



PLANNING COMMISSION SYNOPSIS

February 5, 2015

CALL TO ORDER

Chairperson Nordstrom called the Planning Commission meeting to order at 6:00 p.m. in the City Council Chambers of the Bloomington Civic Plaza.

COMMISSIONERS PRESENT: Nordstrom, Willette, Spiess, Batterson, Fischer, Bennett, Goodrum

COMMISSIONERS ABSENT:

STAFF PRESENT: Markegard, Heyman, Hiller

Chairperson Nordstrom led the attendees in the reciting of *The Pledge of Allegiance*.

ITEM 2
6:08 p.m.

CASE:	9250ACD-14
APPLICANTS:	Rosa Development Company (owner) Park N Fly Service Corporation (user)
LOCATIONS:	3700 and 3750 American Boulevard East
REQUESTS:	1) 5-year Interim Use Permit (IUP) for a remote airport parking on a surface lot at 3700 American Boulevard East; (9250A-14) 2) Variance to increase the Interim Use Permit (IUP) term from 5 years to 10 years; (9250C-14) 3) 10-year Interim Use Permit (IUP) for remote airport parking in an existing parking ramp at 3750 American Boulevard East (Case 9250D-14)

SPEAKING FOR THE APPLICANT:

Bill Griffith, Larkin Hoffman Attorneys, representing Rosa Development Company
Kristin Muir, representing the owners

PUBLIC HEARING DISCUSSION:

Markegard identified the locations of the parcels and the surrounding land uses. He explained the 3700 American Boulevard East parcel is composed of a large surface parking lot and the 3750 American Boulevard East parcel is composed of a 4-story parking ramp; both parcels are used by the Park N Fly Service Corporation for remote airport parking. He explained the applicant is requesting a 5 year IUP for the surface parking lot as well as a variance to increase the IUP term from 5 years to 10 years and a 10 year IUP for the existing parking ramp.

Markegard displayed a slide depicting a photo of the 4-story parking ramp and an aerial of the surface parking lot parcel. He explained there is a future application being contemplated that involves modifications to the surface parking parcel that would remove and reconfigure a small structure resulting in an addition of approximately 30 spaces to the parcel. Markegard stated the condition of approval that relates to total spaces on site anticipates these additional 30 spaces in Case 9250A-14 (Condition 5). An additional application would be required for the modifications, which could be handled administratively if Code complying.

Markegard noted in terms of compatibility with the South Loop District Plan, the remote airport parking use does not match the vision for the district, but does serve as a good holding use and provides economic return for the owner as well as a public service until such time as redevelopment occurs. He stated there is a sunset date for the requested IUPs and noted that the applicant can reapply for the same use upon expiration at the sunset date. Markegard stated considerations on this application and any future applications for these sites includes whether there is demand for redevelopment that matches the South Loop Plan vision and the supply of land available for redevelopment. He stated the demand is now very strong in the South Loop District (SLD). There is an application for a building permit for the Lennar Indigo project (395 units) on the corner of 34th Avenue and American Boulevard East. They hope to break ground in the spring. He added construction has already begun on the Hyatt Regency Hotel (300+ rooms) and there is strong interest in adding other hotels and other residential projects within the South Loop District. He stated the demand side is very strong but the supply of land is also very high with a large amount of available land in the SLD such as the Bloomington Central Station site which includes additional parcels to be developed and calls for residential use. Markegard state there are other potential residential sites as well, including next to the Embassy Suites Hotel, a few sites along the bluff, the Park N Go and the Park N Fly sites. He explained, even though demand is strong, since there is a high supply of available land, staff supports the applicant requests for IUPs.

Markegard explained the applicant has asserted claims that permanent rights exist for the remote airport parking use. The City believes the record is clear and the use rights are interim in nature only. Staff has been meeting with the applicant and its legal representatives for nearly a year and have agreed on a resolution that would ultimately need City Council approval. That resolution would clarify the use status. The land owner would sign the Development Agreement confirming the interim nature of the use and the City would approve a 5 year IUP for the surface lot and a 10 year IUP for the parking ramp. Markegard stated that is appropriate given the large supply of land within the South Loop District. It would resolve the applicant's claims of permancy and also allow for the phased redevelopment of the Park N Fly sites (surface lot site first and the parking ramp site later). The parking ramp site could easily support one of the adjoining sites.

