

Department of Community Planning and Economic Development – Planning Division
Conditional Use Permits, Variances, Site Plan Review, Alley Vacation and Preliminary Plat
BZZ-2558, Vac-1469 and PL -178

Date: October 31, 2005

Applicant: Principal Life Insurance Company

Address of Property: 1301 West Lake Street, 1311 West Lake Street, 3008 Fremont Avenue South, 3012 Fremont Avenue South, 1323 West Lake Street, 1401 West Lake Street, 1409 West Lake Street, 3003 Hennepin Avenue, 3027 Hennepin Avenue, 3037 Hennepin Avenue, 3043 Hennepin Avenue and 3045 Hennepin Avenue

Project Name: Calhoun Square

Contact Person and Phone: Tony Gleekel, Siegel, Brill, Greupner, Duffy & Foster, P.A., (612) 337-6100

Planning Staff and Phone: Hilary Watson, (612) 673-2639
Jason Wittenberg, (612) 673-2297

Date Application Deemed Complete: September 12, 2005

End of 60-Day Decision Period: November 11, 2005

End of 120-Day Decision Period: On October 25, 2005, staff sent a letter to the applicant extending the decision period to no later than January 10, 2006.

Ward: 10 **Neighborhood Organization:** Calhoun Area Residents Action Group, East Calhoun Community Organization, East Isles Residents Association, Lowry Hill East Neighborhood Association

Existing Zoning: C2, Neighborhood Corridor Commercial District and C3A, Community Activity Center District both with the PO Pedestrian Oriented Overlay District

Proposed Zoning: C3A, Community Activity Center District with the PO Pedestrian Oriented Overlay District

Zoning Plate Number: 24

Legal Description:

1301 West Lake Street: The East 93-95/100 feet of Lots 1 and 2, Block 12, Calhoun Park, Hennepin County, Minnesota

1311 West Lake Street: The West 35 feet of Lots 1 and 2, Block 12, Calhoun park, Hennepin County, Minnesota.

Proposed Use: Planned Commercial Development including a total of approximately 320,000 square feet of commercial space and 124 dwelling units

Concurrent Review:

Rezoning: of the properties located at 1301 and 1311 West Lake Street from C2 to C3A

Conditional use permit: Planned Commercial Development including a total of approximately 320,000 square feet of commercial space and 124 dwelling units

Conditional use permit: for a shopping center

Conditional use permit: for 124 dwelling units

Conditional use permit: for a parking ramp expansion

Conditional use permit: for 24-hour operations of the parking ramp

Variance: to increase the gross floor area of six individual commercial spaces within the shopping center from the maximum 9,600 square feet each

Variance: to reduce the front yard setback along Fremont Avenue South from the required 17 feet to five feet to allow a surface parking lot

Site plan review

Alley vacation: All that part of the public alley as dedicated in Block 12, Calhoun Park Addition, lying South of Lake Street, and North of the South line of Lot 9, Block 12, extended East and the South line of Lot 4, Block 12 extended West, all in the plat of Calhoun Park, Hennepin County, Minnesota

Preliminary Plat (PL-178)

Applicable zoning code provisions: Chapter 525, Article VI, Zoning Amendments, Chapter 525, Article VII, Conditional Use Permits, Chapter 525, Article IX, Variances, specifically Section 525.520(1) “to vary the yard requirements, including permitting obstructions into required yards not allowed by the applicable regulations”, Section 525.520(3) “to vary the gross floor area, the floor area ratio and seating requirements of a structure or use”, Chapter 530, Site Plan Review, Chapter 598, Land Subdivision Regulations

Background: The City Planning Commission, at its meeting of October 5, 2005, continued the applications to the meeting of October 31, 2005. To allow additional time for the applicant to consider possible revisions and to allow staff a reasonable amount of time to respond to those revisions, staff recommends that the Commission further continue the applications to the meeting of November 28, 2005.

Calhoun Square is an existing shopping center located on the southeast corner of the intersection of West Lake Street and Hennepin Avenue in the middle of the area known as Uptown in Minneapolis. The proposed development site encompasses more land than the actual shopping center building does today. The development site includes the entire block bounded by West Lake Street on the north, Hennepin Avenue on the west, West 31st Street on the south and vacated Girard Avenue South on the east. The site also includes the entire west half of the block located on the east side of vacated Girard Avenue South and the properties located on the southwest corner of West Lake Street and Fremont Avenue South including 1301 and 1311 West Lake Street and 3008 and 3012 Fremont Avenue South.

The development involves the expansion of the existing shopping center, the construction of an office building, the construction of three residential buildings containing a total of 124 dwelling units and

an expansion of the existing parking ramp. All of the different buildings would be connected to one another via a new skyway system. Several existing buildings would be demolished to allow the new development to proceed. The applicant is also proposing to vacate the northern portion of the alley located on the block between Fremont Avenue South and vacated Girard Avenue South and redirect it to Fremont Avenue South.

There is a mixture of uses within the existing shopping center. Uses include a variety of general retail stores including clothing stores, a book store and home furnishing stores, restaurants and offices. The applicant has indicated that although it is not known which uses will remain in the building after the addition is complete, that the mix of uses will remain the same. In addition, more office space and for-sale condominiums will be added to the site.

