

ITEM 5
6:41 p.m.

CASE:	7804B-14
APPLICANT:	WB Hotel Partners LLC dba Sheraton Bloomington Hotel
LOCATION:	5601 West 78 th Street
REQUEST:	Major Revisions to Final Site and Building Plans for interior and exterior modifications to hotel and restaurant

SPEAKING FOR THE APPLICANT:

Warren Beck, representing ownership of Sheraton Bloomington Hotel

PUBLIC HEARING DISCUSSION:

Centinario identified the location and the surrounding land uses. He stated the parcel is zoned CS-1 and hotels are permitted. He displayed a number of photos depicting the current exterior conditions of the hotel/restaurant. He explained the applicant is proposing recladding the existing porte cochere, relocating handicap accessible stalls and adding sidewalk, providing upgraded landscaping and lighting, a new roof, and new mechanical equipment screening at the location. He displayed the proposed site plan which depicts improved handicap parking and drive aisle lanes and renderings showing the proposed exterior porte cochere revisions. He explained outdoor restaurant seating is also being added near the front entrance of the hotel. The walkway between the hotel entrance and the restaurant entrance must be separated from the restaurant's outdoor seating given the proposed alcohol service.

Centinario summarized the interior changes explaining the changes include new guestroom finishes and furniture, a new elevator, renovated lobby and restrooms, and a reconfiguration of restaurant and meeting room space. He added the number of guestrooms will not change, but additional space would be reallocated from restaurant to meeting rooms. He explained the interior and exterior changes would normally be handled administratively, but because parking flexibility was also being requested, the requests were combined and require Planning Commission and City Council review.

Centinario explained the applicant is justifying the requested parking flexibility due to "internal capture". Internal capture is the concept that some of the restaurant and banquet/meeting area customers will also be hotel guests, and therefore would not increase overall parking demand for the facility. Staff's conservative approach for past reviews assumes that 25 percent of the Code required parking need for the banquet facility and 33 percent of the parking need for the restaurant will be satisfied through internal capture. Centinario stated the same internal capture methodology was used for the Hampton Inn/Crowne Plaza and Embassy Suites Final Site and Building Plans projects, which were both approved earlier in 2014. He displayed Table 1 from the staff report which illustrates the parking analysis (see Table 1 for details). Centinario stated staff is comfortable with the requested parking reduction and is in support of the request.

Centinario noted the applicant has requested a language change (and staff supports the change) to Code requirement number six, the new language would read "A landscape plan providing a minimum of 59 trees, 212 shrubs and the required three foot screen along the Public Right-of-Way, consistent with the 1975 approved landscape plan, be submitted, approved and installed (Sec 19.52)." He added, staff is recommending approval of the Major Revisions to Final Site and Building Plans subject to the conditions and Code requirements listed in the staff report and the revision to Code requirement number six. He stated he is available for questions and comments from the Commission.

Batterson noted the existing parking lot is sloped in some areas making it awkward to navigate and asked if there are grade changes being proposed to the parking lot. Centinario stated there are

significant changes being proposed near the entrance to the hotel, but not to the general parking lot. Centinario added the applicant is proposing to do some improvements to the stormwater management on the site, but the overall grade of the parking lot is not being proposed to change.

Bennett stated internal capture has been used on other properties in Bloomington and asked staff to comment on how it has worked on those properties. Centinario stated the uses of internal capture at two other properties in Bloomington are recent approvals so it may be too soon to make judgment. He added that to date we have had no parking issues at those properties.

Goodrum asked staff to comment on the parking at the site in the past few years. Centinario noted the hotel to the north has had overflow parking issues that have spilled over onto this site, but this particular site has not had overflow parking issues. Goodrum asked if this site were to develop overflow parking issues, where would overflow parking go. Centinario stated we hope overflow parking will not be a problem at this site noting that parking on the street is not an option. Centinario stated perhaps the applicant can offer some additional comments during their presentation on how they intend on managing potential overflow parking.

Warren Beck stated he represents the ownership of the Sheraton Bloomington. He stated this property was acquired about a year ago with the intent of converting it to a Sheraton, which was done in November, and remodeling the hotel. We look forward to bringing the Sheraton up to more current standards. It has been a very successful property over the years and has a certain sense of nostalgia for many users. The intention is to operate the hotel as a business/meeting hotel which will encourage internal capture. He stated he is available for questions from the Commission.

Beck addressed a question raised by Commissioner Goodrum regarding potential overflow parking overflow on the site. He stated they have been operating the hotel for the past year and have in no instance come close to filling the current parking lot capacity and are confident the parking is adequate. He stated the parking at this site is comparable to other hotel sites he is involved with. He stated they even intend to install more parking stalls (as many as 620 stalls). He stated he is available for further questions from the Commission.

