

Department of Community Planning and Economic Development – Planning Division
Variances and Site Plan Review
BZZ-4362

Date: May 4, 2009

Applicant: Hunt Associates

Address of Property: 103 Second Street North

Project Name: First Avenue Lofts

Contact Person and Phone: Gretchen Camp with BKV Group, Inc, (612) 373-9122

Planning Staff and Phone: Hilary Dvorak, (612) 673-2639

Date Application Deemed Complete: April 8, 2009

End of 60-Day Decision Period: June 7, 2009

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

Ward: 7 Neighborhood Organization: North Loop Neighborhood Association

Existing Zoning: B4C-1, Downtown Commercial District and DP Downtown Parking Overlay District

Proposed Zoning: Not applicable for this application

Zoning Plate Number: 19

Legal Description (properties to be rezoned): Not applicable for this application

Proposed Use: Mixed-use building including 259 dwelling units and retail space

Concurrent Review:

Variance: to reduce the interior side yard setback from the required 15 feet to zero feet for residential windows.

Variance: to reduce the rear yard setback from the required 15 feet to zero feet for residential windows.

Site plan review: for a 15-story, 259-unit mixed-use development.

Applicable zoning code provisions: 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” and Chapter 530, Site Plan Review

Background: The development site is located on the westerly corner of First Avenue North and Second Street North in downtown Minneapolis. The site is currently occupied by Merit Printing which is

located in a one-story commercial building with an on-site accessory surface parking lot. The applicant is proposing to demolish the existing building and construct a 15-story, 259 unit mixed-use development. The development will include approximately 7,500 square feet of commercial space and 214 enclosed parking spaces.

The principal residential entrance to the building will be located along Second Street North while the commercial spaces will be oriented towards and accessed from First Avenue North. There will be two access points to the enclosed parking spaces; one will be located along Second Street North and one will be located along the alley. The vehicular entrance/exit along the alley will access the one below ground level of residential parking. The Second Street North vehicular entrance/exit will access the three above ground levels of residential parking and the ground level parking area for the commercial uses within the building, employees and visitors. The ground level and above ground parking levels are lined with active uses along the street sides of the building.

The dwelling units are located on floors two through fifteen of the building and are a mixture of studios, one-bedroom and two-bedroom units. The amenities level for the residents is located on the fifth floor of the building. The amenities include a club room, a theater, a fitness center, an outdoor swimming pool and an outdoor dog run.

The development site is not located in a historic district nor is the existing building historically designated. However, the properties across the alley from the site are located in the City's North Loop Warehouse Historic District and the properties across Second Street North from the site are located in the City's St. Anthony Falls Historic District. In addition, the properties across the alley from the site, across Second Street North from the site and the properties immediately adjacent to the site along Second Street North are located in the National Minneapolis Warehouse Historic District.

Travel Demand Management Plan (TDMP): Public Works has requested that a discretionary TDMP be completed for this development. A draft copy of the TDMP was submitted to Public Works on April 9, 2009. Public Works and the Planning Division sent comments back to the applicant on April 17, 2009. Given that the TDMP is not required by the zoning code it does not have to be approved before the Planning Commission takes action on the project but it must be approved before any building permits are issued.

Hennepin Avenue and First Avenue North will be converted from a one-way pair to two-way streets during 2009. Since this development site fronts on First Avenue North many changes will be happening to the street and curb lines on both Second Street North and First Avenue North. Many of the comments in the Preliminary Development Review report are related to the conversion project and will be worked out as that project progresses.

Floor Area Ratio Premiums: There are no height limits in the B4C-1 zoning district. Heights of buildings are limited by the maximum floor area ratio (FAR). To calculate FAR, one would divide the total square footage of the building (excluding that portion of the building devoted to accessory off-street parking or loading facilities, including aisles, ramps and maneuvering space) by the total square footage of the site. The lot size is 29,273 square feet. The gross floor area of the proposed building is 236,234 square feet. The resulting FAR is 8.07.

