

GENERAL INFORMATION

Applicant: SkyWater Technology Foundry, Inc.

Location: 2401 and 2411 East 86th Street

Request: 1) Rezone from CO-1(PD) (AR-17) to IT (PD) (AR-17)
2) Major Revision to Preliminary Development Plan and Final Development Plan for an Expansion

Existing Land Use and Zoning: Semiconductor Production Facility; zoned CO-1(PD), Commercial Office (Planned Development) with a partial (AR-17) (Airport Runway) Overlay

Surrounding Land Use and Zoning: North and East– Minnesota River Valley National Wildlife Refuge Trailhead; zoned SC (BP-2) (AR-17)
West – Place of Worship and Fire Station; zoned R-1
South – Townhomes; zoned R-1(PD) (BP-2)

Comprehensive Plan Designation: Innovation and Technology

HISTORY

City Council Action: 08/06/1984 – Amended the Comprehensive Plan from High Density Residential and Office to Employment Oriented Mixed Use and Rezoned Property from B-1 (PD) to IN-1 (Case 8731AB-84)

03/30/1992 – Rezoned Property from IN-1 to CO-1 (Case 8731A-92)

06/06/1994 – Approved a rezoning of the property from CO-1 to CO-1 (PD) and Preliminary and Final Development Plan for a building addition and site expansion. (Case 8731A-94)

08/17/1994 – Approved a Certificate of Appropriateness for a building addition, parking alteration and related site improvements. (Case 8731C-94)

08/17/1994 – Approved a Certificate of Appropriateness for an 18,000 gallon LPG tank adjacent to a prehistoric site. (Case 8731D-94)

10/02/1995 – Approved a Certificate of Appropriateness to reduce the required prehistoric site buffer from 50 feet to 30 feet for underground and above-ground storage tanks and site alterations. (Case 8731C-95)

02/07/2000 – Approved a revised Final Development Plan for a 36,000 SF Building addition (Case 8731C-99)

08/20/2012 – Approved a Comprehensive Plan Reguiding from Industrial to Innovation and Technology (Case 10001BC-12)

CHRONOLOGY

Planning Commission	08/29/2019 – Public Hearing (Reccomended Approval)
City Council	09/09/2019 – Public Hearing Scheduled (Development Business)

DEADLINE FOR AGENCY ACTION

Application Date:	07/24/2019
60 Days:	09/22/2019
120 Days:	11/21/2019
Applicable Deadline:	09/22/2019
Newspaper Notification:	Confirmed – (08/15/2019 Sun Current – 10 day notice)
Direct Mail Notification:	Confirmed – (500 buffer – 10 day notice)

STAFF CONTACT

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PROPOSAL

SkyWater Technology Foundry Inc. is proposing a 66,724 square foot expansion onto the existing 330,765 square foot facility. Approximately 15,000 square feet of the expansion will be Class 10 Clean Room Fab, with the remaining areas to be dedicated to sub-fab area, mechanical, corridors and other support spaces. The building expansion would support an additional 30-50 employees.

The building expansion would be on the southwest side of the building. It will cover an area currently occupied by 139 parking spaces. The parking lot will be reconfigured and underground utilities re-routed. Additionally, stormwater runoff will be routed to an underground infiltration system to provide rate control, volume control, and water quality improvements.

ANALYSIS

Land Use and Rezoning

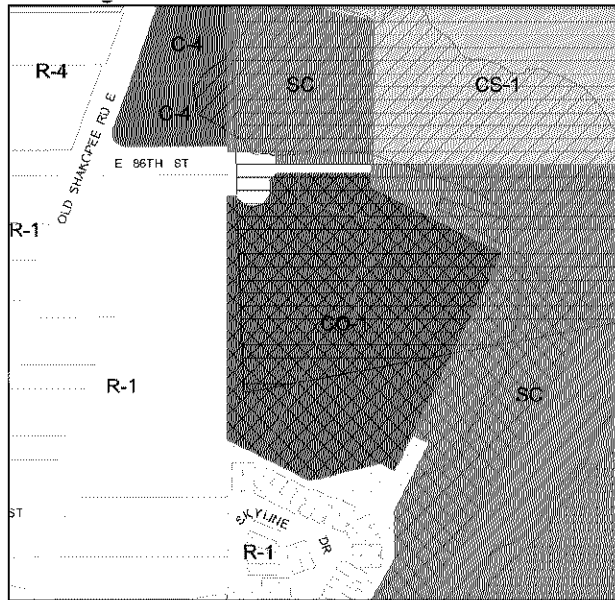
The site is guided Innovation Technology, which allows high-tech manufacturing, office, and research and development. The applicant is requesting the base zoning of the property be rezoned from CO-1 Commercial Office to IT Innovation Technology. This is consistent with the IT Innovation and Technology land use designation in the Comprehensive Plan.

