

**GENERAL INFORMATION**

Applicant: Luther Automotive Group (User)  
Luther Company LP (Owner)

Location: 511 and 515 West 78<sup>th</sup> Street and 7801 Lyndale Avenue

Request: 1) Conditional Use Permit to convert an existing warehouse building to a Class I motor vehicle sales facility.  
2) Final Site and Building Plans for exterior and parking lot modifications.

Existing Land Use and Zoning: Auto dealership, auto service and repair and warehouse; zoned I-3, General Industrial

Surrounding Land Use and Zoning: North – I-494  
West – Retail sales and vacant land; zoned I-3 and B-2(PD)  
East – Retail sales; zoned CR-1(PD)  
South – Retail sales and auto body repair; zoned I-3

Comprehensive Plan Designation: Regional Commercial

**HISTORY**

City Council Action: 01/06/1986 – Approved a Conditional Use Permit for a new and used car dealership (Case 6670A-85).

City Council Action: 04/07/1986 – Approved a Conditional Use Permit for a new and used car dealership (Case 6670A-86).

City Council Action: 06/15/1987 – Approved Final Site and Building Plans for a new and used car dealership (Case 6670C-87).

City Council Action: 06/15/1987 – Approved a variance for signage for a new and used car dealership (Case 6670B-87).

**CHRONOLOGY**

Planning Commission 05/24/2018 – Public hearing scheduled

**DEADLINE FOR AGENCY ACTION**

**RECOMMENDED CONDITIONS OF APPROVAL****Case PL201800139**

**Project Description:** Conditional use permit, final site and building plans, and lot parcel combination to convert an existing office/warehouse building to a Class I motor vehicle sales facility located at 511 and 515 W. 78th Street and 7801 Lyndale Avenue South.

**Address:** 515 W 78TH ST 511 W 78TH ST 7801 LYNDAL AVE S

The following conditions of approval are arranged according to when they must be satisfied. In addition to conditions of approval, the use and improvements must also comply with all applicable local, state, and federal codes. Codes to which the applicant should pay particular attention are included below.

1. Prior to Permit Grading, Drainage, Utility and Erosion Control plans must be approved by the City Engineer.
2. Prior to Permit Sewer Availability Charges (SAC) must be satisfied.
3. Prior to Permit A Nine Mile Creek Watershed District permit must be obtained and a copy submitted to the Engineering Division.
4. Prior to Permit Bicycle parking spaces must be provided and located throughout the site as approved by the City Engineer.
5. Prior to Permit An erosion control surety must be provided (16.08(b)).
6. Prior to Permit Tier 2 Transportation Demand Management plan must be submitted (Sec. 21.301.09(b)(2)).
7. Prior to Permit Storm Water Management Plan must be provided that demonstrates compliance with the City's Comprehensive Surface Water Management Plan. A maintenance plan must be signed by the property owners and must be filed of record with Hennepin County.
8. Prior to Permit Obtain Minnesota Department of Transportation (MnDOT) permit for any alterations within MnDOT right-of-way.
9. Prior to Permit A vehicle inventory management plan must be approved by the Planning Manager.
10. Prior to Permit Landscape plan must be approved by the Planning Manager and landscape surety must be filed (Sec 19.52).
11. Prior to Permit Parking lot and site security lighting plans must be revised to satisfy the requirements of Section 21.301.07 of the City Code.
12. Prior to Permit Exterior building materials must be approved by the Planning Manager (Sec. 19.63.08).
13. Prior to C/O The developer must submit electronic utility as-builts to the Public Works Department prior to the issuance of the Certificate of Occupancy.
14. Ongoing Alterations to utilities must be at the developer's expense.
15. Ongoing All loading and unloading must occur on site and off public streets.
16. Ongoing All rooftop equipment must be fully screened (Sec. 19.52.01).
17. Ongoing Signs must be in compliance with the requirements of Chapter 19, Article X of the City Code and Uniform Design Plan.

Application Date:	04/18/2018
60 Days:	06/17/2018
Extension Letter Mailed:	No
120 Days:	08/16/2018
<b>Applicable Deadline:</b>	<b>06/17/2018</b>
Newspaper Notification:	Confirmed – (05/10/2018 Sun Current – 10 day notice)
Direct Mail Notification:	Confirmed – (500 foot buffer – 10 day notice)

## STAFF CONTACT

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## PROPOSAL

The applicant seeks Conditional Use Permit approval and Final Site and Building Plans to establish an Acura dealership in a warehouse located east of the current Acura/Subaru dealership. The Acura and Subaru dealerships currently share one building. The north 40 feet of the structure would be enhanced to create a showroom. South of the showroom would be sales and support offices with additional offices, employee locker rooms, an employee break room and a training room on a partial second floor. Approximately 4,000 square feet of the building on the south would be removed. The remaining spaces would be used for 20 major automotive service bays, six auto detail repair stalls, trash collection, storage, and a private car wash. The applicant intends to redevelop the site without closing its current operation. Once the proposed building is completed, the existing facility would be an exclusive Subaru sales and service facility.