In this particular case, the maximum FAR allowed in the B4C-1 zoning district is 4.0. Section 549.110 allows a 20 percent FAR bonus for enclosed parking. This development qualifies for the density bonus which, when calculated, would result in a FAR of 4.8. In order to construct a building of the size proposed, the applicant has applied for two of the floor area ratio premiums that are allowed in the zoning code. The premiums that the applicant has applied for include freight loading terminal and mixed-use residential. FAR premiums are reviewed administratively by staff and are subject to appeal to the planning commission.

The following are the standards that the development needs to meet in order to qualify for the floor area ratio premiums:

- **Freight loading terminal, subject to the following standards:**
 - All freight loading facilities shall be located entirely below grade or entirely enclosed within the principal structure served.
 - The freight loading facilities shall be designed to meet the needs and requirements of all uses on the zoning lot.
 - The freight loading facility shall be maintained in good order for the life of the principal structure.

- **COMMUNITY PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT – PLANNING DIVISION RESPONSE**
 - The loading requirement for the development is two small loadings spaces or one large loading space. The applicant is providing one large loading space which will be accessed off of the public alley and will be fully enclosed by the building. The Planning Division has determined that this project qualifies for the floor area ratio premium.
 - **Value awarded = 2**

- **Mixed-use residential, subject to the following standards:**
 - At least ten (10) percent of the gross floor area of the principal structure shall be occupied by dwelling units.
 - The dwelling units shall be located above the first floor.
 - The dwelling units shall be maintained in good order for the life of the principal structure.

- **COMMUNITY PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT – PLANNING DIVISION RESPONSE**
 - The applicant is proposing to construct 259 dwelling units in the building located on floors 2 through 15. Over 90 percent of the total gross floor area of the building will be dwelling units. The Planning Division has determined that this project qualifies for the floor area ratio premium.
 - **Value awarded = 2**

In conclusion, the Planning Division finds that this project qualifies for both floor area ratio premiums for a total premium of 4.0. This along with the base floor area ratio of the district, the applicant could build a building with a floor area ratio of 8.8. As noted above, the applicant is proposing a total FAR of 8.07.

VARIANCE - to reduce the interior side yard setback from the required 15 feet to zero feet for residential windows

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.

Interior side yard setback: In the B4C-1 zoning district setback requirements do not typically apply. But when the use is either residential or a hotel and there are windows facing an interior side or rear property line a setback of $5+2x$, where x equals the number of stories above the first floor, is required. However, the resulting setback shall not be greater than 15 feet. A 15 story building results in a setback requirement of 15 feet.

The applicant is seeking a variance to reduce the interior side yard setback from the required 15 feet to zero feet for residential windows. The applicant has indicated that of the 161 feet of building wall facing the interior side yard only 73 feet, or 45 percent of the building wall, contains windows and are within 15 feet of the property line. The applicant has provided a letter summarizing the building code issues related to building setbacks and residential window openings. In the case of the interior side property line the amount of window openings provided is allowed per the building code.

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.

Interior side yard setback: The building has a setback requirement because there are residential units with windows facing the interior side property line. If the windows were eliminated the building could be built up to the property line. While the height of the building is responsible for the need for the variance, the proposed height is not inappropriate given its location in a downtown district where no height limitation exists.

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.

Interior side yard setback: The intent of the ordinance is to provide a setback for residential buildings or a hotel with windows facing an interior side or rear yard where a building could be built along the property line on an adjacent parcel. This is to meet building code requirements for fire protection and to prevent a situation where a building would be built on an adjacent parcel blocking the windows. The Planning Division believes that the granting of this variance would 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. The applicant has provided a letter summarizing the building code issues related to building setbacks and residential window openings and the amount proposed is allowed. It should be pointed out that if the adjacent property were redeveloped that a non-

residential building or hotel or a residential building or hotel without windows could be constructed right up to the shared property line which would block those windows that are located close to the property line.

Second Street North is the true front of the development site and so the majority of the building has been designed to abut this street. In order to provide as much light and air for the units within the development the building has been designed in the shape of a “T” on floors five through fifteen. The lower five floors of the building occupy the entire site with residential units facing Second Street North and First Avenue North. Given the design of the building the majority of the units are not located up to the interior side property line.

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.

