



8300 Norman Center Drive
Suite 1000
Minneapolis, MN 55437-1060
General: 952-835-3800
Fax: 952-896-3333
www.larkinhoffman.com

June 24, 2025

City of Bloomington
Planning Commission
Attention: Dakota Crowell
1800 West Old Shakopee Road
Bloomington, MN 55431-3027

Re: Bloomington Lincoln Mercury Real Estate, LLC - Variance Narrative

Dear Sir/Madam:

This firm represents Bloomington Lincoln Mercury Real Estate, LLC ("Bloomington Lincoln"), located at 7801 Dupont Avenue South ("Property") in Bloomington ("City"). As a result of the loss of its primary access due to the condemnation of land by MnDOT for the reconstruction of Interstate 494 ("494 Project"), Bloomington Lincoln must make changes to its site plan. The proposed changes will result in a reduction of its existing front yard and the loss of some landscaping in order to accommodate a two-way drive aisle to compensate for the loss of primary access, as well as a reduction in the setback required for its primary signage, to maintain visibility and business viability. Accordingly, the Applicant is seeking two variances:

1. Front yard setback variance ("Variance 1") to reduce the landscaping setback from 20 feet to four (4) feet; and
2. Sign setback variance ("Variance 2") to reduce the sign setback from 20 feet to approximately two (2) feet along the north Property line.

After discussions with City staff, the Applicant has adjusted Variance 1 from a zero-lot line setback to a four-foot setback along the north Property line. This will preserve a landscaped buffer with trees, keep all light poles on the Property, and retain a two-way drive aisle without the need to reconstruct the entire building.

1. Description of Project

The Property has historically had its primary access from the frontage road, Clover Drive, along the northern edge of the Property; however, MnDOT recently condemned Clover Drive, resulting in a loss of primary access. The only be access to Property now is from Dupont Avenue along the west Property line.

The single building on the Property sits roughly in the center, generally occupying the northern half. Drive aisles and parking surround the building, serving customers, employees, and vehicle display. Previously, Clover Drive was the primary customer entrance for vehicle service and showroom parking, allowing one-way traffic in front of the building. Due to the loss of Clover Drive, the drive aisle will be reoriented to accommodate two-way vehicle traffic from Dupont, aligning with new curb cuts on Dupont and the northern Property line. This reconfiguration

allows Bloomington Lincoln to construct a concrete walkway at the building's front to improve customer and employee safety without entering the new two-way drive aisle.

Without the requested site plan changes, Bloomington Lincoln will face unsafe operations and reduced customer access for vehicle purchases and ongoing service. The inability to maintain adequate signage visibility would further hinder wayfinding and access. Given the building's age and the substantial investment required to reconfigure operations, wholesale redevelopment of the interior layout is impractical, resulting in significant, avoidable financial harm.

a. Location and Surrounding Properties

The Property borders Dupont Avenue to the west, I-494 to the north, American Boulevard to the south, and the REI store to the east, near the I-494 and I-35W interchange. The ongoing expansion of I-494 and the 494 Project, which led to the condemnation of Clover Drive by MnDOT, has reduced the Property's real estate previously used for setback and landscaping.

The surrounding area consists of similar higher intensity, non-residential uses. The Property's north side borders I-494, and across the freeway in the city of Richfield, big-box retail outlets with large parking areas and office buildings are prevalent. To the south, the Property abuts industrial zoning, which includes an automotive repair shop and vehicle storage areas extending south of American Boulevard. Immediately to the east is a large multi-tenant retail complex and associated parking areas, including REI and Bauer Hockey Experience, as well as a commercial property with a credit union and drive-through services.

An existing service drive to the east is unsuitable for daily business use due to its substandard width and its location on the neighboring property. Additionally, the Property is burdened by an easement for electrical transmission towers and lines on the south, with a tower at the southwestern corner. These unique site constraints necessitate both Variance 1 and Variance 2 to address limited space for landscaping and signage.

2. Applicable Zoning and Comprehensive Plan

The Property is zoned C-1 Freeway Office and Service District (the "C-1 District"), intended to support non-retail uses that benefit from proximity to freeway corridors and interchanges, prevent land underutilization, and align with the City's vision for the freeway corridor.

