

Department of Community Planning and Economic Development – Planning Division
Conditional Use Permit for a Planned Unit Development, Site Plan Review, Variances
BZZ – 2388

Date: September 19, 2005

Applicant: Security Warehouse Properties, LLC

Address of Property: 710-730 North 4th Street

Project Name: 730 Lofts

Contact Person and Phone: David Frank, (612) 359-5844

Planning Staff and Phone: Janelle Widmeier, (612) 673-3156

Date Application Deemed Complete: August 26, 2005

End of 60-Day Decision Period: October 25, 2005

Ward: 5 **Neighborhood Organization:** North Loop Neighborhood Association

Existing Zoning: I2 with the DP (Downtown Parking) and IL (Industrial Living) Overlay Districts

Proposed Zoning: Not applicable for this application

Zoning Plate Number: 13

Legal Description: Not applicable for this application

Proposed Use: Amend planned unit development to allow a new ten-story building with 109 dwelling units.

Concurrent Review:

Conditional use permit: to amend a Planned Unit Development.

Variance: to reduce the rear yard setback requirement from 23 feet to 3 feet to allow a 10-story building.

Variance: to reduce the rear yard setback requirement from 23 feet to 0 feet to allow 9 balconies.

Variance: to reduce the minimum lot area requirement per dwelling unit from 606.3 square feet to 429.3 square feet, or 29.2%.

Site plan review.

Applicable zoning code provisions: Chapter 527; Chapter 530, Site Plan Review; Chapter 525, Article IX Variances, Specifically Section 525.520(1) “to vary the yard requirements, including permitted obstructions into required yards not allowed by the applicable regulations.” and Section 525.520(2) “to vary the lot area or lot width requirements up to thirty percent...”; and Chapter 550, Article I General Provisions, Section 550.160(c), Residential and Hotel Yard Requirements.

Background: The applicant proposes to construct a ten-story, 109-unit residential building as the third phase of a planned unit development in the North Loop neighborhood. The first phase is completed and the second phase is currently under construction. A total of 268 units are proposed in the development. All units would be ownership housing. The North end of the development is occupied by an existing structure, the Dial Building. It is historically known as the Cameron Transfer and Storage Company Building, but referred to as the Dial Building in this report. This building is not locally designated; however, it is a potential historic resource based on its association with internationally renowned Minneapolis engineer Claude Allen Porter “C.A.P.”. Its significance lies in how the building is constructed with a reinforced concrete structural system that is comprised of mushroom cap columns that Turner designed and patented in 1906. Additional information obtained from the City’s Historic Preservation office is attached to this report. The application for the third phase does not propose how the building or area around the building will be used. Please note, the use of the Dial building is limited to nonresidential under current zoning regulations because the density of the two approved phases and the proposed building maximizes what can be allowed by the code in the I1 and IL overlay district.

The Planning Commission took the following actions on the first phase of the project (710 Lofts) on December 8, 2003:

710 Lofts (BZZ-1473, Ward 5)

700-766 North 4th Street (Jason Wittenberg) *This item was continued from the November 17, 2003 meeting.*

A. Conditional Use Permit

Application by Schafer Richardson, Inc. for a conditional use permit for phase I of a planned unit development for sixty (60) dwelling units in a four-story building located at 700-766 N. 4th Street.

Motion: The City Planning Commission adopted the findings and **approved** the application for a conditional use permit for phase I of a planned unit development for sixty (60) dwelling units in a four-story building located at 700-766 N. 4th Street, subject to the following conditions:

1. Elements of the primary exterior materials used on the front façade shall be incorporated on all sides of the building.
2. A master sign plan shall be reviewed and approved by the CPED Planning Division. A projecting sign not exceeding thirty two (32) square feet may be allowed on the building as an exception to the standards of Chapter 543 provided that any freestanding signs on the site are limited to auxiliary signs.

B. Site Plan Review

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Application by Schafer Richardson, Inc. for site plan review for sixty (60) dwelling units as part of planned unit development at 700-766 N. 4th Street

Motion: The City Planning Commission adopted the findings and **approved** the site plan review application for sixty (60) dwelling units as part of planned unit development at 700-766 N. 4th Street, subject to the following conditions:

1. The applicant shall obtain an encroachment permit for all improvements in the public right of way.
2. A stormwater management plan shall be reviewed and approved by the Public Works Department.
3. The CPED Planning Division shall review and approve the final site plan, landscaping plan, and building elevations.
4. The proposed interim use of the phase I and phase II areas must be reviewed by CPED. If building permits are not obtained for either the phase II or phase III buildings by December 8, 2005, a landscape plan for those areas must be reviewed by CPED and implemented by the applicant no later than May 17, 2006.
5. If improvements required by Site Plan Review exceed two thousand (2000) dollars, the applicant shall submit a performance bond in the amount of 125 percent of the estimated site improvement costs prior to obtaining permits for site improvements or the permit may be revoked for non-compliance.
6. Site improvements required by Chapter 530 or by the City Planning Commission shall be completed by December 8, 2005, or the permit may be revoked for non-compliance.

