

**Department of Community Planning and Economic Development – Planning
Division**
Conditional Use Permit, Variance and Site Plan Review
BZZ-2639
Preliminary Plat
PL-181

Date: October 31, 2005

Applicant: Hi-Lake Center, LLC and Wellington Management Inc.

Addresses of Property: 2104 – 2218 East Lake Street

Project Name: Hi-Lake Center

Contact Person and Phone: Peter Hilger, Portfolio Design, 2340 N. Lexington Avenue,
Roseville, MN 55113, (651)631-1300

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

Date Application Deemed Complete: September 20, 2005

End of 60-Day Decision Period: November 19, 2005

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

Ward: 9 Neighborhood Organization: East Phillips Neighborhood Assn.

Existing Zoning: C2 (Neighborhood Corridor Commercial District), PO (Pedestrian Oriented) Overlay District

Proposed Zoning: Not applicable for this application

Zoning Plate Number: 27

Lot area: 346,141 square feet or 7.9 acres

Legal Description: See attachment.

Proposed Use: Planned Commercial Development to include a new mixed-use building with a grocery store at the first level and 3 stories and 36 residential housing units above, construction of an addition to the existing Pineda Taco Building that adds smaller retail spaces on the east and west side of the building and also expands the Pineda Taco space, demolition of the existing Subway facility with drive through and a re-plat of the property.

Concurrent Review:

- Conditional Use Permit for a Planned Unit Development.
- Variance of the Pedestrian Overlay District standards.
- Site Plan Review.
- Preliminary Plat.

Applicable zoning code provisions: Chapter 525, Article VII, Conditional Use Permits, Chapter 525, Article IX, Variances, Chapter 530 Site Plan Review and Chapter 598, Land Subdivision.

Background: The applicant proposes a mixed-use Planned Commercial Development for the Hi-Lake Shopping Center site located on the property at 2104 – 2218 East Lake Street. The property is currently zoned C2 and is located within the PO district. The existing parcel contains a large shopping center and two stand alone buildings including the Subway and Pineda Taco building. The project as proposed would include: **(1)** The demolition of the existing Subway facility with drive-thru; **(2)** construction of a new 15,428 square foot Aldi grocery store with 36 units of housing and a 34 car underground parking garage exclusively for the residential units at the southwest corner (a total of 45 spaces, 11 are tandem and are not included in the overall parking calculation); **(3)** construction of a new addition to the existing Pineda Taco building to include additional retail suites on the east and west side of the building. The proposed addition would “engulf” the existing structure in order to accomplish a new look consistent with the rest of the shopping center. Subway would relocate to one of the new retail suites without a drive-thru facility; **(4)** new site improvements, including parking configurations and circulation; **(5)** re-plat of the property into two lots.

The applicant proposes to replat the Hi-Lake Center property in a manner that would subdivide the existing lots into two lots. The existing parcel, according to the applicant’s survey, has 346,141 square feet. A 57,381 square-foot parcel would be divided from the main shopping center lot in order to construct a mixed-use building with a grocery store and 3 levels of housing above.

The Planning Commission approved a site plan review application (BZZ – 421) for the Hi-Lake Center in 2003 and in 2004 (BZZ-1940). The 2004 application was approved for a one-story Aldi Grocery store at the southwest corner of the property (at the intersection of 21st Street South and Lake Street). The Subway and Pineda Taco facilities would have been maintained in their current condition. The area of the site on which the grocery store would have been built was previously occupied by a fast food restaurant that was destroyed by fire. While the building was approved, the proposed subdivision of the parcel was not approved, therefore the proposal did not move forward.

Staff has not received correspondence from the East Philips Neighborhood Association regarding the proposal upon the printing of this report, however, an email from the Corcoran Neighborhood Association has been attached for reference.

CONDITIONAL USE PERMIT –for a Planned Commercial Development

Exceptions to Zoning Ordinance Standards: 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. This may be done only upon finding that the Planned Unit Development includes adequate site amenities to address any adverse effects of the exception.

Exceptions requested:

(1) Building Height: The height requirement in the C2 zoning district is four stories or 56 feet, whichever is less. In a Planned Unit Development the height of structures may be increased for the purposes of promoting an integrated project that provides additional site amenities. The proposed height of the grocery store/residential building is 5 stories or 53 feet 6 inches tall. In order to accommodate the grocery store on the first level, the first story is 16 feet tall and thus constitutes 2 stories as the maximum height of a story is 14 feet.

