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**LAND USE APPLICATION SUMMARY**

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*Property Location:* 2301 California St NE & 78 23rd Ave NE  
*Project Name:* 2301 California St NE  
*Prepared By:* Mei-Ling Smith, Senior City Planner, (612) 673-5342  
*Applicant:* William Boulay, LSB D Minneapolis California, LLC  
*Project Contact:* Christine Pecard, ESG Architects  
*Request:* To construct a new, six-story mixed-use building with 164 dwelling units and approximately 13,400 square feet of production space.

<b>Dwelling Units</b>	164 dwelling units
<b>Non-Residential Uses</b>	Production: 13,400 sq. ft.

*Required Applications:*

<b>Rezoning</b>	Petition to rezone the properties at 2301 California St NE and 78 23 <sup>rd</sup> Ave NE to add the IL Industrial Living Overlay District to the existing I1 Light Industrial District
<b>Conditional Use Permit</b>	To allow dwelling units in the IL Industrial Living Overlay District
<b>Conditional Use Permit</b>	To increase the maximum height of a principal structure from 4 stories or 56 feet, whichever is greater, to 6 stories/ 78 feet, 4 inches
<b>Site Plan Review</b>	For a new, six-story mixed-use building with 164 dwelling units and approximately 13,400 square feet of production space

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**SITE DATA**

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<b>Existing Zoning</b>	I1 Light Industrial District
<b>Lot Area</b>	112,777 square feet / 2.59 acres
<b>Ward(s)</b>	3
<b>Neighborhood(s)</b>	Bottineau Neighborhood Association
<b>Future Land Use</b>	Production Mixed Use
<b>Goods and Services Corridor</b>	N/A
<b>Built Form</b>	Corridor 4

Date Application Deemed Complete	September 3, 2020	Date Extension Letter Sent	September 28, 2020
End of 60-Day Decision Period	November 2, 2020	End of 120-Day Decision Period	January 1, 2021



**PROJECT DESCRIPTION.** The proposed project is a six-story (78 feet) mixed-use building with 164 affordable dwelling units, and approximately 13,400 square feet of production space. The applicant states that the unit mix includes one, two, and three-bedroom units, and that all would be affordable. The building frontage along California Street NE includes amenity spaces, four walk-up units, and the non-residential space. The floors above the first are stepped back from a large portion of the front façade. The proposed exterior materials are brick, metal panel, fiber cement panel, burnished CMU, and rockface CMU.

The applicant is proposing a total of 182 parking spaces, of which 18 would serve the non-residential use (limited production and processing) and 164 would serve the residential use. There would be 75 surface parking spaces and 107 enclosed spaces. All parking would be accessed from 23rd Ave NE. The MetroTransit Route 11 bus route is considered high-frequency, so the residential parking requirement may be reduced by 50 percent (82 minimum). The parking spaces would be located along the east/rear side of the property, where there are existing, large overhead power lines, as well as within the building.

**PUBLIC COMMENTS.** Public comments have been attached to this report. Any additional correspondence received prior to the public meeting will be forwarded on to the Planning Commission for consideration.

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## ANALYSIS

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### REZONING

The Department of Community Planning and Economic Development has analyzed the application for a petition to rezone the properties at 2301 California St NE and 78 23<sup>rd</sup> Ave NE to add the IL Industrial Living Overlay District to the existing I1 Light Industrial District based on the following findings:

1. *Whether the amendment is consistent with the applicable policies of the comprehensive plan.*

The proposed zoning would be consistent with the applicable guidance and policies of Minneapolis 2040 (2020):

Future Land Use	Guidance	Staff Comment
<b>Production Mixed Use</b>	Production Mixed Use is a land use designation that allows both production and non-production uses, recognizing that while many buildings in these areas are no longer viable for modern production industries, they are increasingly occupied by a wide variety of uses that contribute to the economic health and diversity of the city. Residential uses are allowed as part of mixed use buildings that provide production space and must incorporate mitigation strategies to address potential conflicts between existing production uses and new residences. Adaptive re-use of older industrial property is encouraged.	Residential uses are proposed as part of this mixed-use development. As more than 50 percent of the first level gross floor area is dedicated to the production use, the development is consistent with the future land use guidance for the site.
<b>Built Form</b>	<b>Guidance</b>	<b>Staff Comment</b>
<b>Corridor 4</b>	New and remodeled buildings in the Corridor 4 district should reflect a variety of building types on both small and moderate-	The proposed building contains six stories and would exceed the applicable guidance of four

	<p>sized lots, including on combined lots. Building heights should be 1 to 4 stories. Requests to exceed 4 stories will be evaluated on the basis of whether or not a taller building is a reasonable means for further achieving Comprehensive Plan goals.</p>	<p>stories, maximum. A conditional use permit is required to increase the maximum allowed height in the I1 zoning district above 4 stories.</p>
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The proposed zoning would be consistent with the applicable policies of *Minneapolis 2040 (2020)*. The proposal to include the IL Overlay District would support a mix of land uses and flexible approach in implementing the comprehensive plan. The application of the IL Overlay District in an industrial area would allow for the retention of existing industrial uses while also allowing other compatible uses on the property.

The rezoning would support the plan’s goals related to affordable and accessible housing, as all 164 units are affordable at approximately 60 percent average median income (AMI), production space is provided on-site, and the property is in close proximity to commercial amenities, transit, and parks. The proposed project includes larger units to serve families less than a half-mile from a charter elementary school, approximately a half-mile to a K-12 charter school, and one mile to a public high school.