C. Variance

Application by Schafer Richardson, Inc. for a variance to reduce the required rear yard setback from eleven (11) feet to five (5) feet for phase I of a planned unit development for sixty (60) dwelling units in a four-story building located at 700-766 N. 4th Street.

Motion: The City Planning Commission adopted the findings and **approved** the application for a variance to reduce the required rear yard setback from eleven (11) feet to five (5) feet for phase I of a planned unit development for sixty (60) dwelling units in a four-story building located at 700-766 N. 4th Street.

D. Variance

Application by Schafer Richardson, Inc. for a variance to allow a portion of the off-street parking requirement to be satisfied off-site within 500 feet for phase I of a planned unit development for sixty (60) dwelling units in a four-story building located at 700-766 N. 4th Street

Motion: The City Planning Commission adopted the findings and **approved** the application for a variance to allow a portion of the off-street parking requirement to be satisfied off-site within 500 feet for phase I of a planned unit development for sixty (60) dwelling units in a four-story building located at 700-766 N. 4th Street, subject to the following condition:

1. Parking shall be provided in the second phase of the planned unit development for those dwelling units in the first phase that do not have on-site parking.

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The Planning Commission approved a preliminary and final plat for the project on July 12, 2004.

The Planning Commission took the following actions on the second phase of the project (720 Lofts) on September 13, 2004:

720 Lofts (BZZ-1922, Ward 5), 700-766 North 4th Street ([Jason Wittenberg](#))

A. Conditional Use Permit: Application by Park Circle Properties and Goelzer & Richardson LLP for a conditional use permit to amend a planned unit development. The application would allow a new eight-story building with 99 dwelling units located at 700-766 North 4th Street.

Action: The City Planning Commission adopted the findings and **approved** the application for a conditional use permit to amend a planned unit development to construct an eight-story building with ninety nine (99) dwelling units located at 700-766 N. 4th St., subject to the following conditions:

1. A projecting sign not exceeding thirty two (32) square feet—considering only the area of the numerals—may be allowed on the building as an exception to the standards of Chapter 543 provided that any freestanding signs on the site are limited to auxiliary signs.

B. Variance: Application by Park Circle Properties and Goelzer & Richardson LLP for a variance to reduce the required rear yard setback from 19 feet to five feet for the property located at 700-766 North 4th Street.

Action: The City Planning Commission adopted the findings and **approved** the application for a variance to reduce the required rear yard setback from nineteen (19) feet to five (5) feet to allow an eight-story building with ninety nine (99) dwelling units located at 700-766 N. 4th St.

C. Major Site Plan Review: Application by Park Circle Properties and Goelzer & Richardson LLP for major site plan review for the property located at 700-766 N. 4th St.

Action: The City Planning Commission adopted the findings and **approved** the application for major site plan review to allow an eight-story building with ninety nine (99) dwelling units located at 700-766 N. 4th St., subject to the following conditions:

1. Metal halide lights proposed at the garage entrance shall be shielded to avoid excess glare as required by Chapter 535 of the zoning code.
2. Planning Department staff review and approval of the final site and landscape plans.
3. If improvements required by Site Plan Review exceed two thousand (2000) dollars, the applicant shall submit a performance bond in the amount of 125 percent of the estimated site improvement costs prior to obtaining permits for site improvements or the permit may be revoked for non-compliance.
4. Site improvements required by Chapter 530 or by the City Planning Commission shall be completed by September 13, 2006, or the permit may be revoked for non-compliance.

To amend the planned unit development (PUD), a conditional use permit is required as well as variances to reduce the required yard setbacks, a variance to reduce the minimum lot size requirement, and a site

plan review. Upon approval of the conditional use permit, the action must be recorded with Hennepin County as required by state law.

Correspondence from the North Loop Neighborhood Association was received and is attached to this report. Other correspondence is also attached. Staff will forward additional comments, if any are received, at the City Planning Commission meeting.

CONDITIONAL USE PERMIT

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

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

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

Construction of a residential building of ten stories on the site would 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 Public Works Department standards.

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.