The area's zoning encourages large-scale, high-intensity uses near highways and arterial roads. Surrounding properties, including those along I-494 and nearby ramps, primarily consist of similar commercial and industrial uses with areas for parking, loading, and unloading. There is no nearby residential property.

Consistent with its zoning, the City's Forward 2040 Comprehensive Plan guides the Property as Regional Commercial, which supports general business uses focused on commercial activity and employment opportunities with regional access via freeways and arterial roads. The Property's current use aligns with the Comprehensive Plan and the requested variances will further support these goals.

3. Variance Requests and Findings

Bloomington Lincoln seeks two variances due to the impact of the MnDOT condemnation for the 494 Project:

1. Variance 1: To reduce the front yard setback to four (4) feet along the MnDOT right-of-way fronting I-494 to accommodate a two-way drive aisle necessary for safe circulation.
2. Variance 2: To reduce the sign setback from to approximately two (2) feet along the northern Property line to ensure visibility for customers and maintain business viability.

Each variance request meets the required variance findings, as outlined below.

a. Variance 1: Front Yard Setback

- (1) *The variance is in harmony with the general purposes and intent of the ordinance.*

The variance aligns with the C-1 District's intent to promote uses compatible with freeway access, necessary for business operations. Setback and landscaping regulations aim to provide natural vegetative buffers and visual breaks. The condemnation of Clover Drive and other land for the 494 Project eliminated portions of the Property's frontage, making the standard setback impractical. A four-foot setback will accommodate the two-way drive aisle while preserving on-site landscaping and lighting.

MnDOT's stormwater pond and green space between the Property and I-494 will provide ample buffer and natural vegetation consistent with the Code. The nearest adjacent property to the north is 550 feet away and separated by I-494. With the removal of Clover Drive, the only activity along the northern Property line will come from I-494, maintaining ample distance and open space between the Property and surrounding uses.

At the June 18, 2024, City Development Review Committee (DRC) meeting, both Fire and Environmental supported the proposed site plan. The Fire Department endorsed the design for improved access and turning radius for emergency vehicles, and Environmental Services approved the layout for reducing operational spillover onto the right-of-way and improving on-site loading/unloading. These features align with the ordinance's purpose.

- (2) *The variance is consistent with the Comprehensive Plan.*

The variance is consistent with the Bloomington Comprehensive Plan's goal of supporting higher intensity commercial and industrial use along highways and arterials roads. It guides the area adjacent to I-494 for large-scale commercial activity, consistent with the C1 District and current use of the Property.

The Comprehensive Plan emphasizes safe and orderly property use in key commercial locations. Landscaping is also an important component in creating a visual separation of uses and the proposed four-foot setback, together with MnDOT's green space, will provide sufficient landscaping along the northern Property line.

Granting the variance will allow continued use of the Property without significant, unnecessary, building modification, which would require interior and exterior reconstruction, or potentially

demolition. The Comprehensive Plan discourages such disruptions. The variance will allow an adequate setback from I-494, with MnDOT's fulfilling the landscaping requirement. This approach will allow the Applicant to proceed with necessary site reconfiguration, enhancing and continue operating the business on this site. Overall, the variance supports the Comprehensive Plan's objectives.

- (3) *The applicant for the variance establishes that there are practical difficulties in complying with the zoning ordinance. Economic considerations alone do not constitute practical difficulties.*

The loss of access from Clover Drive and condemnation of land along the northern boundary of the Property create a practical difficulties for the Applicant, impacting business operations if the variance is not granted. This challenge goes beyond economic concerns.

To comply with City Code § 19.55, Bloomington Lincoln requires a two-way drive aisle from the northwestern access on Dupont for safe internal circulation of traffic. Customer parking must also be located near the primary entrance on the north side of the building, which necessitates utilizing the area designated for the landscaping setback. The orientation of the new curb cuts on Dupont, in relation to the existing building and the angle of the northern Property boundary, requires the drive aisle to be slightly offset to allow vehicles to enter safely in a straight line rather than deviating around the building.

Bloomington Lincoln has no intention of modifying the building if the variance is granted. However, without it, the only alternative would require a costly redesign or full reconfiguration, due solely to MnDOT's condemnation of Clover Drive. Clover Drive previously allowed convenient access to the service department and safe one-way traffic circulation in front of the building. Given the building's age, a simple remodel is not feasible. Any reconfiguration would likely require partial or complete demolition, disrupting both the ongoing business operations and the surrounding area. This extensive reconstruction would waste functional materials and create unnecessary impacts on city streets and infrastructure.