Interior side yard setback: The Planning Division believes that the granting of the variance would likely have little impact on congestion of area streets or fire safety, nor would the setback variance be detrimental to welfare or public safety.

VARIANCE – to reduce the rear yard setback from the required 15 feet to zero feet for residential windows

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.

Rear yard setback: In the B4C-1 zoning district setback requirements do not typically apply. But when the use is either residential or a hotel and there are windows facing an interior side or rear property line a setback of $5+2x$, where x equals the number of stories above the first floor, is required. However, the resulting setback shall not be greater than 15 feet. A 15 story building results in a setback requirement of 15 feet.

The applicant is seeking a variance to reduce the rear yard setback from the required 15 feet to zero feet for residential windows. The applicant has indicated that of the 179 feet of building wall facing the rear yard only 60 feet, or 36 percent of the building wall, contains windows and are within 15 feet of the property line. The applicant has provided a letter summarizing the building code issues related to building setbacks and residential window openings. In the case of the rear property line the amount of window openings provided is allowed per the building code. Please note that the rear property line abuts a sixteen-foot wide public alley that runs through the middle of the block.

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.

Rear yard setback: The fact that the rear property line of the building abuts an alley is a unique circumstance of this parcel of land in that for building code purposes window opening calculations are measured from the centerline of the alley. The building has a setback requirement because there are residential units with windows facing the rear property line. If the windows were eliminated the building could be built up to the property line. While the height of the building is responsible for the need for the variance, the proposed height is not inappropriate given its location in a downtown district where no height limitation exists.

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.

Rear yard setback: The intent of the ordinance is to provide a setback for residential buildings or a hotel with windows facing an interior side or rear yard where a building could be built along the property line on an adjacent parcel. This is to meet building code requirements for fire protection and to prevent a situation where a building would be built on an adjacent parcel blocking the windows. The Planning Division believes that the granting of this variance would 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. The applicant has provided a letter summarizing the building code issues related to building setbacks and residential window openings and the amount proposed is allowed.

Second Street North is the true front of the development site and so the majority of the building has been designed to abut this street. In order to provide as much light and air for the units within the development the building has been designed in the shape of a “T” on floors five through fifteen. The lower five floors of the building occupy the entire site with residential units facing Second Street North and First Avenue North. Given the design of the building the majority of the units are not located up to the rear property line.

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.

Rear yard setback: The Planning Division believes that the granting of the variance would likely have little impact on congestion of area streets or fire safety, nor would the setback variance be detrimental to welfare or public safety.

SITE PLAN REVIEW

Findings as Required by the Minneapolis Zoning Code:

A. The site plan conforms to all applicable standards of Chapter 530, Site Plan Review. (See Section A Below for Evaluation.)

- B. The site plan conforms to all applicable regulations of the zoning ordinance and is consistent with applicable policies of the comprehensive plan and applicable small area plans adopted by the city council. (See Section B Below for Evaluation.)**

Section A: Conformance with Chapter 530 of Zoning Code

BUILDING PLACEMENT AND DESIGN:

- Placement of the building shall reinforce the street wall, maximize natural surveillance and visibility, and facilitate pedestrian access and circulation.
- First floor of the building shall be located not more than eight (8) feet from the front lot line (except in C3S District or where a greater yard is required by the zoning ordinance). If located on corner lot, the building wall abutting each street shall be subject to this requirement.
- The area between the building and the lot line shall include amenities.
- The building shall be oriented so that at least one (1) principal entrance faces the public street. In the case of a corner lot, the principal entrance shall face the front lot line.
- Except in the C3S District, on-site accessory parking facilities shall be located to the rear or interior of the site, within the principal building served, or entirely below grade.
- For new construction, the building walls shall provide architectural detail and shall contain windows as required by Chapter 530 in order to create visual interest and to increase security of adjacent outdoor spaces by maximizing natural surveillance and visibility.
- In larger buildings, architectural elements, including recesses or projections, windows and entries, shall be emphasized to divide the building into smaller identifiable sections.
- Blank, uninterrupted walls that do not include windows, entries, recesses or projections, or other architectural elements, shall not exceed twenty five (25) feet in length.
- Exterior materials shall be durable, including but not limited to masonry, brick, stone, stucco, wood, metal, and glass.
- The exterior materials and appearance of the rear and side walls of any building shall be similar to and compatible with the front of the building.
- The use of plain face concrete block as an exterior material shall be prohibited fronting along a public street, public sidewalk, public pathway, or adjacent to a residence or office residence district.
- Entrances 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.**
- 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.**