Findings as Required by the Minneapolis Zoning Code for the Conditional Use Permit:

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

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

The Planning Division does not generally believe that a planned commercial development would be detrimental to or endanger the public health, safety or general welfare. The property is currently a shopping center with a large surface parking lot and a more unified Planned Unit Development is a more desirable use of the subject properties. The integration of housing, a grocery store, restaurants and additional retail space is an appropriate use of the site.

Building height: Staff would not expect that the proposed increase in height for the grocery store/residential building would endanger the public health, safety, general welfare or the general comfort of the public. Even though the proposed building would technically be defined as a 5-story building, the overall height in feet is less than the maximum permitted.

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 Planning Division does not generally believe that a planned commercial development would be injurious to the use and enjoyment of surrounding property nor would it impede the normal development of the surrounding area. The creation of additional uses on site, especially multi-family housing is an appropriate use.

Building height: The overall height of 53 feet 6 inches is less than the maximum of 56 feet allowed in the C2 district. Staff would not expect that the proposed height would be injurious to the use and enjoyment of other property in the vicinity and would not impede the normal or orderly development and improvement of surrounding property.

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

The applicant would be required to work closely with the Public Works Department and with the Plan Review Section of the Inspections Department and the various utility companies during the duration of the development to ensure that all procedures are followed in order to comply with city and other applicable requirements.

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

Off-Street parking requirements in the Transit Station Areas for non-residential uses shall be 75% of the number specified in Chapter 541, off-Street Parking and Loading. Further, the minimum off-street parking requirement for multiple-family dwellings shall be 90% of the number specified in Chapter 541. With a gross floor area of 15,428 square feet, the applicant would be required to provide 38 spaces for the grocery store per Chapter 541. However, based on the 75% provision only 29 spaces would be required.

Parking for the residential portion of the development would be provided in the underground parking ramp located below the building. The 34 car underground parking garage is exclusively for the residential units (a total of 45 spaces are actually provided however, 11 are tandem and are not included in the overall parking calculation). Based on the 90% provision, 32 spaces would be required for 36 units.

Additional parking for the new restaurant/retail spaces would be 23 spaces, but with the 75% reduction only 17 spaces would be required.

The Hi-Lake Center parking requirement was previously identified as 329 spaces which was prior to 75% provision for non-residential uses in the Transit Station Area. Utilizing that provision, 247 would be required for those uses. A total of 325 parking spaces would be required with the addition of the new uses on site.

The figures provided on the applicant's site plan indicate that a total of 340 parking spaces would be provided in the Hi-Lake center site with an additional 34 stalls located in the underground parking garage for residential uses for a total of 374 parking spaces on site. The parking provided exceeds the minimum requirements.

Staff believes that adequate measure would be provided to minimize traffic congestion in the public streets.

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

According to the *Minneapolis Plan*, the site is located on a Commercial Corridor and in a designated Transit Station Area (TSA), identified in the comprehensive plan as those areas generally within one-half mile of light rail transit stations. Staff has identified the following policies and implementation steps that apply to the proposal:

Relevant Policy: 9.36 Minneapolis will encourage both a density and mix of land uses in TSAs that both support ridership for transit as well as benefit from its users.

Relevant Implementation Steps:

- Concentrate highest densities and mixed-use development nearest the transit station and/or along Commercial Corridors, Community Corridors and/or streets served by local bus transit.
- Ensure that new development density is well integrated with existing neighborhood character through transitions in scale and attention to design.
- Support and encourage small-scale, pedestrian-oriented services and retail uses to locate near stations and within mixed-use buildings to serve transit riders and the immediate neighborhood.

Relevant Policy: 9.37 Minneapolis will require design standards for TSAs that are oriented to the pedestrian and bicyclist and that enforce traditional urban form.

Relevant Implementation Steps:

- Ensure that TSA building and site design is oriented to the pedestrian (e.g., reinforcing street walls, anchoring street corners, creating semipublic outdoor spaces, creating visual interest, providing adequate fenestration, and ensuring that principal building entrances open onto public sidewalks).
- Ensure that new development and renovation of existing structures adhere to the principles of Crime Prevention Through Environmental Design (CPTED).
- Ensure that TSA development is well integrated into the surrounding neighborhoods through attention to building design, landscaping, and transitions in density and land use.

Relevant Policy: 9.39 Minneapolis recognizes that parking is a necessary part of the urban environment, but will limit the amount, location, and design of parking in TSAs in order to encourage and support walking, bicycling, and transit use.