Rezoning carries with it a higher level of discretion than site plan approval. Although there are no explicit findings that must be made in conjunction with a rezoning, appropriate considerations include:

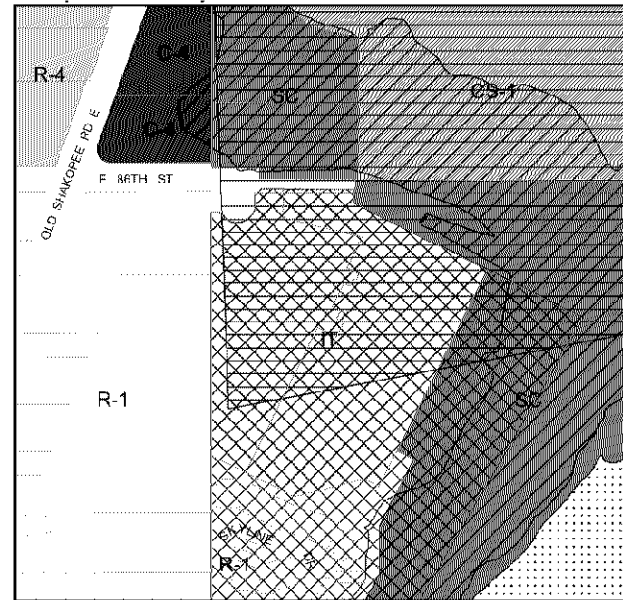
- Whether the proposed district is consistent with the Comprehensive Plan;
- How the proposed district differs from the existing district; and
- Whether there is a public benefit in the change.

Staff believes the proposed base zone change and preserving the planned development overlay, as depicted in Graphic 1 below, is consistent with the Comprehensive Plan and provides a public benefit by implementing the Comprehensive Plan and South Loop District Plan. As part of the 2019 Planning Commission work plan, the City intended to initiate rezoning of this parcel, along with others, to IT.

Existing Zoning



Proposed Zoning



Code Compliance

Staff analyzed the development using the underlying IT zoning standards. Several other City Code sections apply to the development and are included in Table 1.

Table 1: City Code Requirement Analysis

Standard	Code Required	Provided	Compliance
Site area – minimum (Sec. 21.301.01(d))	80,000 square feet	609,771 square feet	Yes
Minimum lot width (Sec. 21.301.01(d))	200 feet	Approx. 460 feet	Yes
Building setback along all streets (Sec. 21.301.02(c))	20 feet	109 feet	Yes
Building rear yard setback	25 feet	61.5 feet	Yes
Building setback from residential	50 feet	361 feet (south)	Yes
Parking setback (along street) (Section 21.301.06)	20 feet	20 feet	Yes
Parking setback (rear and side yard) (Section 21.301.06)	5 feet	West - 18 feet South -20 feet East – 70 feet	Yes
Impervious surface coverage (Sec. 21.301.01(d))	90% percent	65% percent	Yes