PLANNING DEPARTMENT RESPONSE:

- The placement of the building reinforces the street wall, maximizes natural surveillance and facilitates pedestrian access. The building is set up to the property lines along both Second Street North and First Avenue North, the residential entrance to the building will be located along Second Street North while the commercial spaces will be oriented towards and accessed from First Avenue North and there are large windows on all sides of the building that maximize the opportunities for people to observe adjacent spaces and the public sidewalks.**
- The site is located on a corner lot which requires that both walls abutting the streets be located within eight feet of the property line. The building is located up to the property lines along both Second Street North and First Avenue North**
- There are separate entrances for the residential portion of the development and the commercial portion of the development. The residential entrance to the building will be located along Second Street North while the commercial spaces will be oriented towards and accessed from First Avenue North.**
- All of the parking associated with the development is fully enclosed within the building.**
- The exterior materials of the building include brick, metal panels and cement board panels. The sides and rear of the building are similar to and compatible with the front of the building.**

- Portions of the first floor of the interior side and rear building walls are over 25 feet in length and void of any windows, entries, recesses or projections, or other architectural elements. The applicant has indicated that in order to break up the blank walls control joints have been added approximately every 15 feet. Although the control joints do not break up the blank wall they will provide some visual relief. The Planning Division is recommending that the City Planning Commission grant alternative compliance to allow the first floor of the interior side and rear building walls to be blank and over 25 feet in width. The Planning Division believes that given the size of the building the amount of blank wall in comparison to the rest of the building is minimal. In addition, the portions of the building that are blank are not located adjacent to a public street.
- A large portion of the rear building wall located at the second, third and fourth levels of the building is proposed to be covered by a mural. If this area were not painted almost the entire rear wall of the building would be blank. To ensure that the area does not remain blank the Planning Division is recommending that the applicant have a mural painted on the rear wall of the building. The applicant may choose to work with the City's Public Arts Coordinator or on their own but the final mural design should be reviewed by the Planning Division to ensure that it is not signage.
- At least 30 percent of the first floor and at least 10 percent of the upper floors of the building walls facing Second Street North and First Avenue North are required to be windows. The project's compliance with these requirements is as follows:
 - Second Street North: the percentage of windows on the first floor is 58 percent and the percentage of windows on the second through fifteenth floors of the building is greater than 10 percent.
 - First Avenue North: the percentage of windows on the first floor is 58 percent and the percentage of windows on the second through fifteenth floors of the building is greater than 10 percent.
- First floor windows are required to be clear or lightly tinted glass with a visible light transmittance ratio of 0.6 or higher. New and replacement windows are subject to this requirement.
- For non-residential uses, the zoning code requires that at least 30 percent of the windows allow views into and out of the building and be free of shelving, mechanical equipment or other similar fixtures that block views. The Planning Division is recommending that at least thirty percent of the first floor walls of the non-residential portion of the building contain windows as required by section 530.120 of the zoning code. Windows used to satisfy the ground floor requirement shall not be more than four feet above the adjacent grade.
- The roof line of the building is flat which is similar to the roof line of other buildings in the area.

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.**

PLANNING DEPARTMENT RESPONSE:

- All of the principal entrances leading into and out of the building open directly to the public sidewalks.
- No transit shelters are proposed as part of this development.
- There will be one curb cut along Second Street North which will provide access to the three above ground levels of residential parking and the ground level parking area for the commercial uses within the building, employees and visitors.
- There is a public alley on the block. The vehicular entrance/exit along the alley will access the one below ground level of residential parking. The loading area will also be accessed off of the alley.
- There is no maximum impervious surface requirement in the B4C-1 zoning district. The building occupies the entire lot.