The following policies outlined in the plan apply to the proposal to add the IL Industrial Living Overlay District in this location. With the recommended conditions of approval, staff finds that the proposal is consistent with these policies and action steps:

**Policy 1. Access to Housing: Increase the supply of housing and its diversity of location and types.**

- f. Encourage inclusion of units that can accommodate families in new and rehabilitated multifamily housing developments.

**Policy 3. Production and Processing: Expand and maintain areas for production, processing, and distribution of products, services, and ideas.**

- e. Designate Production Mixed Use Areas in parts of the city that have been historically industrial, but that are not substantial opportunities for locating and growing low-impact production, processing, and distribution businesses.
- f. Allow both production and non-production land uses in Production Mixed Use Areas.

**Policy 5. Visual Quality of New Development: Ensure a high-quality and distinctive physical environment in all parts of the city through building and site design requirements for both large and small projects.**

- b. Require multiple buildings on development sites outside of the downtown core that encompass most of an entire block or block frontage to increase visual interest. On sites in the downtown core buildings that encompass an entire city block are encouraged to use massing that is responsive to the human-scale and provides pedestrian through-block connections through existing super blocks or to re-establish the street grid.
- c. Ensure that exterior building materials are durable, sustainable, create a lasting addition to the built environment, and contribute positively to the public realm and reflect existing context.
- f. Consider design approaches that encourage creative solutions for transitions between varying intensities of building types and land uses.
- g. Apply design standards, guidance, and regulation consistently across the city regardless of market conditions or rent structure of development.
- k. Encourage roof lines and upper levels of tall buildings to be articulated with a distinguishable design.
- l. Require the podiums of tall buildings to reflect the human scale, with design elements and active uses on the ground level.

**Policy 6. Pedestrian-Oriented Building and Site Design: Regulate land uses, building design, and site design of new development consistent with a transportation system that prioritizes walking first, followed by bicycling and transit use, and lastly motor vehicle use.**

- a. Orient buildings and building entrances to the street. Encourage multiple entrances to multi-family residential buildings. The number of entrances in non-residential uses should increase in proportion to the length of the building and be located along main corridors or at the street corner.
- b. Encourage multiple storefront bays with direct connections to the sidewalk where active or commercial ground floor uses are required.
- c. Require windows and window treatments on buildings that allow clear views into and out of the building.
- d. Ensure that buildings incorporate design elements that eliminate long stretches of blank, inactive exterior walls through provision of windows, multiple entrance doors, green walls, and architectural details.
- i. Coordinate site designs and public right-of-way improvements to provide adequate sidewalk space for pedestrian movement, curb extensions, street trees, street lighting, landscaping, street furniture, sidewalk cafes, and other elements of active pedestrian areas.
- k. Implement and expand regulations and incentives that promote bicycling, such as the provision of secured storage for bikes near building entrances, storage lockers, and changing and shower facilities.
- o. Require above-grade parking structures to be designed with active uses along the street walls and with sufficient clearance and floor grades on all levels to allow adaptive reuse in the future.
- q. Encourage the design of parking areas in ways that minimize their contribution to the urban heat island.
- y. Encourage building designs that reflect the unique site and context where they lie within the city.

**Policy 8. Public Safety Through Environmental Design: Use design principles that ensure a safe and welcoming environment when designing all projects that impact the public realm, including open spaces and parks, on publicly-owned and private land.**

- a. Integrate “eyes on the street” concepts into building design through the use of windows to foster safer and more successful areas throughout the city.
- b. Orient new development to the street, or other public ways, to foster safe neighborhoods.
- c. Design the site, lighting, landscaping, and buildings to promote natural observation and maximize the opportunities for people to observe adjacent spaces and public sidewalks.
- d. Provide on-site, non-glare producing lighting at all building entrances and along walkways that maintains a minimum acceptable level of security while not creating excessive lighting of the site.
- e. Locate landscaping, sidewalks, lighting, fencing, and building features to clearly guide pedestrian movement on or through the site and to provide clear delineation between public and private spaces.
- f. Use innovative building designs, window locations, lighting, and landscaping to limit or eliminate the opportunity for vandalism.
- g. Locate entrances, exits, signs, fencing, landscaping, and lighting to distinguish between public and private areas, control access, and to guide people coming to and going from the site.

**Policy 9. Open Spaces in New Development: Create new open spaces and plazas in conjunction with new development.**

- a. Encourage the creation of equitable publicly-accessible open spaces and plazas that connect to other public or semi-public spaces through incentives and requirements.
- d. Encourage design of open spaces and plazas that are interconnected across developments, facilitate public access to, movement along, and views of public amenities such as parks, trails, and historic and natural features.

**Policy 13. Landscaping: Require landscaping in conjunction with new development that complements its surroundings and enhances the built environment.**

- f. Encourage and identify opportunities to integrate green roofs, living walls, and porous pavement into development, acknowledging that these practices are not meant to be a substitute for ground-level landscaping of sites as landscaping provides both a natural amenity and aesthetic beauty to the urban landscape.
- g. Encourage boulevard landscaping and improvements, in accordance with applicable City polices and regulations.
- h. Increase use of green infrastructure to enhance the attractiveness of the public realm and positively impact storm water management.

**Policy 38. Affordable Housing near Transit and Job Centers: Create more affordable housing near transit and job centers.**

- d. Promote a diversity of housing options throughout the city, especially in places near job employment opportunities, commercial goods and services, and educational institutions.
- e. Support education and housing stability by encouraging the development of larger, family-supportive housing units (with at least two bedrooms) in close proximity to Minneapolis Public Schools and along Minneapolis Walking Routes for Youth.