Provided residents of the development understand that they are living in an industrial area that involves large truck traffic and other reasonable industrial activity, surrounding uses should continue to operate (and may continue to operate in a legal fashion) without incident. Existing and future development of uses allowed in the industrial districts or Industrial Living Overlay District should not be negatively affected by the 10-story building. The applicant has argued that allowing additional dwellings will provide new residents to the area, thereby acting as a catalyst for continued reinvestment in the neighborhood. However, approving this phase without addressing how the Dial Building and the area around it would be utilized could impede development of that land. Because a use for the Dial building has not been determined, staff is concerned that the area around the building would not be improved in the near future. A vacant, underutilized area could impact surrounding uses. Requiring this area of the development to be improved to include additional amenities for the PUD is recommended. A combination of amenities could be proposed such as additional fenced/privatized landscaped area, a playground, or additional enclosed storage for the residents of the development.

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

The site is served by existing infrastructure. The Public Works Department will review the project for appropriate drainage and stormwater management as well as to ensure the safety of the position and design of improvements in or over the public right of way. The final plan must indicate all drainage patterns, including roof drains.

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

A travel demand management (TDM) plan has been reviewed and approved for the planned unit development. Measures the applicant will take include providing information about transportation alternatives to people moving into the building.

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

The following policies are relevant to the conditional use permit:

3.2 Minneapolis has adopted Downtown 2010 plan as a component of the city's Comprehensive Plan and envisions downtown Minneapolis in the year 2010 as one of the nation's finest urban centers; a place of prosperity, civilization and civic pride, that will serve as the center for the metropolitan area, the state and surrounding region.

Applicable Implementation Steps:

Enhance downtown as a special place that offers the finest qualities and experiences associated with cities.

Maintain downtown as the economic center for the Twin Cities metropolitan area and Upper Midwest region.

Develop residential areas into neighborhoods that offer a variety of housing types and affordability levels, as well as traditional urban neighborhood qualities and experiences.

Staff comment: The proposed project will cater to the market for urban living in the downtown area and, with the other residential projects recently completed or underway, would enhance the downtown economy and contribute to the character of the warehouse district.

4.11 Minneapolis will improve the availability of housing options for its residents.

Applicable Implementation Steps

Increase the variety of housing styles and affordability levels available to prospective buyers and renters.

Provide and maintain moderate and high-density residential areas.

Promote the development of housing suitable for people and households in all life stages, and that can be adapted to accommodate changing housing needs over time.

Staff comment: The project would contribute to housing variety in the North Loop and the city and further increase the residential density around downtown.

9.16 Minneapolis will encourage new development to use human scale design features and incorporate sunlight, privacy, and view elements into building and site designs.

Applicable Implementation Steps

Encourage the design of all new buildings to fulfill light, privacy and view requirements for the subject building as well as for adjacent buildings.

Staff comment: The project would include a common entrance facing 4th Street, balconies or patios for each unit, and abundant windows on all four facades. A 10-story building may impede on the views of the skyline for the residential building, Bassett Creek Lofts, located North of the development. However, the top two levels are stepped back, and the building does not appear to substantially block views much more than the 720 Lofts building. Shadowing of the property across the alley could also occur. Because the alley separates the building from the adjacent property and the building is less wide than it is deep with large green spaces separating it from the buildings to the East and the West, shadowing should not be significant.

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.

The use of the site for a multi-family residential planned unit development will conform to the applicable regulations of the districts in which it is located upon the approval of the variances and site plan review.

Through the planned unit development, staff is recommending approval of the following exceptions to the standards of the zoning code.

Signs:

The applicant proposes signage that does not meet the regulations of Chapter 543, On-Premise Signs. Section 527.170 authorizes the Planning Commission to grant exceptions to Chapter 543 in planned unit developments. Residential uses in industrial districts are governed by Table 543-1 of the zoning code. The applicant seeks an exception to increase the height allowed from 24 feet to 30 feet above grade. The applicant is proposing three wall signs. Each sign is a number of the address, 7, 3, and 0, spaced evenly across the front façade. The area of each component is approximately eight square feet for a total of 24 square feet. No other signage is proposed on the building. The signs would be smaller in size and height compared to the signs that were approved on the 710 and 720 buildings.

Building Height:

The maximum height allowed for a principal structure in the I1 district and IL overlay district is four stories or 56 feet, whichever is less. Section 527.140(b) authorizes the Planning Commission to grant exceptions to the building height limitations of a district in planned unit developments. The applicant seeks to increase the height to 10 stories where the tallest part of the building would be 112 feet above grade. The height is more than what was approved for the 720 Lofts building. The height for phase II was increased to eight stories and 94 feet.

FAR:

As authorized by 527.140(a) of the zoning code, the Planning Commission can grant an increase to the maximum floor area ratio (FAR) allowed by the zoning district for the purpose of promoting the integrated development with high quality site amenities. The applicant seeks a three percent increase in the maximum FAR (after consideration of authorized density bonuses).