LANDSCAPING AND SCREENING:

- **The composition and location of landscaped areas shall complement the scale of the development and its surroundings.**
- **Not less than twenty (20) percent of the site not occupied by buildings, including all required landscaped yards, shall be landscaped as specified in section 530.160 (a).**
- **Required screening shall be six (6) feet in height, unless otherwise specified, except in required front yards where such screening shall be three (3) feet in height.**
- **Except as otherwise provided, required screening shall be at least ninety-five (95) percent opaque throughout the year. Screening shall be satisfied by one or a combination of the following:**
 - **A decorative fence.**
 - **A masonry wall.**
 - **A hedge.**
- **Parking and loading facilities located along a public street, public sidewalk or public pathway shall comply with section 530.170 (b), including providing landscape yards along a public street, public sidewalk or public pathway and abutting or across an alley from a residence or office residence district, or any permitted or conditional residential use.**
- **The corners of parking lots where rows of parking spaces leave areas unavailable for parking or vehicular circulation shall be landscaped as specified for a required landscaped yard. Such spaces may include architectural features such as benches, kiosks or bicycle parking.**
- **In parking lots of ten (10) spaces or more, no parking space shall be located more than fifty (50) feet from the center of an on-site deciduous tree. Tree islands located within the interior of a parking lot shall have a minimum width of seven (7) feet in any direction.**
- **All other areas not governed by sections 530.160 and 530.170 and not occupied by buildings, parking and loading facilities or driveways, shall be covered with turf grass, native grasses or other perennial flowering plants, vines, mulch, shrubs or trees.**
- **Installation and maintenance of all landscape materials shall comply with the standards outlined in section 530.210.**
- **The city planning commission may approve the substitution or reduction of landscaped plant materials, landscaped area or other landscaping or screening standards, subject to section 530.80, as provided in section 530.220.**

PLANNING DEPARTMENT RESPONSE:

- The building occupies the entire lot.

- It should be noted that the applicant is proposing to have approximately 3,300 square feet of green space on the roof of the fifth level of the building. The applicant is also proposing to plant green boulevards along both Second Street North and First Avenue North with boulevard trees.

ADDITIONAL STANDARDS:

- **All parking lots and driveways shall be designed with wheel stops or discontinuous curbing to provide on-site retention and filtration of stormwater. Where on-site retention and filtration is not practical, the parking lot shall be defined by six (6) inch by six (6) inch continuous concrete curb.**
- **To the extent practical, site plans shall minimize the blocking of views of important elements of the city.**
- **To the extent practical, buildings shall be located and arranged to minimize shadowing on public spaces and adjacent properties.**
- **To the extent practical, buildings shall be located and arranged to minimize the generation of wind currents at ground level.**
- **Site plans shall include crime prevention design elements as specified in section 530.260 related to:**
 - **Natural surveillance and visibility**
 - **Lighting levels**
 - **Territorial reinforcement and space delineation**
 - **Natural access control**
- **To the extent practical, site plans shall include the rehabilitation and integration of locally designated historic structures or structures that have been determined to be eligible to be locally designated. Where rehabilitation is not feasible, the development shall include the reuse of significant features of historic buildings.**

PLANNING DEPARTMENT RESPONSE:

- All of the parking associated with the development is fully enclosed within the building.
- There are no height limits in the B4C-1 zoning district because it is in the downtown zoning districts where it is expected that taller buildings will be built. The footprint of the building is relatively small. Therefore, the blocking of views of prominent buildings from various vantage points should be minimized.
- Although this development will cast shadows on surrounding properties, staff believes that the effects will be minimal.
- All four sides of the building have been designed with small step backs at different levels which will help minimize ground level winds. In addition, a metal canopy will be located along Second Street North and First Avenue North which will also help minimize ground level winds.
- The site plan complies with crime prevention design elements as the entrances are clearly visible and accessed directly from the public sidewalks, there are windows where people can see in and out along sides of the building and the site is well lit.
- The development site is not located in a historic district nor is the existing building historically designated.

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:

- **Use:** Dwelling units and general retail sales and services uses are permitted uses in the B4C-1 zoning district.