2. *Whether the amendment is in the public interest and is not solely for the interest of a single property owner.*

The proposal to add the IL Overlay District would allow more flexibility in uses while maintaining the underlying industrial zoning district uses. As this area is outside the Industrial Employment District, the rezoning would allow the primary use of the property to include residential uses in addition to the existing allowed industrial uses. Adding the IL Overlay District to allow additional uses on the subject site would support the potential for reinvestment in the neighborhood. The zoning amendment is in the public interest and not solely in the interest of the property owner.

3. *Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of particular property.*

The proposed development would replace a lot that is currently vacant. The site is near a range of non-industrial land uses. The parcel directly to the north is vacant but is zoned R2B Two-Family District. There are low-density residential uses located on the opposite side of California St NE (R2B Two-Family District). The site is located a half-block to the south of Lowry Ave NE, which is a Goods and Services Corridor that contains commercial zoning and uses in the C1 Neighborhood Commercial District and C4 General Commercial District. The proposed zoning would be compatible with the zoning classifications and existing or allowed uses of other property in the area.

4. *Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of particular property.*

While reasonable uses exist under the current zoning classification, the proposed rezoning would broaden these options. The allowable uses in the IL Overlay District would include dwelling units (as proposed), grade schools, general retail, gyms, grocery stores, and banks, which would transition this parcel out of strictly industrial uses into a mix of uses.

5. *Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of particular property.*

The subject site was zoned M2-2 Limited Manufacturing District from approximately 1963 to 1999, which is similar to today's zoning classification of I2 Medium Industrial District. The property previously contained grain elevator (built in 1926) and tanks (built in 1955), which were demolished in 2018. The immediate vicinity of the property has not changed significantly since the property was rezoned to I1. The underlying zoning for the parcel would not change as a result of the rezoning and the additional uses would increase the compatibility of the subject site with the general area in which it is located. The opportunity to transition this area of the city to non-industrial uses is supported by the policy guidance in the applicable comprehensive plan goals and policies.

### **CONDITIONAL USE PERMIT – DWELLING UNITS**

The Department of Community Planning and Economic Development has analyzed the application to allow dwelling units in the IL Industrial Living Overlay District based on the following findings:

1. *The establishment, maintenance or operation of the conditional use will not be detrimental to or endanger the public health, safety, comfort or general welfare.*

Construction of a multiple-family dwelling with 164 dwelling units on the site would not prove detrimental to public health, safety, comfort or general welfare provided the development complies with all applicable building codes and life safety ordinances as well as Public Works Department standards.

2. *The conditional use will not be injurious to the use and enjoyment of other property in the vicinity and will not impede the normal and orderly development and improvement of surrounding property for uses permitted in the district.*

The residential use would not be injurious to the use and enjoyment of other property in the vicinity. Provided that the residents of the development understand that they are living in an industrial area that involves truck traffic and other reasonable industrial activity, surrounding uses should continue to operate (and may continue to operate in a legal fashion) without incident. Existing and future development of uses allowed in the industrial districts or IL Overlay District should not be negatively affected by the use. Staff recommends a condition of approval that requires the applicant to demonstrate how they will incorporate mitigation strategies to address potential conflicts between the residential and production uses, both on-site and off-site.

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

Adequate utilities, access roads and drainage facilities are provided. Vehicle access to the surface parking, loading zones, and enclosed parking areas would be from 23<sup>rd</sup> Ave NE, which is adjacent to the south side of the property. The Public Works Department has reviewed the project for appropriate drainage and stormwater management as well as to ensure the safety of the position and design of improvements in or over the public right of way.

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

The project includes 182 off-street parking spaces: 164 for the residential use and 18 for the non-residential uses. To help encourage alternative modes of transportation, the applicant is proposing to provide 96 bicycle parking spaces, 93 for the residents and 3 for the production space. Staff recommends a condition of approval that no fewer than one long-term bicycle parking space per one unit (164) and no fewer than eight (8) short-term bicycle spaces serving the non-residential uses shall be incorporated into the final plans to help minimize traffic congestion in the public streets. The proposed site plan also includes a link to the future Bottineau bikeway in the northeast corner of the site.

The applicant has submitted a Travel Demand Management Plan, which indicates that the project would not result in adverse traffic impacts. The applicant will be required to continue to work with the Department of Public Works to ensure that the final plans comply with all City infrastructure and traffic requirements

5. *The conditional use is consistent with the applicable policies of the comprehensive plan.*

The policies and action steps from Minneapolis 2040 (2020) listed in finding #1 of the rezoning application also apply to this conditional use permit application.

6. *The conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located.*

If the requested land use applications are approved, the proposal will comply with all provisions of the I1 and IL districts.

### **CONDITIONAL USE PERMIT - HEIGHT**

The Department of Community Planning and Economic Development has analyzed the application to increase the maximum height of a principal structure from 4 stories or 56 feet, whichever is greater, to 6 stories/ 78 feet, 4 inches based on the following findings:

1. *The establishment, maintenance or operation of the conditional use will not be detrimental to or endanger the public health, safety, comfort or general welfare.*

The maximum allowed height of a building in the I1 district is 4 stories or 56 feet, whichever is less. Height, in general, has no impact on public health or safety. The establishment of a six-story building that is 22 feet, 4 inches above the permitted height in the I1 district, should not prove detrimental to the public health, safety, comfort or general welfare, provided the development complies with all applicable building codes, life safety ordinances, and Public Works Department standards.

2. *The conditional use will not be injurious to the use and enjoyment of other property in the vicinity and will not impede the normal and orderly development and improvement of surrounding property for uses permitted in the district.*

CPED finds that increasing the height of the building would not 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 for uses permitted in the district. The properties to the east and south are industrial uses and the property directly to the north is residentially zoned, but vacant. There are low-density residential uses to the west, on the opposite side of California St NE. The development will include residential uses as well as production space on the ground floor, with all accessory parking to the rear of the site. The building has been designed with architectural and landscaping features that will bring pedestrian-scale activity to the site, and will improve upon existing conditions on the site and in the public realm. The additional height will not impede the normal and orderly development of surrounding property for uses permitted in the district.