Floor area ratio (Sec. 21.301.01(d))	0.4 Minimum 2.0 Maximum	0.65	Yes
Building size (Sec. 21.301.01(d))	20,000 square feet	397,489 square feet	Yes
Building height (Sec. 21.301.10)	50 feet	31.5 building feet 18 feet screening 49.5 total height	Yes
Parking required (Section 21.301.06)	508 Code required spaces 273 spaces from study	294 spaces	Yes – with flexibility based on study
Parking stall size (Section 21.301.06)	9 feet by 18 feet	9 feet by 18 feet	Yes
Drive aisle (Section 21.301.06)	24 feet	24 feet	Yes
Trash collection (Section 21.301.17)	Interior with interior access	Existing Trash Room	Yes
Trees (Section 19.52)	40	40 trees	Yes
Shrubs (Section 19.52)	125 shrubs	106 shrubs + 130 perennial plants = 138 shrubs	Yes
Parking Lot Island Trees - (Sec.21.301.06(c)(2)(H)(iii))	One in each parking island	One in each parking island	Yes
Lighting – maintained levels – minimum	Parking Lot – 1.5 FC Perimeter – 0.75 FC Property Line – 0.5 FC Max Entry - 7 FC Sidewalk – 2.0 Secondary doors – 2.0 FC	Parking Lot – 0.3- FC Perimeter – 0.2 FC Property Line – 0.5 FC Max Entry, Sidewalk and Secondary doors – Not Shown	Revision Required
Private Sidewalks	Five feet in width	Five	Yes

Site and Building Design

The proposed building expansion will occur on the building's southwestern side. The footprint of the expansion is 33,000 square feet. The proposed location is shielded from the public right of way and at its closest point is 65 feet from the property line. While there are residential properties to the south, the building will maintain a 361 foot setback and retain the significant screening along the south property line that was installed in 1999.

Currently the site is split into two parcels with the property line running through the existing and proposed building. The applicant is proposing to re-plat the property through a separate application as one single parcel to address additional building and zoning code requirements.

The building expansion height is 30.5 feet from the lowest grade with a new 18 foot screen wall around rooftop mechanical. The proposed height is below the 50 foot maximum height for the property. The walls are proposed to be cast-in-place concrete structural waffle slab on concrete columns and footings with an integral color which is consistent with the existing building materials. Pre-cast concrete without an architectural finish is not permitted in the CO-1 zoning district (existing zoning district) nor with the IT zoning district (proposed zoning district). While precast concrete is a permitted building material it must be faced with a code complying material outlined in section 19.63.08(c)(1). The applicant is seeking PD flexibility for the proposed exterior material and staff is in support for the following reasons:

- 1) The material is consistent with the existing building
- 2) The expansion is not visible from the public right-of-way

Landscaping, Screening and Lighting

The lighting plan is deficient. While compliance beyond the disturbed area is not required with this application, the increased parking area and any area reconstructed must fully comply with the minimum light levels. The City Code requires 1.5 foot candles for office and industrial uses within the parking lot with 50% reduction, or 0.75 foot candles, for perimeter 25 feet of parking, loading, and access areas. The plan submitted depicts some areas as low as 0.2 foot candles and revising the lighting plan to be Code compliant is a recommended condition of approval.

The City Code requires 7 foot-candles within 10 feet of a primary entrance and exit and 2.0 foot-candles within 5 feet of secondary and emergency exits. The lighting plan submitted only provides lighting levels for the parking area. A revised plan with adequate foot-candles along the perimeter that includes lighting levels for the entry/exit must be submitted and approved prior to building permit issuance.

Access, Circulation, and Parking:

The proposed building expansion expands into the existing parking area and reduces total parking by 170 spaces. Currently the site provides 464 parking stalls and the proposed project will reduce that number to 294 parking stalls. The addition will add 30-50 new employees. Per City Code the required parking is 508 stalls.

Land Use	Rate	Area (Square Feet)	Required Parking Stalls
Office (Existing)	1 stall/ 285 SF	84,457	296
Clean Room (Existing)	1 stall/ 500 SF	67,554	135
Equipment Storage (Existing)	1 stall/ 1,000 SF	47,835	48
Clean Room (Proposed)	1 stall/ 500 SF	14,500	29
Total Parking Requirement			508

As a result of the proposed project, the site will be deficient 214 parking stalls or 42%. Given the unique manufacturing that occurs at the facility, a parking study was conducted by Alliant Engineering to determine the parking needs. The study identified the use is unique and lacked similar uses to compare the parking demand. They primarily relied on SkyWater Technology Foundry parking counts to supplement and confirm the findings of Alliant Engineering parking analysis. The conclusion was peak parking demand of the facility is currently about 236 vehicles.

