

GENERAL INFORMATION

Applicant: Rosa Development Company (owner)

Location: 3700 American Boulevard East

Request: Modifications to development milestones approved as conditions of approval for an interim use permit approval for remote airport parking at 3700 American Blvd. E. and one-year preliminary and final plat approval extension.

Existing Land Use and Zoning: Remote airport parking facility; zoned HX-R(PD) High Intensity Mixed Use with Residential (Planned Development)

Surrounding Land Use and Zoning: North – Interstate 494
West and East – Hotels; zoned HX-R
South – Appletree Square hotel/office/residential; zoned HX-R(PD)

Comprehensive Plan Designation: South Loop Mixed Use

HISTORY

City Council Action: 08/03/2020 – Approved an interim use permit with modifications to previously adopted development milestones for phased development; denied an extended expiration date at 3700 American Blvd. E. subject to the listed conditions of approval; and denied an interim use permit with a new expiration date at 3750 American Blvd. E. (PL2020-102).

City Council Action: 04/06/2020 – Approved a major revision to preliminary development plans for a multi-phase planned development at 3700 and 3750 American Boulevard E.; final development plans to convert a portion of the Park N Fly remote airport parking facility into a six-story, 183-unit apartment building located at 3700 American Blvd. E. (Phase I); preliminary and final plat ROSA ADDITION; and a platting variance to defer park dedication fees for future development phases (PL2020-28).

City Council Action: 04/15/2019 – Approved a five-year interim use permit for remote airport parking at 3700 American Blvd. E., subject to development milestones (PL2019-11).

City Council Action: 02/23/2015 – Approved a five-year interim use permit for remote airport parking at 3700 American Blvd. E.; approved a variance to increase the interim use permit term from five to 10 years for 3750 American Blvd. E.; and approved a 10-year interim use for a remote airport parking facility at 3750 American Blvd. E. (Case 9250ABC-14).

City Council Action: 08/03/2009 – Denied variance requesting ability to have a 10-year interim use permit. Denied request for 10-year interim use permit. Approved a five-year interim use permit for remote airport parking, expiring July 1, 2014 (Case 9250AB-09).

City Council Action: 04/25/2005 – Rezoned to the HX-R Zoning District where remote airport parking is allowed only as an interim use.

City Council Action: 04/21/2003 – Reclassified remote airport parking as an interim use in the CS-1 Zoning District.

City Council Action: 09/23/2002 – Approved a revised final development plan to change the sunset date for the remote airport parking use in Condition #9 from 2004 to 2009 (a five year extension) (Case 9250B-94).

City Council Action: 03/24/1994 – Approved revised preliminary development plan for the site and approved a final development plan for parking structure with a sunset date for the remote airport parking use (Case 9250A-94).

City Council Action: 03/30/1992 – Rezoned site to apply the Planned Development Overlay District, approved a temporary conditional use permit and adopted a preliminary development plan with a sunset date for the remote airport parking use (Case 9250B-91).

City Council Action: 11/18/1991 – Approved three year temporary conditional use permit for remote airport parking (Case 9250A-91).

City Council Action: 08/08/1988 – Approved three year temporary conditional use permit for remote airport parking (Case 9250B-88).

City Council Action: 11/24/1986 – Adopted ordinance amending City Code to allow remote airport parking as temporary conditional uses in the CS-1 and CO-1 zoning districts.

CHRONOLOGY

Planning Commission	07/22/2021 – Recommended City Council approval of the interim use permit with amended development milestones for the Park N Fly remote airport parking facility.
City Council	08/02/2021 – Consent agenda

DEADLINE FOR AGENCY ACTION

Application Date:	06/10/2021
60 Days:	08/09/2021
120 Days:	10/08/2021
Applicable Deadline:	08/09/2021
Newspaper Notification:	Confirmed – (07/08/2021 Sun Current – 10 day notice)
Direct Mail Notification:	Confirmed – (500 buffer – 10 day notice)

STAFF CONTACT

Mike Centinario, Planner
Phone: (952) 563-8921
E-mail: mcentinario@BloomingtonMN.gov

PROPOSAL

The applicant is requesting a modification to a previously approved development milestone established as part of interim use permit approval for remote airport parking at 3700 American Blvd. E. – Park N Fly. The modification entails delaying Phase I construction from September 1, 2021 to September 1, 2022. The applicant is *not* requesting interim use permit extensions for remote airport parking for the remote airport parking surface lot (3700 American Blvd. E.) or the structured parking lot (3750 American Blvd. E.).