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

Increasing the height of the proposed building will not have an impact on utilities, access roads, or drainage. The applicant has prepared a comprehensive utility and drainage plan for the subject site.

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

The applicant's proposal includes a single curb cut from 23<sup>rd</sup> Ave NE. The applicant is planning to remove the existing curb cut in the middle of the site off of California St NE. As described in the analysis for the conditional use permit to allow dwelling units, staff recommends a condition of approval that no fewer than one long-term bicycle parking space per one unit (164 with the current proposal) shall be incorporated into the final plans to help minimize traffic congestion in the public streets.

5. *The conditional use is consistent with the applicable policies of the comprehensive plan.*

The site is located in the Corridor 4 built form category, which calls for building heights between one and four stories. Requests to exceed 4 stories are evaluated on the basis of whether or not a taller building is a reasonable means for further achieving Comprehensive Plan goals. Staff finds that the additional height is needed to advance specific comprehensive plan goals from *Minneapolis 2040 (2020)*. In particular, the additional two stories beyond what is called for in the Corridor 4 built form category is needed to achieve the plan's goals related to affordable and accessible housing, as all 164 units are affordable at approximately 60 percent average median income (AMI), production space is provided on-site, and the property is in close proximity to commercial amenities, transit, and parks. The proposed project includes larger units to serve families less than a half-mile from a charter elementary school, approximately a half-mile to a K-12 charter school, and one mile to a public high school.

Goal 3. Affordable and accessible housing: In 2040, all Minneapolis residents will be able to afford and access quality housing throughout the city.

Goal 6. High-quality physical environment: In 2040, Minneapolis will enjoy a high-quality and distinctive physical environment in all parts of the city.

Goal 9. Complete neighborhoods: In 2040, all Minneapolis residents will have access to employment, retail services, healthy food, parks, and other daily needs via walking, biking, and public transit.

**Policy 1. Access to Housing: Increase the supply of housing and its diversity of location and types.**

- f. Encourage inclusion of units that can accommodate families in new and rehabilitated multifamily housing developments.

**Policy 38. Affordable Housing near Transit and Job Centers: Create more affordable housing near transit and job centers.**

- d. Promote a diversity of housing options throughout the city, especially in places near job employment opportunities, commercial goods and services, and educational institutions.
- e. Support education and housing stability by encouraging the development of larger, family-supportive housing units (with at least two bedrooms) in close proximity to Minneapolis Public Schools and along Minneapolis Walking Routes for Youth.

The policies and action steps from *Minneapolis 2040 (2020)* listed in finding #1 of the rezoning and finding #5 of the conditional use permit application to allow dwelling units also apply to this conditional use permit application.

- 6. The conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located.*

If the requested land use applications are approved, the proposal will comply with all provisions of the I1 and IL districts.

#### **Additional Standards to Increase Maximum Height**

In addition to the conditional use permit standards, the Planning Commission shall consider, but not be limited to, the following factors when determining the maximum height of principal structures in commercial districts:

- 1. Access to light and air of surrounding properties.*

The development addresses light and air of surrounding properties by varying the height, massing, and building setbacks of the structure on the site. There is public right-of-way separating the site from the residential uses to the west and the industrial use to the south. The east side of the parcel is adjacent to large electrical and maintenance easements. The building complies with the minimum yard requirement along the north, and a vacant parcel separates the site from the nearest single-family home to the north. The applicant has designed the building so that the upper floors step back from the ground floor and away from the residential uses to the west. Increasing the height of the proposed development should not impede access to the light and air that the surrounding properties receive.

- 2. Shadowing of residential properties, significant public spaces, or existing solar energy systems.*

The applicant has submitted a shadowing study that demonstrates the proposed development's impacts on nearby properties during the winter solstice, summer solstice, and spring equinox at different times of day. The shadowing study submitted by the applicant suggests that there would be shadowing impacts on the residential uses to the west during the morning hours of the summer equinox and winter solstice. The direction and intensity of the shadowing varies throughout the day and there would be very few shadowing impacts at other times of day or in other seasons throughout the year.

The nearest known solar energy system is located 865 feet to the southwest of the site. The proposed 78-foot-tall building would not have an affect on the functionality of this system given its location and height.

- 3. The scale and character of surrounding uses.*

The surrounding area does not have a consistent scale or character, as it contains a mix of residential, commercial, and industrial uses. The east side of the block, on which the subject site is located, neighbors other industrial properties, while the properties on the west side of the block are primarily residential. The grain elevators and storage tanks that were on this site until their demolition in 2018 were 92 feet tall. There is a seven-story/98-foot-tall industrial building (California Arts Building) located directly to the south of the site. The six-story building would not be out of character with of surrounding uses. The development would bring substantial pedestrian-scale and public realm improvements to this block.

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

The proposed development will not block views of landmark buildings, significant open spaces, or bodies of water.

**SITE PLAN REVIEW**

The Department of Community Planning and Economic Development has analyzed the application based on the required findings and applicable standards in the site plan review chapter:

**Applicable Standards of Chapter 530, Site Plan Review**

*BUILDING PLACEMENT AND DESIGN*

**Building placement – Requires alternative compliance**

- The first floor of the building is not entirely located within eight feet of the front lot line abutting California St NE. There are portions of the first floor that are set back 19.5 feet to allow for residential patios outside walk-up units and a plaza near the main residential entrance. The building is set back 32.5 feet from the front property line in the northwest corner of the site next to the production space entrance, where the setback is 20 feet for the first 25 feet away from the north property line. Alternative compliance is requested.