Portions of the building exceed the maximum height allowed in the C3A zoning district (four stories or 56 feet). Chapter 527, Planned Unit Development authorizes the City Planning Commission to approve exceptions to the zoning regulations that are applicable to the zoning district in which the development is located. The applicant is seeking an exception to the maximum height requirement through the conditional use permit application for the planned commercial development.

In the C3A zoning district, the maximum floor area of individual retail sales and services uses cannot exceed 4,000 square feet. If there is no parking between the building and the street and the building is at least two stories in height the maximum floor area of the retail sales and services uses may be increased to 8,000 square feet. Through the conditional use permit application for the planned commercial development a 20 percent density bonus may be granted. This would allow the retail sales and services uses to be as large as 9,600 square feet. The applicant has indicated that there could be as many as six individual uses located within the shopping center that exceed 9,600 square feet. The applicant has applied for a variance to increase the size of these uses beyond 9,600 square feet.

The zoning code requires 1 parking space per dwelling unit, 1 parking space per 300 square feet of gross floor area over 4,000 square feet for general retail sales and services uses and office uses, 1 space per 300 square feet of gross floor area for clinics and parking equal to 30 percent the capacity of food and beverage uses. Within the building there are 124 dwelling units, approximately 181,000 square feet of general retail sales and services uses, approximately 91,000 square feet of office space, approximately 13,000 square feet of clinic space and approximately 20,000 square feet of food and beverage space available to the general public.

However, per section 541.200, Transit incentives, the parking requirement for the residential portion of the development may be reduced by ten percent as the development is located within 300 feet of a transit station with midday service headways of 30 minutes or less. In addition, per the same section of the zoning code, the parking requirement for all uses, including residential, may be reduced by ten percent as there is a transit stop located within the development.

The parking requirement for this development is as follows; 101 spaces for the residential portion, 531 spaces for the general retail sales and services portion, 263 spaces for the office portion, 41 spaces for the clinic portion and 359 spaces for the restaurant portion. Given this, the parking requirement is 1,295 parking spaces. The applicant proposes to have a total of 1,013 parking spaces

on the site. Of these spaces, 124 of them are reserved for the residential portion of the development all of the time. Again, Chapter 527, Planned Unit Development authorizes the City Planning Commission to approve exceptions to the zoning regulations that are applicable to the zoning district in which the development is located. The applicant is seeking an exception to the parking requirement through the conditional use permit application for the planned commercial development. The applicant is also seeking an exception to the loading requirement.

The applicant has discussed with city staff the possible historical significance of those buildings that are proposed to be demolished as part of this development. None of the buildings that are proposed to be demolished are historically designated; however, the building located at 3045 Hennepin Avenue may be a potential historic resource. The applicant has hired Hess Roise to evaluate the building's significance. At this time the outcome of this investigation is not known.

The applicant has met with the Calhoun Area Residents Action Group (CARAG) which is the official neighborhood group. The neighborhood group voted to deny all of the requested land use applications. A letter of explanation from CARAG is in the staff report.

Travel Demand Management Plan: Developments containing more than 4,000 square feet of new or additional gross floor area, or more than four new or additional parking spaces located within the PO Overlay District in and around the intersection of West Lake Street and Hennepin Avenue South are required to prepare a Travel Demand Management Plan (TDMP). The TDMP shall address the transportation impacts of the development on air quality, parking and roadway infrastructure.

The City has received a TDMP that is likely to be approved.

RECOMMENDATIONS

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission **continue** the rezoning application to the meeting of November 28, 2005.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission **continue** the conditional use permit application for a Planned Commercial Development to the meeting of November 28, 2005

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission continue the conditional use permit application for a shopping center to the meeting of November 28, 2005.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission continue the conditional use permit for 124 dwelling units to the meeting of November 28, 2005.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission continue the conditional use permit application for a parking ramp expansion to the meeting of November 28, 2005.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission continue the conditional use permit application for 24-hour operation of the parking ramp to the meeting of November 28, 2005.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission continue the variance application to increase the gross floor area of six individual commercial spaces to the meeting of November 28, 2005.

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

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The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission **continue** the site plan review for a mixed-use development to the meeting of November 28, 2005.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission **continue** the vacation application to the meeting of November 28, 2005.

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

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission **continue** the preliminary plat application to the meeting of November 28, 2005.

Attachments:

1. Statement of proposed use and description of the project
2. List of current tenants located within the development site
3. Rezoning, conditional use permit and variance findings
4. Alley vacation application
5. September 28, 2005, letter from Public Works regarding the alley vacation
6. September 22, 2005, letter from the applicant regarding the alley vacation with attachments
7. Responses from the various utility companies regarding the alley vacation
8. September 28, 2005, memo from Public Works regarding the preliminary plat
9. July 21, 2005, letter to Council Member Niziolek
10. July 21, 2005, letter to CARAG
11. September 26, 2005, letter with attachments from CARAG
12. July 25, 2005, letter to Greg Mathis regarding the historical significance of those buildings to be demolished with attachments
13. August 10, 2005, e-mail from Greg Mathis
14. Polices for the Uptown area from *The Minneapolis Plan*
15. Preliminary Design Review notes
16. Zoning Map
17. Civil drawings, site plan, floor plans, elevations and section drawings
18. Photographs of the site