The applicant also requests a one-year preliminary and final plat approval extension. The City Council may extend the standard two-year approval timeline to three years. Approved on April 6,

2020, the final plat approval is set to expire on April 6, 2022. Should the development milestones be extended one year, the plat approval would logically be extended one-year.

BACKGROUND

In 2014, the applicant applied for a five-year IUP for the surface lot, 3700 American Blvd. E., a 10-year IUP for the parking structure, 3750 American Blvd. E., and a variance to allow a 10-year IUP (the IUP limit is five years) for the parking structure. The City Council ultimately approved the IUPs and the variance, subject to a condition requiring a development agreement where the applicant acknowledges remote airport parking is a temporary use and the City of Bloomington is under no obligation to approve future IUPs for remote airport parking. The agreement did not remove the applicant's ability to apply for future IUPs, which they did for the surface parking lot in 2019.

The surface lot IUP was approved with an expiration of July 1, 2024, which matches the IUP expiration date of the parking structure. As a condition of approval, development milestones were established to require a phased development plan for the entire site and the construction of an initial phase. The applicant has met milestone obligations to date. The preliminary development plan identified four development phases for the site, and the final development plan for Phase I, were approved by the City Council in April 2020. Phase I is intended to be a six-story, 183-unit apartment building.

ANALYSIS

Redevelopment of 3700 and 3750 American Blvd. E. from temporary remote airport parking to permanent development consistent with the South Loop District Plan is strongly in the City's interest. The COVID-19 pandemic continues, has significantly impacted the economy, and has had lasting ramifications on the construction industry. Construction cost increases and supply and labor shortages have made new development much more challenging. Staff has included a recent Star Tribune article, which outlines some of the difficulties. As established in the approved IUP, the applicant is required to commence construction of Phase I by September 1, 2021. Due to increased construction prices, the applicant will not be able to meet that milestone, which is the subject of the modification.

Staff is supportive of amending the development milestone. The increased construction prices have impacted multiple residential projects in Bloomington. The applicant has been actively collaborating with City staff to prepare construction documents and work towards procuring a building permit, but requests an additional year to begin construction. The revised development milestone revision, including completed milestones, is:

Milestone	Description	Due
Identify Phase I Project Site	Applicant will submit to the City the approximate boundaries of a three to four acre development site within the Property.	August 1, 2019 – COMPLETE
Amend Alternative Urban Areawide Review (AUAR)	Applicant and City will amend existing AUAR as needed to include the Project within the AUAR.	Concurrent with the City's five year AUAR update due in 2022 – COMPLETE
Concept Master Plan	Applicant will submit a concept master plan for entire site including 3700 Blvd and 3750 American Blvd that identifies proposed major uses, the development square footage projected, phasing, public and private infrastructure and location of structured parking.	October 31, 2019 – COMPLETE
Project Pro Forma	Applicant will submit a development pro forma for the Phase I Project that identifies sources and uses of public and private funds and the need for public support of the Project.	October 31, 2019 – COMPLETE
Application for Public Financial Assistance	If public financial assistance is desired, Applicant will submit to the City, Port Authority and/or the Housing and Redevelopment Authority, as applicable, a written request for tax increment financing or other public subsidies requested for the Phase I Project.	December 31, 2019 – COMPLETE
Revised Preliminary and Final Development Plans	Applicant will submit to the City a complete application for major revision to Preliminary Development Plans for the Property and Final Development Plans for the Phase I Project.	December 31, 2019 – COMPLETE
Preliminary and Final Plat	Applicant will submit an application for preliminary and final plat to subdivide the Property into parcels for phased development of the Project and for continued use of the remnant Property for remote airport parking in the interim or some other approved use. The application may be accompanied by a platting variance request to defer park dedication for future development phases.	March 31, 2020 – COMPLETE
Building Permit	Applicant will submit a complete application for a building permit for the Phase I Project.	June 1, 2021 – COMPLETE
Construction Start	Applicant will commence construction of the Phase I Project.	September 1, 2021 <u>2022</u> – PROPOSED MODIFICATION

Development Concept Plan: Phase II	Applicant will submit a development concept plan for Phase II with projected uses, development scheduled, projected cost and support requirements from the City.	July 1, 2023 – UNCHANGED
--	--	-----------------------------

Extending the preliminary and final plat approval goes “hand-in-hand” with the development milestone extension. Plats are routine elements of land development. Park dedication would be due prior to the recording of the final plat. Staff believes the plat approval extension is in the public’s interest and is recommending approval, subject to the original conditions of approval established in City Council Resolution #2020-46.