**Principal entrances – Meets requirements**

- The proposed project would comply with the principal entrances standards.

**Visual interest – Requires alternative compliance**

- There is a 30-foot blank wall on the first floor of the north elevation, and a 265-foot blank wall on the first floor of the east elevation. Alternative compliance is requested.

**Exterior materials – Requires alternative compliance**

- The applicant is proposing brick (two colors), fiber cement siding (three types), fiber cement panel, burnished CMU, rock-face CMU, and metal panel as the building’s exterior materials. The proposed building would have more than three exterior materials per elevation, excluding windows, doors, and foundation materials, and alternative compliance is required.
- Exterior material changes at a later date may require review by the Planning Commission and an amendment to the site plan review.

**Percentage of Exterior Materials per Elevation**

Material	Allowed Max	North	South	East	West
<b>Brick</b>	100%	44%	23%	9%	18%
<b>Glass</b>	100%	34%	31%	27%	37%
<b>Metal Panel</b>	75%	12%	17%	13%	17%
<b>Burnished CMU</b>	50%	0%	2%	9%	0%
<b>Rockface CMU</b>	30%	0%	0%	8%	0%
<b>Fiber Cement Panel</b>	30%	0%	0%	10%	0%
<b>Fiber Cement Siding</b>	30%	10%	27%	22%	26%

**Windows – Requires alternative compliance**

- The proposed project would comply with the minimum window requirements on all applicable elevations except for the first floor residential portion of the east elevation facing the on-site parking area, where the requirement is 20 percent minimum and the applicant is proposing 6 percent. Alternative compliance is requested.

**Window Requirements for Residential Uses**

Floor	Code		Proposed
1 <sup>st</sup> floor - West	20% minimum	462 sq. ft.	Exceeds 20%
2 <sup>nd</sup> floor and above – West/East	10% minimum	445 sq. ft.	Exceeds 10%
1 <sup>st</sup> floor – East	20% minimum	561 sq. ft.	6% (180 sq. ft.)
1 <sup>st</sup> floor - South	20% minimum	188 sq. ft.	Exceeds 20%
2 <sup>nd</sup> floor and above - South	10% minimum	175 sq. ft.	Exceeds 10%

**Window Requirements for Non-Residential Uses**

Floor	Code		Proposed
1 <sup>st</sup> floor - West	30% minimum	336 sq. ft.	Exceeds 10%

**Ground floor active functions – Meets requirements**

- The proposed project would comply with the ground floor active functions requirements.

**Roof line – Meets requirements**

- The principal roof line of the building would be similar to that of surrounding buildings.

**Parking garages – Meets requirements**

- The proposed parking garage would comply with the applicable site plan review standards.

*ACCESS AND CIRCULATION*

**Pedestrian access – Meets requirements**

- There would be clear and well-lit walkways at least four feet in width connecting building entrances to the adjacent public sidewalk and on-site parking facilities.

**Transit access – Not applicable**

- No transit shelters are proposed as part of this development.

**Vehicular access – Meets requirements**

- The proposed project would comply with the vehicular access requirements.

*LANDSCAPING AND SCREENING*

**General landscaping and screening – Meets requirements**

- The proposed project would comply with the general landscaping and screening requirements.

**Landscaping and Screening Requirements**

Requirement	Required	Proposed
Lot Area	--	112,777 sq. ft.
Building Footprint	--	74,971 sq. ft.
Area Not Covered by Buildings	--	37,806 sq. ft.

<b>Landscaped Area</b>	7,561 sq. ft.	9,137 sq. ft.
<b>Canopy Trees (1:500 sq. ft.)</b>	16 trees	22 trees
<b>Shrubs (1:100 sq. ft.)</b>	76 shrubs	154 shrubs

**Parking and loading landscaping and screening – *Requires alternative compliance***

- There are no surface parking areas along a public street frontage or directly abutting a residential use or district.
- The landscape plan includes corners of the parking lot that are unavailable for parking or vehicular circulation. However, they are not landscaped as specified for a required landscaped yard, and alternative compliance is required.
- Because the proposed surface parking lot contains ten or more spaces, each parking space must be located within 50 feet of the center of an on-site deciduous tree. The proposal does not fully comply with this requirement in the southeast corner of the parking lot, and alternative compliance is required.

**Additional landscaping requirements – *Meets requirements***

- The project appears to comply with the additional landscaping requirements in sections 530.180, 530.190, 530.200, and 530.210 of the zoning code.

*ADDITIONAL STANDARDS*

**Concrete curbs and wheel stops – *Meets requirements***

- The parking lot and driveways have been designed to meet the applicable stormwater retention and filtration requirements.

**Site context – *Meets requirements***

- The proposed project would comply with the site context requirements.

**Crime prevention through environmental design – *Meets requirements with Conditions of Approval***

- The proposed project would comply with crime prevention through environmental design (CPTED) standards. The applicant shall be required to submit a lighting plan that complies with sections 530.260 and 535.590 of the zoning code.

**Historic preservation – *Meets requirements***

- This site is neither historically designated or located in a designated historic district. There are no structures currently on the site.

**Applicable Regulations of the Zoning Ordinance**

The proposed residential use is conditional in the IL Light Industrial District with the proposed IL Industrial Living Overlay District, and the production use is permitted.

**Off-street Parking and Loading – *Meets requirements with Conditions of Approval***

- The proposed project complies with the applicable vehicle parking, bicycle parking, and loading requirements. The applicant is proposing a total of 182 parking spaces, of which 18 would serve the non-residential use (limited production and processing) and 164 would serve the residential use. There would be 75 surface parking spaces and 107 enclosed spaces. The project is within the allowable minimum and maximum vehicle parking requirements.