- **Off-Street Parking and Loading:**

Minimum automobile parking requirement: In the B4C-1 zoning district there is no minimum automobile parking requirement for any use. The applicant will be providing 214 enclosed parking spaces on the site.

Maximum automobile parking requirement: In the B4C-1 zoning district the maximum parking requirement for the residential portion of the development is 1.6 spaces per dwelling unit or 414 parking spaces and the maximum parking requirement for the general retail sales and services uses is one space per every 500 square feet of gross floor area or 15 spaces. Of the 214 total parking spaces being provided on site 194 will be for the residential portion of the development and 20 will be for the commercial portion of the development, employees and visitors. The Planning Division is recommending that no more than 15 of the parking spaces on site be designated for the commercial uses.

Bicycle Parking: The bicycle parking requirement for the residential portion of the development is one space per every two dwelling unit or 130 bicycle spaces and the bicycle parking requirement for the general retail sales and services uses is one space per every twenty automobile parking spaces provided, but not less than four spaces. The bicycle parking requirement for the general retail sales and services uses is four spaces. The applicant has indicated that they will provide 100 bicycle parking spaces in the garage for the residents and eight bicycle parking spaces along the sidewalk for visitors. The Planning Division is recommending that a minimum of 130 bicycle parking spaces be provided within the parking garage for the residents.

Loading: The loading requirement for the residential portion of the development is two small loading spaces or one large loading space and the loading requirement for the general retail sales and services portion of the development is one small loading space. There will be one large loading space provided which will be accessed off of the public alley and will be fully enclosed by the building.

- **Maximum Floor Area:** The maximum FAR in the B4C-1 zoning district is 4.0. The lot size is 29,273 square feet. The gross floor area of the proposed building is 236,234 square feet. The resulting FAR is 8.07. The development qualifies for the 20 percent FAR bonus for enclosed parking and the freight loading terminal and mixed-use residential FAR premiums which increases the maximum FAR to 8.8
- **Building Height:** There are no height limits in the B4C-1 zoning district. Heights of buildings are limited by the maximum floor area ratio (FAR).

- **Minimum Lot Area:** The minimum lot area for dwellings in the B4C-1 zoning district is 5,000 feet. The lot is 29,273 square feet in area.
- **Yard Requirements:** Residential uses in the B4C-1 zoning district containing windows facing an interior side yard or rear yard shall provide a setback of at least 5+2x provided that the provision shall not require a setback greater than 15 feet. The setback requirement along both the interior side yard and the rear yard is 15 feet. The applicant has applied for a variance to reduce both of these setbacks.
- **Specific Development Standards:** There are no specific development standards for residential uses or general retail sales and services uses.
- **Hours of Operation:** Residential uses are not subject to hours of operation. The hours of operation for the commercial portion of the building are Sunday through Saturday, 6 am to 1 am.
- **Signs:** Signs are subject to the requirements of Chapter 543, On-premise Signs. In the B4C-1 zoning district there can be 2.5 square feet of signage for every one foot of primary building wall. Wall signs are limited to 120 square feet in size. Projecting signs are limited to 48 square feet in size. The maximum height of a wall sign is 16 feet and the maximum height of a projecting sign is 24 feet. Projecting signs are limited to a four-foot projection from the building wall. Freestanding signs are allowed in the B4S-1 zoning district. Freestanding signs are limited to 32 square feet in size and the maximum height of a freestanding sign is eight feet. The zoning code also limits the number of freestanding signs on a zoning lot to one. The applicant has not developed a sign plan at this time.
- **Refuse storage:** The applicant is proposing to have a refuse storage area inside the building.
- **Lighting:** A lighting plan showing footcandles was not submitted as part of the application materials.

MINNEAPOLIS PLAN:

The *Downtown 2010 Plan* is the adopted comprehensive plan for the downtown area. In July of 2008 the Minneapolis City Council approved the City's Comprehensive Plan, titled *The Minneapolis Plan for Sustainable Growth*. This plan, currently under review by the Metropolitan Council, will be the City's primary policy document that guides its planning and development decisions. Unlike the *Downtown 2010 Plan*, *The Minneapolis Plan for Sustainable Growth* designates land use features within the downtown area. In *The Minneapolis Plan for Sustainable Growth* the site is located in a designated Activity Center and one block off of Hennepin Avenue and one block off of Washington Avenue which are both designated Commercial Corridors. According to the Principles and Policies outlined in the *Downtown 2010 Plan*, the following apply to this proposal:

- Promote street-level design of buildings that contribute to downtown's vitality and security encouraging individual entrances to street-level building tenants, windows and architectural detailing (Downtown's Physical Setting Policy 1).