Relevant Implementation Steps:

- Allow reductions in minimum off-street parking requirements.
- Support shared use of parking by commercial uses with different peak periods of parking demand.
- Restrict the location of off-street parking for new development to the side or rear of buildings, so that there are direct connections between the public sidewalk and the principal entrances of buildings.
- Limit the amount of street frontage for new off-street parking lots and require landscaping between parking lots and public sidewalks.

The development proposal is in conformance with the above noted principles, policies and implementation steps of the comprehensive plan.

6. And, does in all other respects conform to the applicable regulations of the district in which it is located.

With the approval of the conditional use permit, variance, site plan review and preliminary plat this development will meet the requirements of the C2 zoning district.

Additional Findings Required for a Planned Unit Development

(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 character of the uses in the proposed planned commercial development would be compatible with the surrounding area. The development would include a mix of retail/commercial and residential uses. The proposed uses are similar to others that exist in the area and the proposed site elements are accessible to both potential residents of the development as well as non-residents.

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.

Staff would expect that the traffic generation characteristics of the planned unit development in relation to street capacity, vehicular access, parking and loading areas, pedestrian access as well as the availability of transit alternatives is adequate. The applicant will need to continue to work with Public Works throughout the approval process. It should be noted that a TDM was not requested or required as part of the proposed development.

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 and historic features.

There are some proposed amenities which have been included in the proposal. As previously required and proposed to be implemented as part of this approval process, the 21st Street Avenue frontage would be altered. The 21st Avenue South roadway would be narrowed and a boulevard and on-street parking provided. Additionally, new site improvements including parking configurations, circulation and vegetation all could be considered site amenities.

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 appearance and compatibility of individual buildings and parking areas within the proposed planned commercial development to other site elements and surrounding development is apparent. All existing and proposed buildings are compatible in regard to building scale and massing. The proposed grocery store/residential building would incorporate brick, stucco, cement fiber siding and decorative metal elements. The Pineda Taco building with additional restaurant/retail spaces as proposed would include stucco, rock face block and blue glazed block. Staff would not expect the proposal to impact views or corridors.

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.

Public Works will be reviewing the relation of the proposed planned unit development to existing and proposed public facilities. The development would need to comply with all applicable city regulations.

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

With the approval of the preliminary and final plat(which has yet to be submitted), the proposed planned commercial development complies with all of the applicable requirements contained in Chapter 598, Land Subdivision Regulations.

VARIANCE – of the Pedestrian Overlay (PO) District Standards regarding:

(1) building façade window area for the 21st Avenue facade and lack of distribution of windows in a more or less even manner

Findings as Required by the Minneapolis Zoning Code for the 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.

Building façade window area: The property could likely be put to a reasonable use under the conditions allowed and with strict adherence to the regulations of the zoning code, however, Staff believes that granting a variance to 30% which is the standard required under Chapter 530 is reasonable. The grocery store as proposed would not meet the 40% window requirement as 21% is proposed along 21st Avenue South. The windows are also not distributed in a more or less even manner as the layout of the grocery store shows walk-in coolers located along the majority of the 21st Avenue South wall.

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.

Building façade window area: The circumstance could be considered somewhat unique to the parcel of land for which the variance is being sought. The building is subject to two 40% window requirements, as the property is located on a corner along two frontages. The distribution of windows along 21st Avenue South would not be in a more or less even manner. It would seem reasonable to grant the variance for distribution of windows should the percentage of windows be increased to 30%.

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.

Building façade window area: The granting of the variance would likely be in keeping with the spirit and intent of the ordinance and would likely not alter the essential character of the locality or be injurious to the use and enjoyment of other property in the vicinity if the applicant provides 30% window area that happens to not be evenly distributed.

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.

Building façade window area: Staff believes that the granting of the variance would likely have little impact on congestion of area streets or fire safety.

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 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 531.20 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.**

All proposed structures are located within 8 feet of the property line. Three principal structures would be located on the lots including the Aldi grocery store/residential building, expanded Pineda Taco building and the existing shopping center building. The shopping center uses have principal entrances oriented towards the large surface parking lot located on site. The grocery store would have principal entrances oriented along Lake Street with private entrances to the residential stairwell/elevators on the corner of 21st Avenue South and Lake Street as well as off of 21st Street on the north side of the building. The design of the development looks both inward into the existing surface parking lot and outward with the modifications to the existing Pineda building and the proposed Aldi/residential building to reinforce the street edge.