Nordstrom asked Beck to comment on how the conversion from restaurant space to more meeting space is reacting to the market and the business plan of Sheraton. Beck stated the overall market and competition with outside restaurants has reduced the need for in-house hotel restaurants. Beck stated the conversion will allow the meeting area to be a more high-tech meeting space in a board room type environment which is less dense than the traditional assembly type meeting space. The board room style of meeting space typically results in lower parking demands..

The public hearing was closed via a motion.

Goodrum asked staff to comment on the internal capture method and whether it is a city policy or if outside professionals are sometimes consulted when faced with a request for parking flexibility. Markegard stated the practice of using internal capture is fairly recent. Markegard added the internal capture rate the City has been using is still fairly conservative. The City would likely require a parking study to support a parking reduction if an applicant comes in with parking numbers that do not seem in-line with similar applications. Nordstrom commented that Urban Land Institute (ULI) has addressed internal capture. Markegard stated ULI does address internal capture and is more liberal than the practice the City has implemented.

Batterson stated he has concerns about the parking lot not being easy to traverse and in his experience there are times when finding a parking spot is difficult. He stated he was hoping there would be more improvements to the parking lot as part of this application.

Nordstrom stated these items will be heard at the January 5, 2015 City Council meeting.

ACTIONS OF THE COMMISSION:

M/Bennett, S/Willette: To close the public hearing. Motion carried 5-0.

M/Bennett, S/Willette: Having been able to make the required findings in Case 7804B-14, I move to recommend City Council approval of Major Revisions to Final Site and Building Plans for interior and exterior modifications to the hotel and restaurant at 5601 West 78th Street subject to the conditions and Code requirements listed in the staff report with Code requirement number six amended in the staff memo provided to the Commission. Motion carried 5-0.

CONDITIONS OF APPROVAL RECOMMENDED BY THE COMMISSION:

The major revision to Final Site and Building Plans is subject to the following conditions being satisfied prior to the issuance of development-related permits:

- 1) Building and site improvements must be limited to those on the approved plans in Case 7804B-14;
- 2) The Grading, Drainage, Utility, Erosion Control, Traffic Control, Access, Circulation, and Parking plans must be revised for approval by the City Engineer;
- 3) A Nine Mile Creek Watershed District permit must be obtained and a copy submitted to the Engineering Division;
- 4) Sewer Availability Charge (SAC) be determined and be satisfied;
- 5) An erosion control surety must be provided and approved erosion control measures must be in place and inspected prior to issuance of grading permits;
- 6) A maintenance schedule/plan for grease interceptor BMP must be signed by the property owner and filed with the Utilities Division prior to the issuance of a permit to connect to sanitary sewer system. A copy of the signed agreement, the grease interceptor manufacturer's operation and maintenance manual, and continuous maintenance records for the previous twelve months must be kept on site and available to City staff for review;
- 7) Bicycle parking spaces must be provided – number of bicycle spaces and location as approved by the City Engineer;

and subject to the following ongoing conditions:

- 8) Alterations to utilities be at the developer's expense;
- 9) All construction related parking, loading and unloading, staging, and material storage must occur on-site and off of adjacent public streets except as may be approved by the Director of Public Works for a temporary period;
- 10) Development must comply with the Minnesota State Accessibility Code; and
- 11) All public sidewalks must not be obstructed.

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

- 1) Electronic utility as-builts, per City of Bloomington requirements, must be submitted to the Public Works Department prior to the issuance of the Certificate of Occupancy (17.79(a));
- 2) An erosion control surety be provided (16.05(b));

- 3) Utility plan showing location of existing and proposed water main and fire hydrant locations must be approved by the Fire Marshal and Utilities Engineer (City Code Sec. 6.20, MN State Fire Code Sec. 508);
- 4) Building must be provided with an automatic fire sprinkler system as approved by the Fire Marshal (MN Bldg. Code Sec. 903, MN Rules Chapter 1306; MN State Fire Code Sec. 903);
- 5) Exterior building materials consistent with City Code requirements and variance must be approved by the Planning Manager (Sec. 19.63.08);
- 6) A landscape plan providing a minimum of 59 trees, 212 shrubs and the required three foot screen along the Public Right-of-Way, consistent with the 1975 approved landscape plan, be submitted, approved and installed (Sec 19.52);
- 7) All rooftop equipment must be fully screened (Sec. 19.52.01);
- 8) Poured-in-place concrete curbs must be provided on the perimeter of parking lots and traffic islands (Sec 19.64);
- 9) All trash and recyclable materials must be stored inside the principal building (Sec. 19.51);
- 10) Recyclable materials must be separated and collected (Sec. 10.45);
- 11) Fire lanes must be posted as approved by the Fire Marshal (MN State Fire Code Sec. 503.3);
- 12) Parking lot and site security lighting plans must be revised to satisfy the requirements of Section 21.301.07 of the City Code;
- 13) Tier 2 TDM plan (Sec. 21.301.09(b)(2)); and
- 14) Sign Design must be in conformance with the requirements of Chapter 19, Article X of the City Code.