Markegard stated no correspondence has been received from the surrounding property owners and staff recommends approval of a 5-year Interim Use Permit for remote airport parking on a surface lot at 3700 American Boulevard East; approval of a variance to increase the Interim Use Permit term from 5 years to 10 years; and approval of a 10-year Interim Use Permit for remote airport parking in an existing parking ramp at 3750 American Boulevard East subject to the conditions and Code requirements listed in the staff report. He stated he is available for questions and comments from the Commission.

Goodrum asked staff to comment on whether granting a variance to extend an IUP term from 5 years to 10 years could be setting precedence. Markegard stated staff believes this circumstance is unique in that the existing ramp is built with the ability to support an office structure or another use on top of the ramp. There are no other interim uses with that level of investment.

Batterson asked Markegard if there are other parking ramps in Bloomington with IUPs. Markegard stated there are just two remote airport parking lots in Bloomington (Park N Go, Park N Fly) and the Park N Go site does not have a parking ramp. Batterson asked if an IUP would remain in effect on a change of ownership or a change of use. Markegard stated an IUP would run with the land under a change of ownership. He added if the use for remote airport parking would cease for more than 12 months, the use expires. He added the parking structure could be used to support an adjacent use such as office or residential as it would be an accessory use with no need for additional approvals.

Bill Griffith introduced himself stating he represents Rosa Development Company. He introduced Kristin Muir who represents the owners. Griffith stated both he and Muir have been involved in the discussions with staff mentioned earlier by Markegard over the past year. Griffith explained we agree

to disagree about whether the remote airport parking use is a permanent use or an interim use as is purported by staff. He added we feel very strongly we do have permanent use rights and have supporting affidavits. Griffith stated he is not here tonight to debate that. He stated after nearly one year of discussions with the City a reasonable solution has been agreed to which allows the past to be let go and to move forward to the future with great development opportunities.

Griffith stated the activity in the SLD is encouraging. He stated almost every project underway in the SLD has had either City involvement or Port Authority involvement. Those subsidized projects now compete with the Park N Fly properties. He added we can only hope that those projects will make the demand greater for additional projects in the future. Griffith confirmed they are first looking to develop the surface parking lot parcel and then the structured parking ramp parcel. He added when the market is strong and the properties are no longer competing with subsidized projects, there should be no hindrance to development of the sites.

Griffith rhetorically asked why is the proposed resolution is good for the owner and the City. He stated it perhaps resolves a 20 year old discussion on whether there are permanent rights or not. My client, in the interest of moving forward, has agreed to put that argument aside and to sign a Development Agreement (DA) which will put the issue to rest for the current owners and for any future owners as the DA would be filed and on record with Hennepin County. He stated there are also cycles for office, hotel, and residential development and the SLDP is fairly prescriptive multi-use zoning for these properties. He stated other than the projects that have had City involvement; we have yet to see a property develop under this zoning scheme that does not have City involvement. He added it will take some care to attract some residential and commercial uses to this site and we will need a little lead time to do that. He noted Muir is meeting with potential partners who are preliminarily interested. It also recognizes there is greater investment in the parking structure facility and therefore a different status, per say, than a surface parking lot. He explained that by cutting the long discussions with the City, it also allows the ownership to concentrate on the future and the development of the parcels. He stated they are very grateful that staff and the ownership were able to come to a resolution and asked the Planning Commission to follow staff's recommendation on this item so that it can move forward to the City Council.

The public hearing was closed via a motion.

Goodrum stated he is glad the applicant and staff were able to work out an agreement and hopefully the next time the Planning Commission sees these parcels it will be for a new development that meets the vision of the SLD.

Batterson stated he thinks it is unusual to have an IUP on structured parking, but he understands the need to do that. He stated he thinks it is a good use and likes that we are giving it ten years for the parking structure as they are very expensive to build and will have future use. He added we need to give it an economic use now and giving something like that ten years makes sense.

Nordstrom stated these items will be heard at the February 23, 2015 City Council meeting.

ACTIONS OF THE COMMISSION:

M/Spiess, S/Willette To close the public hearing. Motion carried 7-0.

M/Fischer, S/Bennett Having been able to make the required findings, in Case 9250A-14, I move to recommend City Council approval of a 5-year Interim Use Permit for remote airport parking on a surface lot at 3700 American Boulevard East to expire July 1, 2019 subject to the conditions of approval and Code requirements listed in the staff report. Motion carried 7-0.