Minimum Lot Area:

As authorized by 527.150 of the zoning code, the Planning Commission can grant a minimum lot area reduction through the planned unit development application for the purpose of promoting the integrated development with high quality site amenities. The applicant seeks a twenty percent reduction in the minimum required lot area (after consideration of authorized density bonuses).

Exceptions to the above zoning regulations may be authorized only upon the Planning Commission finding that the PUD includes adequate site amenities to address any adverse effects of the exception. Amenities proposed by the applicant include enclosing all parking, providing a green-roof over the parking garage, landscaping that exceeds the minimum requirements of the site plan review chapter, large amounts of windows on all sides of the structure, and reusing a building that may have historic significance. There would likely not be any adverse effects of increasing the height of the signs, increasing the FAR or reducing the minimum lot size requirement. The increased height of the building may impede on the views of the skyline for the residential building, Bassett Creek Lofts, located North of the development. However, the top two levels are stepped back, and the building does not appear to substantially block views substantially more than the 720 Lofts building. Shadowing of the property across the alley could also occur. Because the alley separates the building from the adjacent property and the building is less wide than it is deep with large green spaces separating it from the buildings to the East and the West, shadowing should not be significant.

The amenities would provide added benefits to the development that promote an integrated project by providing additional open space for residents and a building that offers exceptional design elements. Because a use for the Dial building has not been determined, staff is concerned that the area around the building would not be improved in the near future and may create adverse affects on its own rather than act as an amenity for the other portions of the PUD. A vacant, underutilized area could impact surrounding uses and impede future development in the area. Requiring the rest of the development to be improved to include additional amenities for the PUD is recommended and would meet the intent of the ordinance to allow for other exceptions in the development. A combination of amenities could be proposed such as additional landscaped area, a playground, or additional enclosed storage in the Dial Building for the residents of the development. At a minimum, the landscaping requirements of Chapter 530 Site Plan Review should be implemented. Converting the land to a parking area is not recommended as well as not allowed by the Downtown Parking overlay district unless approved by conditional use permit.

Staff recommends that the Commission grant approval of the exceptions to increase the height to 30 feet for the three signs, to increase the maximum height of the building to 10-stories and 112 feet, to

increase the maximum FAR allowed by three percent, and to reduce the minimum lot size requirement by 20 percent subject to the applicant submitting a development plan for the Dial Building.

Additional Findings Required For Planned Unit Developments:

In addition to the conditional use permit standards contained in Chapter 525, Administration and Enforcement, before approval of a planned unit development the city planning commission also shall find:

1. That the planned unit development complies with all of the requirements and the intent and purpose of this chapter. In making such determination, the following shall be given primary consideration:

a. The character of the uses in the proposed planned unit development, including in the case of a planned residential development the variety of housing types and their relationship to other site elements and to surrounding development.

The applicant proposes only residential uses at this time. A variety of unit types are proposed. Residents would have private balconies. A number of ground-level units would offer access to the adjacent landscaped yards. Surrounding buildings are primarily used for office and warehouse functions that should prove generally compatible with residential development provided that residents of the proposed development understand that they will be living amidst a working industrial area that includes, for example, truck traffic and loading functions that may operate in early morning hours and obstruct area streets. As previously mentioned, the use of the Dial building is limited to nonresidential under current zoning regulations because the density of the two approved phases and the proposed building maximizes what can be allowed by the code in the I1 and IL overlay district. A nonresidential use as part of this development would not likely negatively impact residences or other surrounding uses.

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 and availability of transit alternatives.

A Travel Demand Management (TDM) Plan for the planned unit development has been reviewed and approved. Vehicle access to the below grade off-street parking area would take place from 4th Street and will likely be shared with the vehicle access to a proposed third phase of the PUD. The public alley adjacent to the site would remain open at this time but would not be used for vehicle access to the 720 or 730 buildings. Pedestrian access to the site would be appropriate insofar as pedestrians could easily access the common entrances from the public sidewalks. The downtown business district, the entertainment district, and the riverfront are among the amenities that are within a reasonable walk of the proposed development. The project is located two blocks from Metro Transit routes 14 and 32. To encourage bicycle use as an alternative to automobile

travel, the applicant will offer secure indoor bicycle storage for residents. Outdoor bicycle parking is also encouraged to accommodate visitors.