Using the 236 vehicle demand as a base Alliant provided analysis for potential employment increases due to the building expansion. Using the most conservative estimate, which assumes 50 new employees working varied shifts, the projected peak demand is 260 vehicles. A 5% contingency is then added to this number to ensure adequate parking which equates to 273 spaces. The proposed 294 parking stalls will provide an additional surplus of 21 stalls. Staff believes the parking supply would be adequate to meet the calculated demand. Furthermore, SkyWater Technology Foundry has an informal agreement with the adjacent place of assembly for shared parking for an additional 85 parking stalls. While not required by Code at this time, having the lot available for overflow parking if ever needed is helpful.

The parking demand determined in the parking study is specific to the unique manufacturing that occurs at this facility. As part of the conditions of approval, any parking deviation will be tied to this specific building use. Any change of use in the facility will require a new parking analysis and may result in the need for additional parking stalls to be constructed, structure area to be removed or additional deviations.

The plan submitted depicts a parking island in the front row of parking that is over the 200 foot maximum distance between islands. Given the length of the row of parking an additional parking island will be required reducing total parking by an additional 2 spaces. Staff is in support of this because of the surplus identified in the parking study. Additionally, the island would provide space for an additional tree.

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 have been reviewed and appear to 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.

Utilities:

The proposed project includes additional sanitary sewer and watermain that will connect to existing utilities on site. Upon completion of the project there will be an increased frequency of discharges

into the sanitary sewer system. The current sanitary sewer service downstream of SkyWater is near capacity and in order to accommodate the increased frequency of discharges from the proposed project, upgrades must be made to service. SkyWater has agreed to a petition and waiver to the City to participate in a 50/50 cost split for the sanitary sewer upgrades. The estimated cost of the sanitary sewer upgrades are \$120,000.00, the work is scheduled to take place in 2020 and be completed by December 2020.

The utility plans must be approved by the City Engineer prior to permit issuance. The applicant will be responsible for coordinating all utility work and acquiring all applicable permits with the Bloomington Utility Division.

Traffic Analysis:

No significant impacts to the adjacent traffic patterns due to this building addition have been identified.

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.

Fire Prevention and Public Safety

The site plans meet a majority of the fire prevention requirements. The proposed development is consistent with the Emergency Vehicle Access and Circulation requirements and provides the minimum 20 foot wide access around the building addition. The access and circulation design must meet or exceed the minimum standards for fire prevention and be maintained in accordance with 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. The applicant must ensure landscaping does not interfere with access to the building.

The applicant will need to provide a hydrant within 50 feet of the fire department connection and 150 feet of any exterior wall. A looped water supply feeding a single, combined water service into the building is required for the domestic and sprinkler system water demand. Hydrants must be approved by the Utilities and Fire Prevention Divisions.

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 areas designated by the Fire Prevention Division.

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 and addressing, must be reviewed by the Fire Marshal to ensure continued compliance with the Fire Code.

Status of Enforcement Orders

There are no open enforcement orders at this site.

FINDINGS

Required Preliminary and Final Development Plan Findings - Section 21.501.03(e) (1-7):

Required Finding	Finding Outcome/Discussion
(1) The proposed use is not in conflict with the Comprehensive Plan.	Finding Made - The proposed rezoning of IT Innovation and Technology and proposed land use of high tech manufacturing is consistent with the existing future land use guide plan's designation of IT Innovation and Technology land use category.
(2) The proposed use is not in conflict with any adopted District Plan for the area.	Finding Made - The proposed expansion is consistent with the South Loop District Plan which recommended re-guiding and rezoning the site from Industrial to Innovation and Technology land use and Innovation and Technology zoning district.
(3) The proposed development is not in conflict with the approved Preliminary Development Plan for the site.	Finding Made - The development is proposed to be completed as one phase. The preliminary and final development plans are the same.
(4) All deviations from City Code requirements are in the public interest and within the parameters allowed under the Planned Development Overlay Zoning District or have previously received variance approval.	Finding Made - The deviations would not have an adverse impact on the surrounding neighborhood and are in the public interest because of the unique high tech manufacturing that occurs at the facility and location of the building expansion on the southwest side of the building.
(5) The proposed development is of sufficient size, composition and arrangement that its construction, marketing and operation is feasible as a complete unit without dependence upon any subsequent unit.	Finding Made - The planned development is proposed to be completed in one phase and is not dependent upon a subsequent unit.
(6) The proposed development 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.	Finding Made - Given the size and characteristics of the proposed development, an excessive burden is not anticipated on parks, schools streets, or other public facilities. The applicant will need to petition the City to upgrade sewer network to ensure adequate capacity.