There are principal entrances that face the public streets. The buildings reinforce the street wall along Lake Street, maximize natural surveillance and facilitate pedestrian access. The area between the buildings and the public streets will have new and existing tree plantings and sod along the 21st Avenue South and Lake Street frontages. Staff would suggest that the applicant reverse the proposed pedestrian connection along Lake Street so that the walkway is contiguous and the landscaping is located on the boulevard. As currently proposed, it appears as though the pedestrian connection

disappears for that portion adjacent to the new parking proposed for the Aldi grocery store. This will not be permitted. Based on the active uses proposed along the Lake Street frontage, Staff does consider this to be somewhat of a pedestrian oriented development. However, the 21st Avenue frontage is not as the majority of the façade is a blank wall with few window openings and does not meet the Pedestrian Overlay District requirements.

The windows proposed between 2 and 10 feet along Lake Street provide natural surveillance and visibility by having active uses located along the public street. The proposed development meets the 10% window requirement on each floor above the first floor that faces the public street and public sidewalk in the Aldi/residential building. The expanded Pineda Taco building has windows that meet the 40% requirement as 49% is provided. All windows must comply with the standards of Chapter 530 related to tinting and shall allow views into and out of the buildings. It also appears that the window requirement has been met facing the on-site parking areas as well.

The exterior materials and appearance of the rear and side walls of the proposed buildings are proposed to be similar to and compatible with the front of the buildings within the development. Regarding the Aldi/residential building, the proposed materials will be brick, stucco and cement board siding as well as some decorative metal elements. Regarding the Pineda Taco building, the building is proposed to be composed of stucco, rock face block and blue glazed block. The proposed buildings appear to incorporate architectural elements including recesses and projections, windows and entries. There are no blank uninterrupted walls that exceed 25 feet in width on the Pineda Taco building. However, along the east ground floor elevation of the Aldi/residential building there are blank uninterrupted walls that exceed 25 feet in width. Alternative compliance is necessary. Staff believes that it is practical to require alterations to that facade as a condition of approval as those walls will be very visible in the context of the development.

There is a one-story underground parking ramp associated with the proposed residential development. Sloped floors do not dominate the appearance of the façade as the ramp is located underground. Active uses would be located on the Lake Street frontage, however not along the 21st Avenue South frontage. In Transit Station Areas, for multi-family residential uses, a minimum of one secured bicycle parking space must be provided for each dwelling unit. The bicycle parking spaces are located in the underground parking garage as they must be in an enclosed and secured or supervised area providing protection for each bicycle from theft, vandalism and weather. The development is meeting this requirement.

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.**

Clear and well-lighted walkways of at least 4 feet in width connect the building entrance to the adjacent public sidewalk and to the majority of the modified parking on site.

A transit shelter is being proposed as part of the development and would be located at the corner of Lake Street and 21st Avenue South. The applicant proposed to integrate a covered transit shelter into the building along Lake Street. The final design of the shelter shall be subject to review by the Public Works Department, the Planning Staff and Metro Transit. The applicant must work with Metro Transit to clarify which party is responsible for maintenance of the transit shelter. Staff is concerned that there may not be adequate visibility within the shelter as proposed. Staff would suggest the integration of additional windows into the stairwell in order to provide a view corridor through the corner of the building.

There is a one-story underground parking ramp associated with the proposed development. The underground ramp would have one access point on the north side of the building. Staff would expect that vehicular traffic to and from the parking garage would utilize 21st Avenue South. The proposed development has been designed to minimize conflicts with pedestrian traffic.

There would likely be no impacts on adjacent residential properties. The residentially zoned property to the west is utilized as a cemetery.

The site has been designed to minimize the use of impervious surfaces through landscaping throughout the site. There are no public alleys adjacent to the site.

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.**

Department of Community Planning and Economic Development – Planning Division
BZZ-2639

- 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.**

The proposal does not meet the 20% landscape requirement. The entire site has a total of 346,141 square feet and the footprint of the existing and proposed building total would be 138,959 square feet. A total of 41,436 square feet of landscaping on the entire site would be required to meet the 20% not occupied by buildings. According to the applicant, 33,112 square feet or approximately 16% percent of the site would be landscaped. The applicant refers to compliance with the “15% required” landscaping. While the Hi-Lake application, through alternative compliance, was required to landscape 15 percent of the net site area in 2003 the most recent proposal filed in 2004 did require that the applicant provide the 20% as a condition of approval. However, because the applicant was not processing a CUP for PUD and was attempting to subdivide a lot off of the shopping center parcel, the 20% was evaluated in the context of the newly created lot, not in conjunction with the entire shopping center site. Regardless, the 20 percent landscaping requirement of Chapter 530 applies unless the Commission grants a reduction.