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

The applicant proposes large landscaped areas on both sides of the building. The rehabilitation of a structure that is eligible to be locally designated counts as an amenity. Because a use for the Dial building has not been determined, staff is concerned that the area around the building would not be improved in the near future and may create adverse affects on its own rather than act as an amenity for the other portions of the PUD. A vacant, underutilized area could impact surrounding uses and impede future development in the area. Requiring this area of the development to be improved to include additional amenities for the PUD is recommended. A combination of amenities could be proposed such as additional landscaped area, a playground, or additional enclosed storage for the residents of the development. If the applicant submits a development plan for the Dial Building, the project would comply with the purpose of the PUD.

- 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 height and massing would be appropriate for this location. Although the buildings nearest the proposed development are one and two stories in height, there are a number of historic buildings within a three-block radius of the site that are between six and eight stories in height. The site would include more green/open area than is typically found on area parcels, which is consistent with the intent of the planned unit development to include on-site amenities. The siting and massing would be similar to the 710 and 720 buildings. The building would feature a different appearance than the 710 building, but is very similar to the 720 building. The façades would feature terra cotta, precast concrete wall panels, metal wall panels, and clear glass as primary materials. The 720 building primarily features precast concrete wall panels, metal wall panels, and clear glass. The 710 building features brick on the front and corner side and a mix of brick and concrete on the rear and interior side. The Dial Building, while a much older structure, is a 4-story brick building similar in size shape to the 730 building. It is also oriented in the development like the other buildings. While the appearance of the buildings somewhat differs throughout the development, the applicant offers a high quality design.

- e. 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.**

The Public Works Department has not indicated concerns about the capacity of the public infrastructure in relation to this project. A stormwater management plan is required for the project, which will be reviewed by the Public Works Department.

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

The applicant has replatted the property. A plat was approved by the Planning Commission on July 12, 2004.

VARIANCES - **1)** to reduce the rear yard setback requirement from 23 feet to 3 feet to allow a 10-story building; **2)** to reduce the rear yard setback requirement from 23 feet to 0 feet to allow 9 balconies; and **3)** to reduce the minimum lot area requirement per dwelling unit from 606.3 square feet to 429.3 square feet, or 29.2%.

Findings Required by the Minneapolis Zoning Code for the Proposed Variance:

- 1. The property cannot be put to a reasonable use under the conditions allowed and strict adherence to the regulations of this zoning ordinance would cause undue hardship.**

Variations to reduce the rear yard requirement for the building and balconies: The property depth is relatively typical of parcels in the area. Note, however, that the only reason the project must provide a rear yard setback is that there is a residential use providing windows facing the rear lot line. The fact that the rear lot line, in this case, abuts a public right of way reduces the concern that a building would be constructed that would block light and air to the residential units.

Variance to reduce the minimum lot area requirement: The applicant is requesting to reduce the minimum lot size requirement per dwelling unit from 606.3 square feet to 429.3 square feet. The property is located within walking distance of the downtown core and the Mississippi River. To help support and encourage economic growth, higher residential densities are desired in and near downtown.

- 2. The circumstances are unique to the parcel of land for which the variance is sought and have not been created by any persons presently having an interest in the property. Economic considerations alone shall not constitute an undue hardship if reasonable use for the property exists under the terms of the ordinance.**

Variations to reduce the rear yard requirement for the building and balconies: The fact that the parcel does not share a rear lot line with a residential use and instead the rear of the building is along a public alley is unique and is not generally applicable to other projects.

Variance to reduce the minimum lot area requirement: The property was formerly an industrial site with close proximity to the downtown core. The applicant is proposing to preserve the Dial Building. The applicant indicates that a higher density is necessary to off-set the costs related to the reuse of the site and on-site contamination. These circumstances are unique to the property.

- 3. The granting of the variance will be in keeping with the spirit and intent of the ordinance and will not alter the essential character of the locality or be injurious to the use or enjoyment of other property in the vicinity.**

Variances to reduce the rear yard requirement for the building and balconies: The variance in question is along a public right of way rather than a common property line. The parking garage and floors one and two are set back five feet from the property line. Floors three through nine are cantilevered from the footprint by two feet. Therefore that portion of the building is three feet from the property line and 26 feet above the public alley. The tenth floor is set back 25 feet from the property line. If the alley were to be vacated and the centerline of the alley would become the new property line, the smallest setback would be 10 feet from that centerline. Likewise, the balconies on the first two floors do not project as far as the balconies on floors three through nine. Each balcony is 45 square feet in area and projects five feet from the building wall. The balconies on levels three through nine project two feet over the alley right of way, which requires an encroachment permit. The Public Works Right of Way division has indicated that an encroachment permit to allow balconies to project over the alley no more than two feet would likely be approved. Building Plan Review of the Inspections department would likely approve the balconies subject to the approval of an encroachment permit.

Variance to reduce the minimum lot area requirement: The granting of the variance should not affect surrounding uses. Establishing a higher density residential development downtown meets the intent of the ordinance. Also, many other high density residential projects have been approved in the area.