(7) The proposed development will not be injurious to the surrounding or otherwise harm the public health, safety and welfare.	Finding Made - The proposed development is an expansion of existing use of the site. The expanded facility will not be injurious to the surrounding neighborhood or otherwise harm the public health, safety and welfare.
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RECOMMENDATION

The Planning Commission and staff recommend approval via the following motions:

In Case PL2019-127, I move to adopt an ordinance rezoning the base zoning district of 2401 and 2411 E. 86th Street from CO-1 to IT.

In Case PL2019-127, having been able to make the required findings, I move to approve preliminary and final development plans for a 67,000 square foot expansion of a high tech manufacturing at 2401 and 2411 E. 86th Street, subject to the conditions of approval and Code requirements attached to the staff report.

RECOMMENDED CONDITIONS OF APPROVAL

Case PL201900127

Project Description: Rezone the base zoning of 2401 and 2411 East 86th Street from CO-1 Commercial Office 1.0 to IT Innovation and Technology and Major Revisions to preliminary and final development plans for an approximately 67,000 square foot expansion at Skywater Technology Foundry located at 2401 and 2411 E. 86th Street.

Address: 2411 E 86TH ST and 2401 E 86TH ST

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 A Site Development Agreement, including all conditions of approval, must be executed by the applicant and the City and must be properly recorded by the applicant with proof of recording provided to the Director of Community Development.
2. Prior to Permit Landscape plan must be approved by the Planning Manager and landscape surety must be filed (Sec 19.52). A deciduous tree must be incorporated into each parking island. The overall quantity of trees and shrubs must meet or exceed City Code requirements.
3. Prior to Permit All trash and recyclable materials must be stored inside the principal building consistent with the design standards of City Code (Sec. 19.51).
4. 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.
5. Prior to Permit Given that the building addition crosses an existing property line, the applicant must provide either proof of execution of a tax parcel combination or proof of recording of a replat that resolves the encroachment.
6. Prior to Permit An additional parking lot island in compliance with City Code requirements must be added to the parking row closest to the building addition.
7. Prior to Permit Sewer Availability Charges (SAC) must be satisfied.
8. Prior to Permit Grading, Drainage, Utility and Erosion Control plans must be approved by the City Engineer.
9. 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.
10. Prior to Permit A Minnesota Department of Health (MDH) watermain review and approval must be obtained or notification from MDH that this permit is not required must be submitted to the City (State of MN).
11. Prior to Permit Applicant must submit a petition and waiver for City sanitary sewer upgrades off site to expand the capacity sufficient to serve the expansion.
12. Prior to Permit Access, circulation and parking plans must be approved by the City Engineer.
13. Prior to Permit Tier 2 Transportation Demand Management plan must be submitted (Sec. 21.301.09(b)(2)).

14. Prior to Permit A building permit for all required changes to accommodate the proposed use be obtained.
15. Prior to Permit 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, Minnesota State Fire Code Sec. 508). Amend the plans to show a fire hydrant within 50 feet of the fire department connection and within 150 feet of any exterior wall as approved by the Fire Marshal.
16. Prior to C/O Buildings shall meet the requirements of the Minnesota State Fire Code Appendix L (Emergency Responder Radio Coverage) adopted through City Ordinance to have approved radio coverage for emergency responders based upon the existing coverage levels of the public safety communication systems.
17. Prior to C/O Fire lanes must be posted as approved by the Fire Marshal (MN State Fire Code Sec. 503.3).
18. 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.
19. Prior to C/O Bicycle parking spaces must be provided and located throughout the site as approved by the City Engineer.
20. Ongoing All construction stockpiling, staging and parking must take place on site and off adjacent public streets and public right-of-way.
21. Ongoing The building use is limited based on the number of on-site parking spaces. No other uses are permitted unless a parking study is conducted.
22. Ongoing All rooftop equipment must be fully screened (Sec. 19.52.01).
23. Ongoing Prior to occupancy, life safety requirements must be reviewed and approved by the Fire Marshal.