- (4) *The property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance.*

The proposed use is reasonable because it allows continued, full use of the Property, consistent with its longstanding function without costly reconfigurations. Granting the variance will not adversely impact surrounding properties or neighborhood aesthetics. It maintains compatibility with neighboring commercial, industrial, and transportation uses.

MnDOT's condemnation of a significant portion of the Property, including primary access, limits Bloomington Lincoln's ability to fully utilize the Property. Previously, Clover Drive supported safe, one-way traffic flow. Now, the variance is essential to establish two-way circulation along the north side. With no adjacent residential or commercial properties along the northern boundary, a full landscaping setback is unnecessary. Expanding the drive aisle to enhance internal traffic circulation and visibility aligns with City Code §19.55 and meets customer expectations for safety and accessibility.

The proposed four-foot setback will retain the existing trees and a landscaped strip for signage and lighting, integrating smoothly with MnDOT's planned green space along I-494. MnDOT's intended use of the land north of the Property as a stormwater management pond with green space will approximate the landscaping that would have been required by the Code. The C-1

District supports freeway-adjacent commercial uses where traffic speeds often exceed 70 miles per hour. The reduced landscaping will not impact these high-speed freeway users, as MnDOT's green space will provide the necessary visual separation for I-494 traffic.

- (5) *The plight of the landowner is due to circumstances unique to the property not created by the landowner.*

The Property owner did not create the conditions leading to this variance request. MnDOT's condemnation for the 494 Project forced a reconfiguration of the lot to align with the new access on the north end of Dupont. Due to the building's existing location and orientation, the drive aisle must now allow two-way access along the north side and align with the new entry point, despite the loss of land. These changes are entirely necessitated by MnDOT's condemnation of Bloomington Lincoln's primary access and green space along the northern Property line.

- (6) *The variance, if granted, will not alter the essential character of the locality.*

The variance will not alter the essential character of the area, which is primarily commercial and industrial, situated between American Boulevard to the south and I-494 to the north. Properties in this area are accessed through local streets, including Dupont Avenue and the former Clover Drive, with minimal pedestrian traffic and no nearby residential properties.

The impact of the variance will be minimal, as it will only impact the northern portion of the Property, visible primarily from I-494. MnDOT's planned stormwater pond and surrounding greenery north of the Property will provide the landscaping buffer typically required by the Code. The removal of Clover Drive also reduces concrete in the area, increasing green space. Given the large-scale commercial and industrial surroundings, the variance will not disrupt the use or appearance of the Property or the neighborhood.

b. Variance 2: Sign Setback

- (1) *The variance is in harmony with the general purposes and intent of the sign code and other applicable sections of the city code.*

The variance is in harmony with the intent of the sign code, which aims to protect and promote effective communication, public health, safety, and physical environment without excessive or confusing displays. The requested 2-foot setback continues to fulfill this purpose by allowing the sign to maintain clear visibility from I-494, ensuring effective communication with customers while preserving visual order in the area. This reduced setback does not detract from safety or aesthetics, as the sign remains compatible with the commercial, freeway-oriented nature of the surrounding properties. The variance supports the intent of the sign code by enabling functional, accessible signage for freeway traffic, consistent with the code's emphasis on orderly and effective signage in high-traffic areas.

- (2) *The variance is consistent with the Comprehensive Plan.*

The variance aligns with the goals of the Bloomington Comprehensive Plan, which emphasizes supporting economic vitality and accessibility for commercial properties along major corridors like I-494. By allowing a reduced sign setback, the variance facilitates visibility from the freeway, which is critical for customer navigation and the business's continued success. This adjustment promotes a business-friendly environment by ensuring that Bloomington Lincoln remains easily

accessible to freeway traffic, enhancing the customer experience and supporting the Comprehensive Plan's vision of maintaining a thriving and accessible commercial landscape.