- 4. The proposed variance will not substantially increase the congestion of the public streets, or increase the danger of fire, or be detrimental to the public welfare or endanger the public safety.**

Variances to reduce the rear yard requirement for the building and balconies: The Planning Department does not expect that granting the variances would affect congestion or public safety.

Variance to reduce the minimum lot area requirement: The proposed variance should not increase the danger of fire or endanger public safety. Adequate parking facilities are provided on-site. The additional traffic generated by the development should not have a large impact on the public streets.

SITE PLAN REVIEW

Findings as required by the Minneapolis Zoning Code for the 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 FAÇADE:

- 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 and windows:
 - Residential uses:

Principal entrances shall be clearly defined and emphasized through the use of architectural features such as porches and roofs or other details that express the importance of the entrance. Multiple entrances shall be encouraged. Twenty (20) percent of the walls on the first floor and ten (10) percent of the walls on each floor above the first that face a public street, public sidewalk, public pathway, or on-site parking lot, shall be windows as follows:

 - a. Windows shall be vertical in proportion.
 - b. Windows shall be distributed in a more or less even manner.
 - Nonresidential uses:

Principal entrances shall be clearly defined and emphasized through the use of architectural features such as roofs or other details that express the importance of the entrance. Multiple entrances shall be encouraged. Thirty (30) percent of the walls on the first floor and ten (10) percent of the walls on

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.

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

- 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. At least thirty (30) percent of the first floor building wall that faces a public street, public sidewalk or public pathway shall be occupied by active uses, or shall be designed with architectural detail or windows, including display windows, that create visual interest.

Conformance with above requirements:

The building would contribute to a street wall along 4th Street. Natural surveillance and pedestrian access to the building would be maximized through a common entrance along 4th (accessed via stairs or an accessible ramp) and individual entrances to units would be provided via walkways located in the landscaped yards. Staff is recommending that transparent railings are installed on the accessible ramp to maintain optimal visibility to or from the street.

The applicant proposes to set the building three feet back from the property line along North 4th Street, which is similar to the setbacks of the 710 and 720 buildings.

Landscaping would be located between the building and the front lot line.

The principal common entrance would face the front lot line.

On-site accessory parking facilities would be enclosed and below grade with the exception of the top level, which projects partially above grade.

The building would include sufficient architectural detail and would make generous use of windows to avoid large blank walls. The exception, however, is the parking garage level that faces the public alley and the West elevation, which includes a blank wall offering little or no visual interest or architectural relief. The façades would feature terra cotta, precast concrete wall panels, metal wall panels, and clear glass as primary materials.

Plain face concrete block would not be used as a primary exterior building material.

The principal entrance would be clearly defined with a canopy and recession into the front façade. Windows would exceed 20 percent of the first floor façade facing the street. On the other floors facing the street, windows would exceed 10 percent. All windows would be vertical in proportion and evenly distributed.

A flat roof is proposed, which is similar to surrounding buildings.

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.

Conformance with above requirements:

Walkways (both a stairway and an accessible walkway) are proposed from the public sidewalk to the principal common entrance.

There are no transit shelters on or immediately adjacent to the site.

Vehicular access would take place through a new curb cut along 4th Street. The access would be shared with the 720 building, minimizing conflicts between pedestrians and vehicles.

Traffic flow would not negatively affect residential properties in the area.

Given that the proposed development does not include an open parking lot, the amount of snow to be removed or stored would be minimal.

The site would include more permeable area than is typical in the vicinity and the amount of impervious surface area is generally minimized while meeting other site objectives.

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.

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- 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.

Conformance with above requirements:

The zoning code requires that a least 20 percent of the site not occupied by buildings be landscaped. For the purpose of this landscape review staff is reviewing only the area on which the phase III/730 building would be situated, which has approximately 32,298 square feet of lot area. The parking garage is considered part of the building footprint because it projects above grade. In this development, installation of a green roof is proposed above the parking garage as was approved for 720 Lofts. The net lot area for the second phase included the green roof area, but the calculations for this phase do not include the green roof. This interpretation made by the zoning administrator occurred after the approval was granted for the 720 Lofts building. The building footprint would be approximately 28,083 square feet. The lot area minus the building footprint of phase III therefore consists of approximately 4,215 square feet. At least 20 percent of the net site area (843 square feet) must be landscaped. The applicant's landscape plan proposes to landscape 3,131 square feet, which far exceeds the minimum requirement.

The zoning code requires at least one canopy tree for each 500 square feet of required green space and at least one shrub for each 100 square feet of required green space. The tree and shrub requirement for this site is 2 and 8 respectfully. The applicant is providing 2 trees within the net site area. The number of shrubs proposed far exceed the minimum requirement.