The proposed structure exterior would be upgraded. The north and south elevations would be Code complying aluminum composite metal panels. A portion of the west and a majority of the east elevations would see repainting of the previously painted concrete block. Wall signage is proposed on the north and east wall elevations with a freestanding sign at the northeast corner of the site. Code complying parking and vehicle storage areas are provided on the west and south side of the structure.

**ANALYSIS**

**Land Use**

The property is guided Regional Commercial on the City’s Comprehensive Plan, which specifically identifies automobile sales as an acceptable land use. Class I and II motor vehicle sales are conditionally permitted in the I-3 zoning district. The proposed conditional use permit and Final Site and Building Plans are consistent with the Comprehensive Plan.

**Code Compliance**

The existing motor vehicle sales use commenced under a Conditional Use Permit approved in 1987. The adjoining site was purchased in 2008 and used for warehouse and related operations for the auto dealership. As shown in Table 1, the proposed development meets most development standards for the I-3 Zoning District. Minor plan modifications would be required and corresponding conditions of approval would resolve any outstanding Code compliance issues.

**Table 1: City Code Requirement Analysis**

<b>Standard</b>	<b>Code Required (I-3)</b>	<b>Provided</b>
Site area (with parcel combination)	No requirement	276,396 square feet
Minimum lot width – Section 19.41	100 feet	> 250 feet
Building setback, all streets – Section 19.41	35 feet	14 to 200 feet (non-compliant areas legally non-conforming)
Building setback, rear yard – Section 19.41	25 feet	> 150 feet
Parking setback – Section 21.301.06(c)(2)(C)(i)	20 feet along street 5 feet all other yards	10 to 20 feet (non-compliant areas legally non-conforming) 5 to 13 feet
Parking - Section 21.301.06(d)(1) Customer/Employee Vehicle Service and other use	121 spaces 189 spaces	121 spaces 189 spaces
Sales and display spaces – Section 21.302.01(f)	Not required	95 Spaces
Parking lot islands size – Section 21.301.06(c)(2)(H)	8 feet wide and 3 feet shorter than space served	New islands - In Compliance
Parking stall size – Section 21.301.06(c)(2)(C)	9 feet by 18 feet	9 feet by 18 feet
Parking Drive aisle – Section 21.301.06(c)(2)(C)	24 feet	24 to 30 feet

Trees/Shrubs – Section 19.52(c)(2)	111 trees / 277 shrubs	111 trees / 277 shrubs
Trees in each island – Section 21.301.06(c)(2)(H)	One per island	New islands - In Compliance
Screening along a public street – Section 19.52(d)(4)	Three feet high	Provided
Trash collection area – Section 19.51	300 square feet	1,100 square feet
Off-site storage – Section 21.302(e)	Requires approval	None proposed
Parking lot and security lighting – Section 21.301.07	Parking lot – 2 FC Building – 2-10 FC 70,000 Lumens Max Height: 33 feet	Parking lot – 5 to 23 FC Building – not provided 28,630 Lumens 28 feet
Vehicle loading/unloading – Section 21.302.01(g)	On-site only	Provided
Rooftop screening – Section 19.52.01	Fully screened	Not shown
Outdoor speaker/PA system – Section 21.302.01(b)	Prohibited	Not used

**Building Design**

The current Acura/Subaru dealership is located on the west side of the site. The existing warehouse building was previously occupied by the Forklifts of Minnesota sales and service facility. The building has been used as a warehouse supporting the Acura Subaru dealership since 2008. The proposal upgrades the building with a showroom on the north and associated uses for the remaining floor area. There would be minimal changes to the existing dealership, which would be dedicated to Subaru sales and service.

Building materials consist of a mix of glass, metal panels and painting the existing painted masonry. Metal panels may be permitted as primary materials, provided they are found to meet the required metals standards. These include metal panel specifications, finish, durability, and warranty information. The applicant is aware of these standards. Staff must review and approve the metal panels prior to the issuance of a building permit.