- Promote retail and other interesting uses at street level in order to reinforce the linking function of streets and to create vitality. These uses should be encouraged at the street level throughout downtown and required where the continuity of retail is important (Downtown’s Physical Setting Policy 2).
- Encourage improvements to the public right of way that support pedestrian and transit circulation and that beautify downtown (Downtown’s Physical Setting Policy 3).
 - Priority areas for street tree planting, together with selective sidewalk widening, are areas in downtown where there are high concentrations of pedestrian activity, including the core of downtown and downtown residential areas.
- Promote building heights and designs that protect the image and form of the downtown skyline, that provide transition to the edges of downtown and that protect the scale and qualities in areas of distinctive physical or historic character (Downtown’s Physical Setting Policy 7).
- Encourage new buildings adjacent to historic buildings, sites and districts to be compatible in design (Downtown’s Physical Setting Policy 18).
- Expand housing opportunities in downtown for all income levels, with an emphasis on providing additional moderate to high income, owner-occupied units (Downtown Living Policy 1).
- Ensure that new residential development contributes to the sense of neighborhoods through appropriate site planning and architectural design (Downtown Living Policy 5).

The Planning Division believes that this development meets the above policies of the *Downtown 2010 Plan*.

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.**

PLANNING DEPARTMENT RESPONSE:

- The first floor of the interior side and rear building walls are over 25 feet in length and void of any windows, entries, recesses or projections, or other architectural elements. The applicant has indicated that in order to break up the blank walls control joints have been added approximately every 15 feet. Although the control joints do not break up the blank wall they will provide some visual relief. The Planning Division is recommending that the City Planning Commission grant

alternative compliance to allow the first floor of the interior side and rear building walls to be blank and over 25 feet in width. The Planning Division believes that given the size of the building the amount of blank wall in comparison to the rest of the building is minimal. In addition, the portions of the building that are blank are not located adjacent to a public street.

RECOMMENDATIONS

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 application to reduce the interior side yard setback from the required 15 feet to zero feet for residential windows located at 103 Second Street North.

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 application to reduce the rear yard setback from the required 15 feet to zero feet for residential windows located at 103 Second Street North.

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 for a 15-story, 259-unit mixed-use development located at 103 Second Street North subject to the following conditions:

1. The applicant shall have a mural painted on the rear wall of the building. The applicant may choose to work with the City's Public Arts Coordinator or on their own but the final mural design shall be reviewed by the Planning Division to ensure that it is not signage.
2. First floor windows shall have clear or lightly tinted glass with a visible light transmittance ratio of 0.6 or higher as required by Section 530.120 of the zoning code. This information shall be identified on the final plans.
3. At least thirty percent of the first floor walls of the non-residential portion of the building shall contain windows as required by section 530.120 of the zoning code.

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4. No more than 15 automobile parking spaces within the development shall be designated for the commercial uses.
5. There shall be a minimum of 130 bicycle parking spaces provided within the parking garage for the residents.
6. Approval of the final site, elevation, landscaping and lighting plans by the Department of Community Planning and Economic Development – Planning Division.
7. All site improvements shall be completed by May 4, 2010, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.

Attachments:

1. Preliminary Development Review notes
2. Project narrative
3. Building area data
4. Shadow study
5. FAR premium request
6. March 31, 2009, letter from the applicant recapping the building code issues pertaining to setbacks and window openings
7. Responses to the variance findings
8. March 30, 2009, e-mail to Council Member Goodman and the North Loop Neighborhood Association
9. Letters from the North Loop Neighborhood Association and surrounding property owners
10. Zoning Map
11. Aerial photo of the site
12. Architectural and civil plans
13. Photos of the property