- The applicant is proposing 96 bicycle parking spaces, which complies with the minimum requirements. Staff is recommending a condition of approval that no fewer than one long-term bicycle parking space be provided for each dwelling unit, for a total of 164, and no fewer than eight (8) short-term bicycle spaces shall be provided for the non-residential use.
- The off-street loading requirement is one small space (10 feet by 25 feet) for the residential uses. The limited production and processing use has a “Low” loading requirement, but no loading spaces are required for uses below 20,000 square feet in this category. The applicant is proposing two loading spaces on the site plan, however, neither of them meets the minimum dimensions. Staff recommends a condition of approval that the site plan shall be revised to include at least one 10-foot by 25-foot loading space.

**Vehicle Parking Requirements Per Use (Chapter 541)**

Use	Minimum	Reductions	Minimum	Maximum	Proposed
Limited production and processing (13,400 sf)	13	--	13	39	18
Residential Dwellings (164 units)	164	Transit Incentives (82)	82	--	164
	--	--	95	39 for production use	182

**Bicycle Parking Requirements (Chapter 541)**

Use	Minimum	Short-Term	Long-Term	Proposed
Limited production and processing (13,400 sf)	2	--	Not less than 50% (1)	3
Residential Dwellings (164 units)	82	--	Not less than 90% (74)	93
	84	--	75	96

**Loading Requirements (Chapter 541)**

Use	Loading Requirement	Loading Spaces	Proposed
Limited production and processing	Low	0 required	0
Residential Dwellings	None	1 small (10' x 25')	2 substandard
		1 small	0

**Building Bulk and Height – Requires conditional use permit**

- The proposed project requires a conditional use permit to increase the maximum allowed height of a principal structure in the I1 zoning district from four to six stories.

**Building Bulk and Height Requirements**

Requirement	Code	Proposed
Lot Area	--	112,777 sq. ft. / 2.59 acres
Gross Floor Area	--	243,791 sq. ft.
Max. Floor Area Ratio	2.7	2.2
Max. Building Height	4 stories or 56 feet, whichever is less	6 stories / 78 ft., 4 in.

**Lot and Residential Unit Requirements – Meets requirements with Conditions of Approval**

- The proposed project would meet the applicable lot and residential unit requirements in the IL district.
- This project is subject to Inclusionary Zoning requirements unless it qualifies for an exemption. A fully executed Inclusionary Zoning Compliance Plan will be required before a commercial building permit will be issued. The applicant will be required to work with CPED Housing to ensure that the applicable affordability requirements are met.

**Lot and Residential Unit Requirements Summary**

Requirement	Code	Proposed
Lot Area	5,000 sq. ft. min.	112,777 sq. ft. / 2.59 acres
Lot Width	--	446 ft.
Impervious Surface Area	--	92%
Lot Coverage	--	66%
Dwelling Units (DU)	--	164 DUs
Net Residential Area	--	184,002 sq. ft.

**Yard Requirements – Meets requirements**

- The project would meet the applicable yard requirements.

**Minimum Yard Requirements**

Setback	Zoning District	Proposed
Front (First 25' From North Property Line)	20 ft.	32 ft., 6 in.
Interior Side (North)	15 ft.	15 ft.
Interior Side (South)	0 ft.	3 ft., 6 in.
Rear (East)	0 ft.	72 ft., 6 in.

**Signs – Meets requirements with Conditions of Approval**

- All signs are subject to Chapter 543, On-Premise Signs. The applicant will be required to submit a separate sign permit application for any signage that is proposed.

**Screening of Mechanical Equipment – Meets requirements**

- Mechanical equipment is subject to the screening requirements of Chapter 535 and district requirements.

- All mechanical equipment is enclosed within the building or is screened from the public street by the building itself.

**Refuse Screening – Meets requirements**

- Refuse and recycling storage containers are subject to the screening requirements in Chapter 535.
- All refuse and recycling storage containers are located within the building.

**Lighting – Meets requirements**

- Existing and proposed lighting must comply with Chapter 535 and Chapter 541 of the zoning code.
- The applicant has not submitted a lighting plan, but will be required to do so prior to the issuance of permits.

**Fences – Not applicable**

- Fences must comply with the requirements in Chapter 535. The proposed fencing meets the applicable standards. There are no fences proposed at this time, although there would be a short retaining wall along the east side of the property.

**Plazas – Meets requirements with Conditions of Approval**

- There is one plaza adjacent to the residential entrance at the southwest corner of the site that is 3503 square feet in size. To fully comply with the plaza standards in section 535.810 of the zoning code, staff recommends the following conditions of approval:
- **Seating:** The applicant is proposing 48 linear feet of seating, and 67 linear feet is required. Of the 67 linear feet, 13 shall be fixed and 13 shall be seating with backs. The applicant is required to increase the linear feet of seating with backs from approximately 8 feet to 13 linear feet.
- **Encroachment:** Plazas shall not encroach into the public right-of-way without the property owner first obtaining an encroachment permit.
- **Amenities:** The plaza shall include at least one amenity listed under section 535.810 (9) of the zoning code.
- **Maintenance required.** All plazas shall be maintained in good order by the property owner for the life of the plaza. Proper maintenance shall include, but not be limited to, snow and ice removal, annual maintenance of vegetation and green space and annual inspection and repair and/or replacement of furnishings. Minimum landscaping and seating requirements shall be maintained for the life of the plaza. All adjacent streets, sidewalks and pathways shall be inspected regularly for purposes of removing any litter found thereon.

