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.**
- Blank walls for greater than 25 feet.

There are blank walls on parts of the ground floor and the first floor of the building, without a change in material for lengths of more than 25 feet at the northwest corner where there is an entrance to the parking garage. There is a blank section on the west side on the ground floor made up of concrete panels and on the first floor made up of concrete panels for one length over 25 feet and

brick for one length over 25 feet. There is a section on the first floor on the north side that is made up of concrete panels and another that is cast stone. Staff recommends alternative compliance as the materials fit in with the industrial character of the surrounding structures.

- Twenty percent on-site landscaping.

The site plan shows 12 percent of the site, minus the building footprint, as landscaping. The lot area is 64,391 square feet, plus 5,321 square feet on the west half of Outlot A, for a total of 69,712 square feet. The footprint of the building is 51,790 square feet. This leaves 17,922 square feet, of which 20 percent (3,584 square feet) is required to be landscaped. The site plan shows approximately 2,200 square feet of landscaped area on site. Staff recommends alternative compliance as an additional 700 square feet is provided in the interior boulevard along Main Street SE, which raises the percentage to 16 percent. Also there is 7,300 square feet of open space along the north side of the building that can't be landscaped as it is part of a historical rail road corridor that will have pavers as approved by the HPC. If this could be landscaped it would increase the landscaping to 53 percent.

- On site trees.

The development is required to provide seven on-site trees and 36 on-site shrubs. The site plan shows five on-site trees and approximately 1,127 on-site shrubs and perennials. Staff recommends alternative compliance as the applicant will add eight trees on the Main Street tree boulevard. Further, there are no other areas trees could be added on site that would not interfere with the approved HPC certificate of appropriateness for the mid-block rail corridor. Staff recommends that if allowed as a minor change to the existing approved mid-block corridor certificate of appropriateness, that at least two trees be added at the north side of the building.

## **PRELIMINARY and FINAL 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 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 Dominion and the Soap Factory properties for access through the vacated 5<sup>th</sup> Avenue SE right-of-way.

As of the writing of this report staff has not received the City Attorney's review of the title work. Staff will provide an update at the March 28, 2013, meeting of the City Planning Commission.

**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 three lots out of several tax parcels and underlying platted lots and vacated right-of way. Lot 1, Block 1 will contain the Mill and Main Phase I building that is currently under construction. Lot 1, Block 2, will contain the proposed Mill and Main Phase II building. Outlot A is between the two lots and will contain the private drive area, landscaping, and walkways in the vacated 5<sup>th</sup> Avenue SE (labeled as the private street Mill Street SE). 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 streets with the approval of the associated site plan, stormwater management and erosion control plans, and the recommended conditions of approval.

**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 6<sup>th</sup> Avenue SE and 2<sup>nd</sup> Street and Mill Street SE via the vacated 5<sup>th</sup> Avenue SE (labeled as the private street Mill Street 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 Community Planning and Economic Development Department for the conditional use permit for a planned unit development:**

The Department of Community Planning and Economic Development recommends that the City Planning Commission adopt the above findings and **approve** the conditional use permit for a planned unit development with 359 dwelling units (180 for Phase I and 179 for Phase II) for property located 413- 501 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 two years 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 20 points; amenities as proposed by the applicant, as described in the staff report.
- 3) Mill and Main Phase I is also subject to the applicable conditions of approval for file BZZ-5456.

**Recommendation of the Department of Community Planning and Economic Development for the northwesterly interior side yard setback variance:**

The Department of Community Planning and Economic Development recommends that the City Planning Commission adopt the above findings and **approve** the northwesterly interior side yard setback variance from 15 to zero feet for property located 413-501 Main Street SE.

**Recommendation of the Department of Community Planning and Economic Development for the site plan review:**

The Department of Community Planning and Economic Development recommends that the City Planning Commission adopt the above findings and **approve** the site plan review application for property located 413-501 Main Street SE subject to the following conditions:

1. CPED staff review and approval of the final elevations and site and landscaping plans before permits may be issued.
2. All site improvements shall be completed by March 25, 2015, unless extended by the Zoning Administrator, or the permit may be revoked for noncompliance.
3. Compliance with the HPC conditions of approval.

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4. Compliance with the applicable standards of the SH Shoreland Overlay District and the MR Mississippi River Overlay District.
5. If allowed as a minor change to the existing approved mid-block corridor HPC certificate of appropriateness, at least two trees shall be added at the north side of the building.

**Recommendation of the Department of Community Planning and Economic Development for the preliminary and final subdivision plat:**

The Department of Community Planning and Economic Development recommends that the City Planning Commission **approve** the preliminary and final subdivision plat for property located at 413-501 Main Street SE.

**Attachments:**

- 1) Preliminary Development Review Report.
- 2) Heritage Preservation Commission actions.
- 3) Statements from the applicant.
- 4) Zoning map.
- 5) Site plan, floor plan, renderings, and elevations.
- 6) Photos.