There are no required landscaped yards since the site would not have parking or loading along a public street and the site is not adjacent to a residential use.

Turf will cover all areas that are not paved or landscaped. The applicant must submit a development plan for the rest of the land in the PUD as part of the final site plan. At a minimum, the landscaping requirements of this chapter should be implemented. This must be done before the final elevations, site and landscaping plan are approved for the 730 building. Also, the applicant should indicate the proposed use of the Dial Building at that time.

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.
- Lighting shall comply with the requirements of Chapter 535 and Chapter 541. A lighting diagram may be required.
- Parking and loading facilities and all other areas upon which vehicles may be located shall be screened to avoid headlights shining onto residential properties.
- 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.

Conformance with above requirements:

Lighting proposed for the development must comply with Chapter 535 and Chapter 541 of the zoning code including:

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 shielded and arranged so as not to shine directly on any residential property. Lighting fixtures not of a cutoff type shall not exceed two thousand (2,000) lumens (equivalent to a one hundred fifty (150) watt incandescent bulb).
- (2) No exterior light source located on a nonresidential property shall be visible from any permitted or conditional residential use.
- (3) Lighting shall not create a sensation of brightness that is substantially greater than

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ambient lighting conditions as to cause annoyance, discomfort or decreased visual performance or visibility from any permitted or conditional residential use.

- (4) Lighting shall not 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.
- (5) Lighting shall not create a hazard for vehicular or pedestrian traffic.
- (6) Lighting of building facades or roofs shall be located, aimed and shielded so that light is directed only onto the facade or roof.

There are no adjacent residential properties that would be affected by headlight glare.

The building may impede on the views of the skyline for the residential building located North of the development.

Since the project is situated largely north of the public sidewalks, shadowing of sidewalks would not be significant. Shadowing of the property across the alley could occur. A parking lot currently exists on the adjacent property. Because the alley separates the building from the adjacent property and the building is less wide than it is deep with large green spaces separating it from the buildings to the East and the West, shadowing should not be significant.

Wind currents should not be major concern.

The applicant should consider clearly delineating private versus public spaces through fencing and landscaping.

For the time being, the applicant has preserved a building on the site that may be a historic resource. Future use of the building has not yet been identified.

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 site is zoned I2 and also includes the IL (Industrial Living) and DP (Downtown Parking) Overlay Districts. The IL (Industrial Living) Overlay District allows for the construction of residential dwelling units. Dwellings in the ILOD require a conditional use permit as indicated in section 551.370 of the zoning code. In this case, the conditional use permit for the planned unit has been selected by the applicant. The dwelling units are subject to the standards of section 551.370(1) of the zoning code, as follows, unless otherwise altered through a variance or through the planned unit development:

- a. Supportive housing shall be subject to the requirements of Chapter 536, Specific Development Standards.
- b. Alterations made to the exterior of an existing building shall maintain the architectural integrity and character of the building and surrounding area.

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- c. The maximum height of single and two-family dwellings and cluster developments shall be two and one-half stories (2.5) or thirty-five (35) feet, whichever is less.
- d. No vibration, excessive dust, noise, light, glare, smoke, odor, truck traffic or other substance or condition, shall be generated by uses in the building that will have an adverse impact on the residential use of the building.

Parking and Loading: The zoning code requires one off-street parking space per dwelling unit, requiring 109 off-street parking spaces in this case. The applicant proposes 116 enclosed spaces that would be partially below grade. The total number of parking spaces in the development would be 322.

Signs: As noted above, the applicant is seeking an exception to increase the height of three, 12 square foot-wall signs along North 4th Street from 24 feet to 30 feet.

Maximum Floor Area: The lot area, according to the applicant, is 115,045 square feet. The maximum FAR in the I2 District is 2.7. The Industrial Living Overlay District does not further regulate FAR for residential uses. The 710 Lofts building has 74,070 square feet of gross floor area. The 720 Lofts building, upon completion, will have 126,420 square feet. The 730 Lofts is proposed to have 144,172 square feet. There is also an existing building on the site that has 37,500 square feet. Thus, after completion of these three phases (710, 720 and 730), the applicant would have a total of 382,162 square feet, which is an FAR of 3.32. The development is eligible for a bonus to increase the maximum floor area by providing all required parking within an enclosed structure. This would increase the maximum FAR to 3.24. The Planning Commission, through the PUD, is authorized to increase the permitted floor area by 20 percent, which would allow the FAR proposed by the applicant.