**IL Overlay District Standards – Meets requirements**

- If the requested applications are approved, the proposal would in compliance with the IL Overlay District standards.

**Applicable Policies of the Comprehensive Plan**

The policies and action steps from *Minneapolis 2040* (2020) listed in finding #1 of the rezoning and finding #5 of the conditional use permit applications also apply to the site plan review application.

**Alternative Compliance**

The Planning Commission or zoning administrator may approve alternatives to any site plan review requirement upon finding that the project meets one of three criteria required for alternative compliance. Alternative compliance is requested for the following requirements:

Standard	Description	Staff Recommendation
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<p><b>Building placement</b></p>	<p>The first floor of the building is not entirely located within eight feet of the front lot line abutting California St NE. There are portions of the first floor that are 19.5 feet to allow for residential patios outside walk-up units and a plaza near the main residential entrance. The building is set back 32.5 feet from the front property line in the northwest corner of the site next to the production space entrance, where the setback is 20 feet for the first 25 feet away from the north property line.</p>	<p>The applicant is providing a public plaza, patios, and wide walkways between the building and front lot line, while also varying the building footprint to minimize the impact to adjacent structures and uses. Allowing the building to be set back more than 8 feet along California St NE will enhance the pedestrian-level amenities for the building as well as the for the public, and <u>staff recommends granting alternative compliance.</u></p>
<p><b>Visual interest</b></p>	<p>There is a 30-foot blank wall on the first floor of the north elevation, and a 265-foot blank wall on the first floor of the east elevation.</p>	<p>The applicant is proposing a mural to mitigate the blank wall facing the north property line near the non-residential entrance. <u>Staff recommends granting alternative compliance for the blank wall on the north elevation</u>, provided that the blank wall is mitigated through an art or landscaping feature, as proposed.</p> <p>Staff also <u>recommends granting alternative compliance for the blank wall on the east elevation</u> facing the on-site parking, provided that it is further mitigated through additional landscaping. Staff recommends a condition of approval that the landscaped area between the east elevation and sidewalk be increased to five (5) feet in width. This can be accomplished by reducing the 24-foot drive aisle in the surface parking area to 22 feet, and by reducing the walkway along the east building wall to four (4) feet. In addition, staff recommends adding a living wall feature as well as additional trees, shrubs, perennials, and/or grasses in this location to help mitigate the 265-foot blank wall.</p>
<p><b>Windows</b></p>	<p>The proposed project would comply with the minimum window requirements on all applicable elevations except for the first floor of the east elevation facing the on-site</p>	<p>As explained above, <u>staff recommends granting alternative compliance</u> for the minimum window requirement on the east</p>

	parking area, where the requirement is 20 percent minimum and the applicant is proposing 6 percent.	elevation provided that additional landscaping is provided along the blank wall.
<b>Exterior materials</b>	The applicant is proposing brick (two colors), fiber cement siding (three types), fiber cement panel, burnished CMU, rockface CMU, and metal panel as the building's exterior materials. The proposed building would have more than three exterior materials per elevation, excluding windows, doors, and foundation materials, and alternative compliance is required.	Staff finds that the number of exterior materials that are proposed would not lead to visual clutter, and that they are appropriate given the unusually large size of the site and building. <u>Staff recommends granting alternative compliance.</u>
<b>Corners of parking lots</b>	The landscape plan includes corners of the parking lot that are unavailable for parking or vehicular circulation. However, they are not landscaped as specified for a required landscaped yard, and alternative compliance is required.	The landscaping plan provided by the applicant shows that the southeast corner of the parking lot does not contain trees or shrubs, as it is needed for truck maneuvering. The northeast corner of the parking lot contains a deciduous tree, but not shrubs. Staff finds that it would be reasonable for the applicant to provide no fewer than three (3) shrubs in the northeast corner of the parking lot, and <u>does not recommend granting alternative compliance for the northeast corner, but recommends granting alternative compliance in the southeast corner.</u>
<b>Parking within 50' of the center of an on-site deciduous tree</b>	Because the proposed surface parking lot contains ten or more spaces, each parking space must be located within 50 feet of the center of an on-site deciduous tree. The proposal does not fully comply with this requirement in the southeast corner of the parking lot.	The applicant has provided an exhibit showing truck-turning movements, which illustrates that the area that could accommodate an additional tree island to meet this requirement is needed for truck maneuvering. <u>Staff recommends granting alternative compliance.</u>

**FOR REZONINGS ONLY**

**ZONING PLATE NUMBER. 9**

**LEGAL DESCRIPTION.**

**78 23<sup>rd</sup> Ave NE:**

That part of Lots 24 and 25, Auditor's Subdivision Number 34, Hennepin County, Minnesota, described as follows: Beginning at the northeast corner of the south half of Lot 7, Block 1, North Motor Line Addition to Minneapolis; thence easterly, along the easterly extension of the north line of the south half of said Lot 7, to the point of intersection with a line parallel with and distant 123.50 feet easterly of the east line of said Block 1; thence southerly, parallel with said east line, to the intersection with the easterly extension of the centerline of 23rd Avenue N.E.; thence westerly, along said centerline, to the intersection with the southerly extension of the east line of Louis Kampff's Addition to Minneapolis; thence northerly, westerly, and northerly along said southerly extension and along the east lines of said Louis Kampff's Addition to Minneapolis and said North Motor Line Addition to Minneapolis, to the point of beginning.