M/Goodrum, S/Bennett Having been able to make the required findings, in Case 9250C-14, I move to recommend City Council approval of a variance to increase the Interim Use Permit term from 5 years to 10 years at 3750 American Boulevard East subject to the conditions of approval and Code requirements listed in the staff report. Motion carried 7-0.

M/Batterson, S/Spiess Having been able to make the required findings, in Case 9250D-14, I move to recommend City Council approval of a 10-year Interim Use Permit for remote airport parking on a surface lot at 3750 American Boulevard East to expire July 1, 2024 subject to the conditions of approval and Code requirements listed in the staff report. Motion carried 7-0.

CONDITIONS OF APPROVAL RECOMMENDED BY THE COMMISISON:

The five year Interim Use Permit for a remote airport parking facility located at 3700 American Boulevard East (Case 9250A-14) is subject to the following conditions of approval:

- 1) The use of the property for remote airport parking must terminate on July 1, 2019.
- 2) The conditions attached to this approval of an Interim Use Permit for remote airport parking (Case 9250A-14) replace and supersede all previous conditions of approval related to the remote airport parking use on this site.
- 3) The applicant must sign a new Site Development Agreement relating to the remote airport parking use with the City that incorporates all conditions of approval attached to Case 9250ACD-14 and confirms the interim nature of the use.
- 4) Upon expiration of the Interim Use Permit, the physical surface parking lot and the physical parking ramp may remain on site and be used in support of uses allowed in the base zoning district, however, the use of the site for remote airport parking must cease.
- 5) The remote airport parking use on 3700 American Boulevard East is limited to 1,122 vehicles as approved in Case 9250A-14.
- 6) Any physical changes to the site must follow the relevant approval process outlined in the City Code.
- 7) Motor vehicles must be parked at all times in a manner that allows Fire Department access.
- 8) Landscaping and required screening must be maintained during the term of the interim use permit.
- 9) No maintenance or cleaning of customer or employee vehicles is allowed.

While the use and improvements must comply with all applicable local, state and federal codes, the applicant should pay particular attention to the following Code requirements:

- 1) All trash and recyclable materials be stored inside the principal building. (Sec. 19.51).
- 2) Fire lanes be posted as approved by the Fire Marshal. (Uniform Fire Code Sec. 901.4).

The variance to increase the Interim Use Permit term from 5 years to 10 years at 3750 American Boulevard East (Case 9250C-14) is subject to the following conditions of approval:

- 1) The variance is limited to the Interim Use Permit (Case 9250D-14) for remote airport parking within the parking structure located at 3750 American Boulevard East.
- 2) For the variance to take effect, the applicant must follow through on their commitment to sign a new Site Development Agreement relating to the remote airport parking use with the City that incorporates all conditions of approval attached to Case 9250ACD-14 and confirms the interim nature of the use.

The ten year Interim Use Permit for a remote airport parking facility located at 3750 American Boulevard East (Case 9250D-14) is subject to the following conditions of approval:

- 1) The use of the property for remote airport parking must terminate on July 1, 2024.
- 2) The conditions attached to this approval of an Interim Use Permit for remote airport parking (Case 9250D-14) replace and supersede all previous conditions of approval related to the remote airport parking use on this site.
- 3) The applicant must sign a new Site Development Agreement relating to the remote airport parking use with the City that incorporates all conditions of approval attached to Case 9250ACD-14 and confirms the interim nature of the use.
- 4) Upon expiration of the Interim Use Permit, the physical surface parking lot and the physical parking ramp may remain on site and be used in support of uses allowed in the base zoning district, however, the use of the site for remote airport parking must cease.
- 5) The remote airport parking use on 3750 American Boulevard East is limited to those 1,000 vehicle spaces within the parking structure as approved in Case 9250A-14.
- 6) Any physical changes to the site must follow the relevant approval process outlined in the City Code;
- 7) Motor vehicles must be parked at all times in a manner that allows Fire Department access.
- 8) Landscaping and required screening must be maintained during the term of the Interim Use Permit; and
- 9) No maintenance or cleaning of customer or employee vehicles is allowed.

While the use and improvements must comply with all applicable local, state and federal codes, the applicant should pay particular attention to the following Code requirements:

- 1) All trash and recyclable materials be stored inside the principal building. (Sec. 19.51).
- 2) Fire lanes be posted as approved by the Fire Marshal. (Uniform Fire Code Sec. 901.4).

Prepared By: MH **Reviewed By:** GM

Approved By Planning Commission: _____

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