- (3) *The applicant for the variance establishes that there are practical difficulties in complying with the sign code, and strict compliance with the sign code would deprive the applicant of a reasonable use of a sign, consistent with the purpose of the sign. Economic considerations alone do not constitute practical difficulties.*

The variance meets the requirement for practical difficulties. Compliance with the standard 20-foot required setback in the C-1 District would significantly limit the sign's visibility from I-494, undermining its function as a wayfinding tool for freeway traffic and therefore affecting customer access. MnDOT's condemnation of Clover Drive and reconfiguration of the area into a dead-end have made the previous sign location ineffective for its intended purpose. The reconfiguration eliminated freeway visibility, making relocation essential to restore the sign's functionality. This difficulty is not a created by Bloomington Lincoln, but is a direct result of external changes imposed by MnDOT on the Property.

The requested variance for a reduced setback of approximately 2 feet along the northern Property line is necessary to maintain visibility from I-494. This adjustment is a reasonable and practical solution to restore the sign's intended use as a visible marker for high-speed traffic on I-494, and the need for it is not based solely on economic considerations. The unique site constraints created by MnDOT's changes make the variance essential to fulfilling the sign's purpose and supporting customer navigation to the Property.

- (4) *The property owner proposes to use the sign in a reasonable manner not permitted by the sign code or other applicable sections of the city code.*

The property owner proposes to use the sign in a reasonable manner by placing it closer to the northern Property line with a reduced setback of approximately 2 feet to restore visibility from I-494. Given MnDOT's changes to the surrounding area, this reduced setback is essential for the sign to serve its intended wayfinding purpose. The proposed placement with the reduced setback is compatible with the character of the freeway-oriented, commercial area, and will not compromise the area's physical environment or safety. The reduced setback is a practical response to unique site conditions, making it a reasonable approach under the circumstances created by MnDOT, while still aligning with the purpose of the sign code.

- (5) *The plight of the landowner is due to circumstances unique to the property not created by the landowner.*

The Applicant's need for a reduced setback is due to unique circumstances beyond their control. MnDOT's condemnation of Clover Drive and subsequent reconfiguration of the area turned the former intersection of Dupont Avenue and Clover Drive into a dead-end, eliminating the effectiveness of the original sign location. These changes, which reduced the viable options for sign placement, are specific to the Property's current configuration and the 494 Project. The need for a variance is directly tied to MnDOT's alterations, not to any actions or modifications made by the Applicant. NOTE TREE PLACEMENT

- (6) *The variance, if granted, will not alter the essential character of the locality, or deter or negatively affect the traveling public on roads or highways adjacent to the sign.*

City of Bloomington

June 24, 2025

Page 7

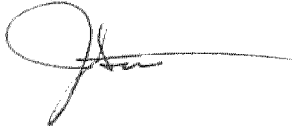
Granting the variance to reduce the sign setback will not alter the essential character of the area, which is predominantly commercial and industrial, oriented toward high-speed freeway traffic. The Property is situated between I-494 and other commercial and industrial uses, with no nearby residential properties. The reduced sign setback will maintain visibility from I-494 without creating compromising safety for the traveling public. The sign's placement near the freeway aligns with the character of the area, ensuring effective communication for drivers while maintaining the orderly appearance of this commercial corridor.

4. Conclusion

Losing access from Clover Drive due to MnDOT condemnation has significantly impacted access to the Property and the ability of Bloomington Lincoln to continue operating the business effectively. The proposed site plan amendment will create a two-way drive aisle aligned with a new access on Dupont Avenue, enabling safe and efficient traffic circulation onsite. Due to the existing building orientation, the amount of land condemned for the 494 Project, and the reconfigured access point, these changes are not possible without the requested variances to reduce the landscaping and sign setbacks. Variance 1 would allow for the two-way drive aisle without impacting the building, while Variance 2 would enable sign relocation to maintain visibility from I-494. These requests are reasonable given the Property's adjacency to I-494, its current use, and the nonresidential nature of the surrounding area, with MnDOT's planned green space and stormwater retention pond providing a natural buffer along I-494.

For the reasons expressed in the letter, as well as the materials in support of the application, we respectfully ask that you grant the two variances as requested.

Sincerely,



Jacob W. Steen, for
Larkin Hoffman

Direct Dial: 952-896-3239

Direct Fax: 952-842-1738

Email: jsteen@larkinhoffman.com

Enclosure