FINDINGS

Modification of Development Timeline at 3700 American Blvd. – Section 21.501.05(e)(1-6)

Required Finding	Finding Outcome/Discussion
(1) The proposed use will not delay permanent development of the site	Finding Made- The requested modification to the development timelines results in permanent development of the site and is reasonable based upon the ongoing impacts of the COVID-19 pandemic and shocks to construction markets.
(2) The proposed use is not in conflict with any adopted District Plan for the area.	Finding Made – The extension of the development milestones is not in conflict with the Comprehensive Plan’s and South Loop District Plan’s long term vision for the site and surrounding area for high-density, mixed use, pedestrian oriented development. As approved, the proposed Phase I construction will achieve the long term vision for the site and the additional time needed for construction is reasonable based upon the disruptions caused by COVID-19 and the construction industry.
(3) The proposed use will not be in conflict with any provisions of the city code on an ongoing basis	Finding Made – The HX-R zoning district specifically restricts remote airport parking to being an interim use within the district. Permanent use of the site for remote airport parking would be in conflict with the HX-R zoning district. Phased development within the large site is consistent with the intent of the IUP.
(4) The proposed use will not be injurious to the surrounding neighborhood or otherwise harm the public health, safety, and welfare	Finding Made – The use has not adversely impacted nearby properties in the past and there is no reason to expect adverse nuisance impacts based on the extension of development milestones.
(5) The date or event that will terminate the use has been identified with certainty	Finding Made – The applicant’s request to modify the development timeline provided by the existing IUP provides a date certain at which development will occur and

	provides flexibility for the applicant to navigate the challenges existing in the construction industry.
(6) The property on which the use is situated has no open enforcement orders and there are no nuisance characteristics associated with the property or its current use	Finding Made – There are currently no enforcement actions, outstanding code violations, or nuisance characteristics on the site.

RECOMMENDATION

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

In Case PL2021-129, having been able to make required findings, I move to approve an interim use permit with modifications to previously adopted development milestones for phased development at 3700 American Blvd. E., subject to the listed conditions of approval attached to the staff report.

In Case PL2021-129, I move to approve a one-year preliminary and final plat approval extension for the Rosa Addition plat, subject to the conditions of approval established in Resolution #2020-46.

CONDITIONS OF APPROVAL

1. Failure to meet any of the milestones identified in the Project Description dated June 10, 2021 will result in termination of this interim use permit for remote airport parking, provided the City makes available sufficient sewer infrastructure capacity to be available. In any event, termination of this interim use permit is subject to Applicant's right to cure an event of default or otherwise undertake corrective measures. In no case may the use of the Property for remote airport parking extend beyond July 1, 2024, unless a subsequent interim use permit is issued; and
2. The conditions attached to this approval of an Interim Use Permit for remote airport parking (Case PL2021-129) replace and supersede all previous conditions of approval related to the remote airport parking use on the Property; and
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 PL2021-129 and confirms the interim nature of the use; and
4. Upon Interim Use Permit expiration (Case PL2021-129), 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; and
5. The remote airport parking use is limited to 1,063 vehicles; and
6. Any physical changes to the site must follow the relevant approval process outlined in the City Code; and
7. Motor vehicles must be parked at all times in a manner allowing Fire Department access; and
8. Landscaping and required screening must be maintained in the current state during the term of the interim use permit; and
9. No maintenance or cleaning of customer or employee vehicles is allowed; and
10. All trash and recyclable materials be stored inside the principal building. (Sec. 21.301.17); and
11. Fire lanes be posted as approved by the Fire Marshal (Uniform Fire Code Sec. 901.4).

RECOMMENDED CONDITIONS OF APPROVAL

Case PL202100129

Project Description: Applicant to amend development milestones established as conditions of interim use permit approval for remote airport parking at 3700 American Blvd. E, a one-year extension of interim use permit approval for remote airport parking at 3700 American Blvd. E., and a one-year final plat approval extension.

Address: 3700 AMERICAN BLVD E

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.