That part of Government Lot 3, Section 10, Township 29, Range 24, Hennepin County, Minnesota, which lies northerly of the north line of Lot 1, Block 1, Louis Kampff's Addition To Minneapolis, according to the recorded plat thereof, Hennepin County, Minnesota, southerly of the south line of Lot 15, Block 1, North Motor Line Addition To Minneapolis, according to the recorded plat thereof, Hennepin County, Minnesota, and its easterly extension, westerly of the northerly extension of the east line of said Lot 1, and easterly of the southerly extension of the east line of said Lot 15.

(Abstract Property)

**2301 California St NE:**

The South Half of Lot 7 and All of Lots 8 through 15 inclusive, Block 1, "North Motor Line Addition To Minneapolis," according to the recorded plat thereof, Hennepin County, Minnesota.

Lots 1 and 2, Block 1, "Louis Kampff's Addition To Minneapolis," according to the recorded plat thereof, Hennepin County, Minnesota.

That part of Government Lot 3, Section 10, Township 29, Range 24, Hennepin County, Minnesota, which lies between the North line of Lot 1, Block 1, "Louis Kampff's Addition to Minneapolis" and the South line of Lot 15, Block 1, "North Motor Line Addition to Minneapolis" and the Southerly extensions of the East and West lines of said Lot 15.

Being Registered land as is evidenced by Certificate of Title No. 1480289.

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**RECOMMENDATIONS**

The Department of Community Planning and Economic Development recommends that the City Planning Commission adopt staff findings for the applications by Christine Pecard of ESG Architects for the properties located at 2301 California St NE & 78 23rd Ave NE:

**A. Rezoning.**

Recommended motion: **Approve** the petition to rezone the properties at 2301 California St NE and 78 23rd Ave NE to add the IL Industrial Living Overlay District to the existing I1 Light Industrial District.

**B. Conditional Use Permit.**

Recommended motion: **Approve** the conditional use permit to allow dwelling units in the IL Industrial Living Overlay District, subject to the following conditions:

1. The conditional use permit shall be recorded with Hennepin County as required by Minn. Stat. 462.3595, subd. 4 before building permits may be issued or before the use or activity requiring a conditional use permit may commence. Unless extended by the zoning administrator, the conditional use permit shall expire if it is not recorded within two years of approval.

2. The nonresidential use proposed on the ground floor shall be production space, as proposed, and the applicant shall work with staff to demonstrate how they will incorporate mitigation strategies to address potential conflicts between the residential and production uses, both on-site and off-site.
3. No fewer than one long-term bicycle parking space be provided for each dwelling unit, for a total of 164.

**C. Conditional Use Permit.**

Recommended motion: **Approve** the conditional use permit to increase the maximum height of a principal structure from 4 stories or 56 feet, whichever is greater, to 6 stories/ 78 feet, 4 inches, subject to the following conditions:

1. The conditional use permit shall be recorded with Hennepin County as required by Minn. Stat. 462.3595, subd. 4 before building permits may be issued or before the use or activity requiring a conditional use permit may commence. Unless extended by the zoning administrator, the conditional use permit shall expire if it is not recorded within two years of approval.

**D. Site Plan Review.**

Recommended motion: **Approve** the site plan review for a new, six-story mixed-use building with 164 dwelling units and approximately 13,400 square feet of production space, subject to the following conditions:

1. All site improvements shall be completed by October 5, 2022, unless extended by the Zoning Administrator, or the permit may be revoked for non-compliance.
2. This project is subject to Inclusionary Zoning requirements unless it qualifies for an exemption. A fully executed Inclusionary Zoning Compliance Plan will be required before a commercial building permit will be issued. The applicant shall be required to work with CPED Housing to ensure that the applicable affordability requirements are met.
3. CPED staff shall review and approve the final site, elevation, landscaping, and lighting plans before building permits may be issued.
4. The applicant shall submit the tax parcel combination request form to CPED and submit proof of the filing with Hennepin County.
5. All signs shall comply with Chapter 543 of the zoning code. All signage requires a separate permit from CPED.
6. The applicant shall submit a lighting plan that complies with sections 530.260 and 535.590 of the zoning code.
7. The site plan shall be revised to include at least one 10-foot by 25-foot loading space.
8. The 30-foot blank wall on the north elevation shall be mitigated with an art or landscaping feature, as proposed.
9. No fewer than one long-term bicycle parking space be provided for each dwelling unit and no fewer than eight (8) short-term bicycle spaces shall be provided for the non-residential use.
10. The landscaping plan shall include no fewer than three (3) shrubs in the northeast corner of the parking lot, in compliance with section 530.170 of the zoning code.
11. The landscaped area between the east elevation and sidewalk shall be five (5) feet in width to accommodate a living wall feature as well as additional trees, shrubs, perennials, and/or grasses in this location to help mitigate the 265-foot blank wall, in accordance with section 530.120 of the zoning code.
12. Plazas shall not encroach into the public right-of-way without the property owner first obtaining an encroachment permit.

13. All plazas shall be maintained in good order by the property owner for the life of the plaza. Proper maintenance shall include, but not be limited to, snow and ice removal, annual maintenance of vegetation and green space and annual inspection and repair and/or replacement of furnishings. Minimum landscaping and seating requirements shall be maintained for the life of the plaza. All adjacent streets, sidewalks and pathways shall be inspected regularly for purposes of removing any litter found thereon.
14. The plaza plan shall be revised to include a minimum of 67 linear feet of linear seating, of which at least 13 feet shall be fixed and 13 feet shall be seating with backs, at least one amenity listed under section 535.810 (9) of the zoning code.

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## **ATTACHMENTS**

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1. Rezoning ordinance
2. Photos
3. Written description and findings submitted by applicant
4. Survey
5. Site plan
6. Plans
7. Building elevations
8. Renderings
9. Shadow study
10. Travel Demand Management Plan
11. Public comments