While there is some new construction, there is also a building addition being proposed as part of the project. Staff believes that it is reasonable to grant alternative compliance to reduce the landscaping requirement below 20%. Based on the amount of net site area, a minimum of 82 trees and 414 shrubs must be provided but no fewer than the number that would be required to meet the landscaped yard requirements of Chapter 530. The project does not comply with the minimum number of trees as 51 trees are being proposed. The proposal does comply with the minimum number of shrubs, however, as 691 shrubs and 167 perennials are proposed.

The newly proposed parking areas do not meet the requirement that parking spaces must be located within 50 feet of an on-site deciduous tree. Staff would recommend that the Planning Commission require that the new parking areas be modified to meet the

provision, however, parking areas that were previously approved under different regulations need not comply.

Any areas not covered by buildings, walkways, driveways, seating, and parking and loading would be covered with landscaping.

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.**

The applicant is proposing to install decorative wall-mounted light fixtures throughout the site. All lighting will need to be downcast and shielded to avoid undue glare. All lighting shall comply with Chapters 535 and 541. The City's CPTED officer requested that graffiti protection be added to the buildings. Cameras will be required by Licenses on the interior of the building and the applicant should consider cameras on the exterior. It appears that the site would be adequately lighted. The applicant must ensure that lighting does not shed glare in a manner that would deter surveillance of the site. Further, the City's CPTED officer has recommended that any additional plantings follow the 3' – 7' rule to allow visibility on site.

The applicant proposes concrete curbing around the parking area. Staff recommends, however, that the applicant consider directing stormwater to the landscaped area along the east side of the parking lot.

No residential properties would be affected by headlights glare.

Significant views would not be blocked.

The project would not be expected to significantly impact the shadowing of the public sidewalk and would have little impact on wind speed or direction in the vicinity.

Some of the proposed parking is located in a one-story underground ramp, the rest of the parking is located in the surface parking lot. There are 7 loading spaces that exist on site currently. A new loading space is being proposed as part of the Aldi/residential development. The loading space would be located on the northeast side of the building.

The parking and loading facilities have been designed to avoid headlights from shining on adjacent properties.

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 use as a Planned Commercial Development is conditional in the C2 District. The property is located in the PO District. Grocery stores are permitted uses in the C2 district.

With the approval of the conditional use permit, variance, site plan review, and a preliminary plat this development would meet the requirements of the C2 zoning district.

Specific Development Standards for a planned commercial development:

A planned commercial development shall conform to the standards of Chapter 527, Planned Unit Development.

Exceptions to Zoning Ordinance Standards: 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. This may be done only upon finding that the Planned Unit Development includes adequate site amenities to address any adverse effects of the exception.

Placement of Structures: In a Planned Unit Development there may be more than one principal structure located on a lot. There will be two lots in this development with 3 separate buildings located on the lots. The Aldi/housing building would be located on its own lot with the rest of the shopping center and expanded Pineda building on the other.

Bulk Regulations:

Floor Area: The floor area ratio for the C2 zoning district is 1.7. In a Planned Unit Development the floor area ratio may be increased up to 20 percent for the purpose of promoting an integrated project that provides additional site

amenities. Staff would argue that the proposed development is not eligible for such a bonus. The project is eligible for two additional 30% density bonuses in the C2 district as the project would be providing: (1) underground parking for the proposed residential uses and; (2) for a mixed commercial-residential building. With the two additional bonuses the allowable FAR for the development would be 2.72.

The gross floor area of the development with the inclusion of the existing uses and proposed uses on site total 180,284 square feet. The FAR of the proposed development is .52.

Individual commercial uses in the C2 District are limited to 30,000 square feet of floor area.

Building Height: The height requirement in the C2 zoning district is four stories or 56 feet, whichever is less. In a Planned Unit Development the height of structures may be increased for the purposes of promoting an integrated project that provides additional site amenities. The proposed height of the grocery store/residential building is 5 stories or 53 feet 6 inches tall

Lot Requirements:

Generally: The minimum lot area for a Planned Unit Development in the C3A zoning district is two acres. This site is 346,141 square feet or 7.9 acres.