Minimum Lot Area: As previously noted, the overall lot has 115,045 square feet. The IL Overlay District requires not less than 900 square feet of lot area per dwelling unit. This would allow 127 dwelling units on the site. The 710 building has 60 units, the 720 building will have 99, and the applicant currently seeks approval for an additional 109 dwelling units for a total of 268 units. Thus the applicant proposes 429.3 square feet of lot area per dwelling unit.

The applicant qualifies for a bonus to increase the number of dwelling units by providing enclosed parking, which therefore decreases the minimum amount of lot area per dwelling unit. One density bonus would allow the applicant to construct a total of 152 dwelling units. This would reduce the required lot area per dwelling unit to 756.87 square feet. The planning commission may reduce this requirement by up to 20 percent through a planned unit development, which would reduce the lot area per dwelling unit requirement to 605 square feet. To allow 268 dwelling units with a minimum lot size requirement of 429.3 square feet per unit, the applicant must apply for a variance to reduce the minimum lot size by 29.2 percent.

Height: Building height in the industrial districts is limited to four stories or 56 feet, whichever is less. The planning commission may grant increases in height through the planned unit development application. The applicant's proposed phase III building would be ten stories in height. Staff is recommending approval of an exception to the height limitation to allow the proposed ten-story building.

Yard Requirements: Section 550.160(c) of the zoning code requires that residential and hotel uses provide interior side and rear yard setbacks of five feet plus two feet for every story above the first where windows face those yards. The applicant is required to provide a 23-foot setback from the rear lot line but has filed a variance to allow a three-foot setback.

Specific Development Standards: None

Hours of Operation: Residential uses are not governed by maximum hours of operation.

Dumpster screening: Refuse would be stored inside the building.

MINNEAPOLIS PLAN: Please see finding number 5 under the conditional use permit section of this report.

ALTERNATIVE COMPLIANCE. The Planning Commission or zoning administrator 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.

Alternative compliance is requested by the applicant to meet the standard to allow blank, uninterrupted walls that do not include windows, entries, recesses or projections, or other architectural elements, that exceed 25 feet in length on the parking garage level that faces the public alley and the West elevation. These walls offer little or no visual interest or architectural relief. The primary material is precast concrete. The wall facing the alley is an average of 7.5 feet tall and spans a width of 198 feet from where the 720 building approval ends. Two stair cases and a mechanical louver are the only elements that break up that façade. The west building wall is 134 feet long and about seven feet tall. Landscaping along these walls is proposed. Although the applicant is proposing many site amenities, most of those amenities are not reasonably related to the building facades. Large amounts of windows are proposed on the habitable levels of the building. Adding fenestration or other elements such as architectural details or public art on the walls would make them more compatible with the rest of the structure.

RECOMMENDATIONS

Recommendation of the Community Planning and Economic Development Department – Planning Division for the Conditional Use Permit for a Planned Unit Development:

The Community Planning and Economic Development Department – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a conditional use permit to amend a planned unit development to construct a ten-story building with 109 dwelling units located at 710-730 North 4th Street, subject to the following conditions:

1. Submittal of a development plan including multiple, adequate site amenities for the rest of the land in the PUD as part of the final site plan approval of the 730 building. At a minimum, the landscaping requirements of Chapter 530 Site Plan Review shall be implemented.

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

The Community Planning and Economic Development Department – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance to reduce the rear yard setback requirement from 23 feet to 3 feet to allow a 10-story building located at 710-730 North 4th Street.

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

The Community Planning and Economic Development Department – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance to reduce the rear yard setback requirement from 23 feet to 0 feet to allow 9 balconies on a 10-story building located at 710-730 North 4th Street.

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

The Community Planning and Economic Development Department – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for a variance to reduce the minimum lot area requirement per dwelling unit from 606.3 square feet to 429.3 square feet, or 29.2%, located at 710-730 North 4th Street.

Recommendation of the Community Planning and Economic Development Department – Planning Division for the Site Plan Review:

The Community Planning and Economic Development Department – Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the application for site plan review to allow a ten-story building with 109 dwelling units located at 710-730 North 4th Street, subject to the following conditions:

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1. Planning Department staff review and approval of the final elevations, site and landscape plans.
2. Site improvements required by Chapter 530 or by the City Planning Commission shall be completed by September 19, 2007, or the permit may be revoked for non-compliance.
3. Transparent railings are installed on the front, accessible ramp.
4. Blank, uninterrupted walls that do not include windows, entries, recesses or projections, or other architectural elements, shall not exceed 25 feet in length on the West and North walls of the parking garage.

Attachments:

1. Zoning code information sheet
2. PUD information
3. Preliminary Development Review comments
4. Statement of use
5. Findings
6. Correspondence
7. Zoning map
8. Plans
9. Photos
10. History of the Dial Building