**Landscaping, Screening and Lighting**

Landscaping and lighting improvements are proposed for the site. The City Code uses “Developable Landscaping Area” to calculate the amount of landscaping required. Staff calculated the required trees and shrubs based on the area of the two parcels that are not part of the existing motor vehicle sales Conditional Use Permit. The lots at 511 and 515 West 78<sup>th</sup> Street total 113,878 square feet which equates to a landscaping requirement of 46 trees and 114 shrubs. Most “new” landscaping would be located on the proposed facility. Previously approved landscaping that is missing within the Subaru site would also be replaced.

Section 21.301.07 establishes minimum lighting levels for parking surfaces, entrance areas, and maximum lighting levels along property lines. The parking lot lighting is three to ten times the City

Code required minimum light levels. The applicant has not provided building entrance lighting calculations. This must be provided prior to the issuance of a permit. The applicant has not calculated the power allowed under the Minnesota Energy Code, which is required.

In addition, the City Code requires all lights except those required for security to be extinguished one hour after close of business. This may be accomplished by extinguishing most fixtures on each pole. In other locations, this reduced light level still provides levels above the City Code minimum illumination levels. Proper circuiting is required to assure this can be accomplished; the use of motion sensors would also meet the requirement.

**Access, Circulation, and Parking:**

The site access remains unchanged with a right-in/right-out along Lyndale Avenue and a full access to American Boulevard via an access easement across 7845 Lyndale Avenue South. All two-way drive lanes are served with 24 -foot or wider aisles while the south side of the building, used for service staging and the car wash, is served by a 20 -foot fire lane. The applicant proposes a combined 405 surface parking spaces with 183 spaces for the Acura site and 222 spaces for the Subaru site. Stalls used for customer and employee parking must meet stall dimension and access requirements of 9 feet by 18 feet with a 24 -foot access drive if 90 degree parking. While compact spaces could be included, the applicant has not included any in the plan submitted.

Inventory stalls are not required to meet the minimum parking dimensional standards. To increase inventory storage area the applicant has double-stacked 14 spaces at the southeast corner of the site. The applicant designated parking areas for employees, customers, and service staging equal to Code required parking for retail, warehouse, and office uses, which is 121 parking stalls. Similarly, areas designated for service staging must be equal to the Code-required parking for vehicle service, which is 189 parking stalls.

It is common for a car dealership to experience inventory control issues and utilize designated customer and employee parking for vehicle inventory. While staff is encouraged with the improvement of the aging structure, the change results in less than 100 spaces reserved for inventory for both properties, which is far below the actual inventory counted by staff for the current dealership.

Through this proposal, the number of inventory storage spaces decreases from that previously approved in the 1987 approval due to the increased service bays, office use and showroom areas. Staff is concerned the site may be constrained to accommodate the on-site inventory and increased demand for the two dealerships in separate structures. An inventory management plan must be provided and approved by the Planning Manager to minimize the ongoing issues of inventory in customer spaces which result in parking in the fire lanes and other auxiliary parking by customers and employees.

The plans show an access gate along the south side of the site. The access gate restricts access around the structure and restricts access to parking. While the access gate is not prohibited, as part

of the access, circulation and parking plans review, the gate must be open during business hours to eliminate parking, access and circulation issues.

**Stormwater Management:**

Stormwater will be managed to meet the City's and Watershed District's requirements for stormwater rate control (quantity), stormwater quality and volume.

The Stormwater Management plan calculations and narrative are under reviewed to verify that they meet the requirements in the City of Bloomington Comprehensive Surface Water Management Plan. A maintenance plan has not yet been provided and will be required to be signed and filed at Hennepin County. This site is located within the Nine Mile Creek Watershed District, so an additional permit will be required. Additionally, the applicant must provide soils information to verify the soils are conducive to infiltration.

**Utilities:**

The existing building has sewer and water service currently. With this change, the applicant must loop the water service to provide increased reliability of service and reduction of head loss.

**Traffic Analysis:**

No significant impacts to the adjacent traffic patterns due to this building addition have been identified. Since the application was submitted, the Minnesota Department of Transportation (MNDOT) announced funding through the Corridors of Commerce program for new MNPASS lanes on I-494 immediately north of the Acura/Subaru site. Environmental review documents for previously proposed I-494 improvements identified the existing warehouse/proposed Acura building at 511 W. 78<sup>th</sup> Street as being impacted. MNDOT staff is not yet sure whether the Corridors of Commerce projects will impact the building, but has asked the consultant to expedite the design in that area so the property owner can be advised of any impacts before making a large investment. Given that the building is existing, the issue does not impact the City's review of the application. However, if MNDOT identifies an impact to the building prior to construction, the applicant may modify their plans.

**Transit and Transportation Demand Management (TDM):**

This redevelopment will require a Tier 2 TDM plan, which allows the property owner to choose from a menu of TDM options. The owner has not yet submitted a Tier 2 TDM checklist and will need to do so prior to issuance of a certificate of occupancy.