Density Bonus: The minimum lot area per dwelling unit in the C2 zoning district is 900 square feet. In a Planned Unit Development the minimum lot area per dwelling unit may be reduced up to twenty percent. This development could provide up to 384 dwelling units without a lot area reduction and 480 dwelling units on this site with a lot area reduction. The applicant is proposing to have 36 dwelling units on this site.

Yards: The project is subject to a yard requirement for the Aldi/residential building. A setback of 13 feet would be required from the newly platted north lot line (rear) to the north edge of the building. The applicant is providing a 30 foot setback. The project complies with the required yard requirement.

On-Premise Signs: No new signage has been submitted or proposed at this time. The shopping center is subject to an approved master sign plan.

Off-Street Parking and Loading:

Off-Street parking requirements in the Transit Station Areas for non-residential uses shall be 75% of the number specified in Chapter 541, off-Street Parking and Loading. Further, the minimum off-street parking requirement for multiple-family dwellings shall be 90% of the number specified in Chapter 541. With a gross floor area of 15,428 square feet, the applicant would be required to provide 38 spaces for the grocery store per Chapter 541. However, based on the 75% provision only 29 spaces would be required. The grocery store would comply with the parking maximum in Chapter 551.140 as the number of accessory parking spaces aren't exceeding 150 percent of the minimum requirement.

Parking for the residential portion of the development would be provided in the underground parking ramp located below the building. The 34 car underground parking garage is exclusively for the residential units (a total of 45 spaces are actually provided however, 11 are tandem and are not included in the overall parking calculation). Based on the 90% provision, 32 spaces would be required for 36 units.

Additional parking for the new restaurant/retail spaces would be 23 spaces, but with the 75% reduction only 17 spaces would be required.

The Hi-Lake Center parking requirement was previously identified as 329 spaces which was prior to 75% provision for non-residential uses in the Transit Station Area. Utilizing that provision 247 would be required for those uses. A total of 325 parking spaces would be required with the addition of the new uses on site. Note, however, that inclusion of the proposed transit shelter would allow for further reduction of the off-street parking requirement.

The figures provided on the applicant's site plan indicate that a total of 340 parking spaces would be provided in the Hi-Lake center site with an additional 34 stalls located in the underground parking garage for residential uses for a total of 374 parking spaces on site. The parking provided exceeds the minimum requirements.

In Transit Station Areas, for multi-family residential uses, a minimum of one secured bicycle parking space must be provided for each dwelling unit. The bicycle parking spaces are located in the underground parking garage as they must be in an enclosed and secured or supervised area providing protection for each bicycle from theft, vandalism and weather. The development is also meeting this requirement.

Specific Development Standards: Grocery stores are subject to the following specific development standards, as indicated in section 536.20 of the zoning code:

Grocery store

The premises, all adjacent streets, sidewalks and alleys, and all sidewalks and alleys within one hundred (100) feet shall be inspected regularly for purposes of removing any litter found thereon.

Hours of Operation: Maximum hours open to the public in the C2 District are as

follows: Sunday through Thursday, from 6:00 a.m. to 10:00 p.m. and Friday and Saturday, from 6:00 a.m. to 11:00 p.m. The applicant has indicated that the use would operate within these permitted hours.

Dumpster screening: A refuse enclosure would be located at the rear of the parcel, near the northeast corner of the building. It would be brick to match the building. The refuse storage must meet 535.80 of the zoning code.

535.80. Screening of refuse storage containers. 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. Single and two-family dwellings and multiple-family dwellings of three (3) and four (4) units shall not be governed by this provision.

MINNEAPOLIS PLAN

See the above listed response to finding #5 in the conditional use permit application for the planned commercial development.

Section C: Conformance with Applicable Development Plans or Objectives Adopted by the City Council

The City Council adopted the *Hiawatha/Lake Station Area Master Plan* on May 18, 2001, and *Development Objectives for the Hi-Lake Center* on December 28, 2001.

The station area master plan refers specifically to the Hi-Lake Center site as follows:

1. Hi-Lake Shopping Center

A key early development opportunity at the center of the mixed-use TOD core area. The strategic location of this site supports densities in the range of F.A.R. 2.5 to F.A.R. 3.0 for high intensity ground-related residential uses (ranging from 150 to 450 units) mixed with street level retail fronting Lake Street and connected directly to the LRT station. Special accommodations are made for transit transfer at street level, in the vicinity of 22nd Avenue and Lake Street. The extension of the Hiawatha pedestrian path and bikeway parallels the elevated LRT guideway and connects to a transit plaza and the north access to the LRT station spanning Lake Street.