**Fire Prevention:**

Maintaining access, water supply, and addressing are critical factors. These factors will need to be maintained throughout the construction phase. Hydrants locations will be approved by the Utilities and Fire Prevention Divisions. All access and circulation design must meet or exceed the minimum standards for fire prevention and be maintained in accordance to the approved plan, including a surface to provide all weather driving capabilities. Apparatus access roads must be asphalt or concrete and support a minimum of 80,000 pounds. Provide turning radius throughout the property to accommodate Ladder 1. The applicant has proposed removing the existing gate system between the Acura property and this property.

The building must be addressed plainly and visible from the street or road using numbers that contrast with the background. The numbers must be a minimum of four inches, be Arabic numbers or alphabetic letters with a minimum stroke width of 0.5 inches. A Knox box will be required at the main entrance.

Provide for emergency responder radio coverage throughout the complex and in all structures per the requirements of Appendix L in the 2015 Minnesota State Fire Code. Any changes made to the current plans, including building location, access roads, water supply, landscaping and addressing, shall be reviewed by the Fire Marshal to insure continued compliance with the fire code.

**FINDINGS**

**Required Conditional Use Permit Findings - Section 21.501.04 (e) (1)**

<b>Required Finding</b>	<b>Finding Outcome/Discussion</b>
(1) The proposed use is not in conflict with the Comprehensive Plan.	<b>Finding Made</b> - The Comprehensive Land Use Plan designates this property as Regional Commercial, which specifically allows motor vehicle sales uses.
(2) The proposed use is not in conflict with any adopted District Plan for the area.	<b>Finding Made</b> – The property is not located within an adopted District Plan.
(3) The proposed use is not in conflict with City Code provisions.	<b>Finding Made</b> – The proposed use would meet the City Code provisions, subject to minor changes as required by the conditions of approval.
(4) The proposed use will not create an excessive burden on parks, schools, streets, and other public facilities and utilities which serve or are proposed to serve the planned development.	<b>Finding Made</b> - Given the size and characteristics of the proposed development, an excessive burden is not anticipated on parks, schools, streets, the sanitary sewer system, or the water system. Staff’s review of final stormwater plans will ensure stormwater is appropriately managed.
(5) The proposed use will not be injurious to the surrounding neighborhood or otherwise harm the public health, safety and	<b>Finding Made</b> - The proposed motor vehicle sales facility, once revisions are made to comply with City Code, is not expected to create excessive noise, light, odor, or other factor that would be injurious to the surrounding neighborhood.

welfare.	
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**Required Final Site and Building Plan Findings - Section 21.501.01(d)(1-4):**

<b>Required Finding</b>	<b>Finding Outcome/Discussion</b>
(1) The proposed use is not in conflict with the Comprehensive Plan.	<b>Finding Made</b> - There is no conflict between the proposed development and the Comprehensive Plan. The Comprehensive Plan designates this property as Regional Commercial, which acknowledges automobile sales as an acceptable land use. Class I motor vehicle sales facilities are conditionally permitted in the I-3 zoning district.
(2) The proposed use is not in conflict with any adopted District Plan for the area.	<b>Finding Made</b> – The property is not located within an adopted District Plan.
(3) The proposed use is not in conflict with City Code provisions.	<b>Finding Made</b> - The proposed use would meet the City Code provisions, subject to minor changes as required by the conditions of approval.
(4) The proposed development will not be injurious to the surrounding neighborhood or otherwise harm the public health, safety and welfare.	<b>Finding Made</b> - The proposed motor vehicle sales facility, once revisions are made to comply with City Code, is not expected to create excessive noise, light, odor, or other factor that would be injurious to the surrounding neighborhood.

**RECOMMENDATION**

**Note the Planning Commission has final approval authority on these Conditional Use Permit and Final Site and Building Plans applications unless an appeal to the City Council is received by 4:30 p.m. on May 30<sup>th</sup>.**

Staff recommends the following motions:

In Case PL2018-139, having been able to make the required findings, I move to adopt a resolution approving a Conditional Use Permit to convert an existing warehouse building to a Class I motor vehicle sales facility located at 511 and 515 W. 78th Street and 7801 Lyndale Avenue subject to the conditions and Code requirements attached to the staff report.

In Case PL2018-139, having been able to make the required findings, I move to approve Final Site and Building Plans to convert an existing warehouse building to a Class I motor vehicle sales facility located at 511 and 515 W. 78th Street and 7801 Lyndale Avenue subject to the conditions and Code requirements attached to the staff report.