The plan refers to the Hi-Lake Center site as a catalyst site for transit oriented development as follows:

Catalyst Development

Conditions favoring development are substantially in evidence in the Lake Street station area. Aided by transit-supportive corridor policies and incentive programs, implementation of TOD should take advantage of early opportunities associated with the construction of LRT as a first priority.

On the strength of its strategic location adjacent to the north access to the LRT station and potential contribution as a seed project for Lake Street commercial revitalization, the Hi-Lake Shopping Center qualifies as a catalyst TOD site. Site suitability and development capacity studies suggest that a mix of rental apartments/senior housing, condominium apartments and live-work townhouses could be accommodated in a phased development program that would also support neighborhood-serving retail uses.

At a net developable area of 5 acres and two times site coverage (i.e. average F.A.R. 2.0), total development capacity is in the order of 450,000 square feet or approximately 3.5 times the present density. The preferred range of potential new development for the site has been identified at no less than 150 and no more than 450 new housing units, and between 50,000 and 150,000 square feet of retail in some form of blended mixed use on the site. This development could be accommodated in ground related buildings ranging from three to six stories in height. Lake Street improvements should be completed concurrent with the target date for completion of the first phase of development to enhance marketability and provide a high amenity environment for subsequent phases.

• Building Height:

The maximum height of buildings should not exceed the limits for ground-related built form or 6 stories above grade. The principles of transitional zoning suggest a height gradient from 2 to 4 stories adjacent to established single family residential areas rising to the maximum allowable height adjacent to the LRT station site.

III. Objectives

The City of Minneapolis seeks to achieve the following objectives within the Hi-Lake Center area:

- a. Ensure compact, mixed-use development that will capitalize on the presence of LRT service and continue to serve neighborhood needs into the future.
- b. Increase housing choices by promoting new mixed income ownership and rental housing development.

- c. Increase the number and quality of affordable homeownership and rental housing opportunities.
- d. Increase the quality and quantity of retail business services in the neighborhood.
- e. Improve public access to the Hi-Lake Center site from all surrounding neighborhoods.
- f. Integrate multi-modal transportation connections, with special attention to pedestrian connections, with the purpose of making the area an important transit hub.
- g. Enhance the tax base of the neighborhood.
- h. Incorporate principles of sustainability in any development proposal, specifically in the areas of energy efficiency, water efficiency, materials selection, landscaping and on-site management of stormwater and other water resources.
- i. Utilize pedestrian-oriented urban design principles to promote a sense of security, human scale building features and focused activity related to the sidewalk and the street.
- j. Ensure that proper design and use of the built environment lead to a decrease in the incidence and fear of crime, applying the strategies of Crime Prevention Through Environmental Design (CPTED) (e.g., natural surveillance, natural access control and territorial reinforcement).

The development objectives document listed a set of standards that the City will use to evaluate development proposals for the site:

IV. Evaluation Standards

Proposed development should be responsive to the *Guidelines for Transit Oriented Development at the Hi-Lake Center (July 2001)*, prepared by the Hi-Lake Advisory Committee and the City of Minneapolis.

Development should respect the existing and emerging character of the neighborhoods and the principles of sustainable development as defined in the *Guidelines for Transit Oriented Development at the Hi-Lake Center (July 2001)*.

Development should ultimately include horizontal and/or vertical mixes of a combination of commercial uses, such as retail, service, or office space; public space; and a variety of housing types affordable to different income levels, consistent with City housing policy.

Development of the site should create a place with a unique, memorable and attractive character that facilitates and supports community gathering.

The principal criteria that will be used to evaluate development proposals are listed below:

- . Mix of uses (housing, retail, open space/public space)
- . Integration of transportation modes - e.g., LRT, trolleys, buses, bikes, walking, wheelchairs
- . Community compatibility
- . Congruence with principles of sustainable development
- . The share of public cost and its contribution to overall economic feasibility

Design standards for the site include the following:

Specific Design Standards

- a) Building height and intensity should be greatest near the southeast corner of the site which is nearest the station entrance, and preserve lower heights and lesser massing on the sites western (21st Avenue) and northern (29th Street) boundaries.

- b) The specific design standards are advisory, illustrating a preferred approach for design and planning new development on the site. The standards address issues such as site design, building massing and height, building placement, public infrastructure and streets as well as environmental design and construction objectives.

Copies of the specific design standards can be found in the *Guidelines for Transit Oriented Development at the Hi-Lake Center (July 2001)*, available on request from the Planning Department and the MCDA. The Vision section of this document is included for reference in the Appendix.

In addition to the plans noted above, the *Corcoran Midtown Revival Plan* was adopted by the City Council on October 11, 2002. The plan states that, “Along Lake Street between Cedar and Hiawatha the street should be an active street with retail uses at street level and generally two or three stories of housing above.” The Corcoran neighborhood is directly across Lake Street from the site in question.

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.**

Along the east ground floor elevation of the Aldi/residential building there are blank uninterrupted walls that exceed 25 feet in width. Alternative compliance is necessary. Staff believes that it is practical to require alterations to that facade as a condition of approval as those walls will be very visible in the context of the development. Staff would recommend that the Planning Commission require as a condition of approval that the east elevation be modified to incorporate architectural elements including recesses and projections, windows and entries.

Alternative compliance would also be necessary as the applicant is not meeting the 20% landscaping requirement and quantities for on site trees. Staff believes that it is reasonable to grant alternative compliance to approximately 16%, however there are additional opportunities for on site trees. Staff would recommend that the Planning Commission require as a condition of approval that the landscape plan be modified to include additional trees.

PRELIMINARY PLAT –

Required Findings:

1. Subdivision is in conformance with the land subdivision regulations including the requirements of section 598.100 relating to protection of natural resources, applicable regulations of the Zoning Code, and policies of the Comprehensive Plan.

The subdivision is in conformance with the design requirements of the land subdivision regulations. The site would be a fully developed property should the land use applications be approved with some existing and proposed buildings up to the property lines.

2. 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 plat would create two lots for the proposed planned unit development. One lot would be for the Aldi/housing building and the other for the rest of the development. Cross access and parking easements would be provided as required.

3. All land intended for building sites can be used safely without endangering the residents or uses of the subdivision and the surrounding area by peril from

floods, erosion, high water table, severe soil conditions, improper drainage, steep slopes, utility easements, rock formations, or other hazard.

The site is flat and does not present the above 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.

The lots being created by this plat present no foreseeable difficulties for the proposed development. No significant alterations to the land appear necessary.

5. The subdivision makes adequate provision for storm or surface water runoff, and temporary and permanent erosion control. The stormwater drainage system shall be separate and independent of any sanitary sewer system. All plans shall be designed in accordance with rules, regulations and standards of the city engineer. Facilities intended to be dedicated to the City shall be located in perpetual, unobstructed easements of a width determined to be adequate and necessary by the city engineer. To the extent practicable, the amount of stormwater runoff from the site after development does not exceed the amount occurring prior to development.

Public Works will review and approve drainage and sanitary system plans before issuance of building permits.

RECOMMENDATIONS:

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 adopt the above findings and **approve** the application for a conditional use permit to allow for a Planned Commercial Development for property located at 2104 – 2218 East Lake Street.

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 adopt the above findings and **approve** the variance of the Pedestrian Overlay District standards regarding building façade window area for property located at 2104 – 2218 East Lake Street subject to the following condition:

Department of Community Planning and Economic Development – Planning Division
BZZ-2639

1. Modification of the façade along 21st Avenue South to incorporate 30% clear windows on the first floor.

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

The Department of Community Planning and Economic Development– Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the site plan review application for property located at 2104 – 2218 East Lake Street subject to the following conditions:

1. Planning Staff review and approval of the final site, elevation and landscaping plans.
1. All site improvements shall be completed by October 31, 2007 unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.
2. Approval of the conditional use permit for a Planned Unit Development.
3. Layout “B” as outlined by Public Works shall be incorporated into the site plan improvements and paid for by the applicant, including the new curb line and the new boulevard.
4. The east elevation shall be modified to incorporate architectural elements including recesses and projections, windows and entries so that blank, uninterrupted walls do not exceed twenty-five (25) feet in length as required by section 530.120 of the zoning code.
5. The applicant shall reverse the proposed pedestrian connection in front of the Aldi grocery store along Lake Street so that the walkway is contiguous.
6. The landscape plan shall be modified to include additional trees.
7. Plans shall be modified so that all parking spaces in the newly proposed parking areas are located within 50 feet of an on-site deciduous tree.

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

The Department of Community Planning and Economic Development– Planning Division recommends that the City Planning Commission adopt the above findings and **approve** the preliminary plat application for property located at 2104 – 2218 East Lake Street.

Attachments:

1. Statement of use, description, findings
2. Zoning map
3. Correspondence
4. Plans – site survey, site plan, floor plans, elevations, landscape plans
5. Layout B
6. PDR notes