

THIS MONTH IN EAST & MIDTOWN PHILLIPS

Converting the Sheraton into a Care Facility

The old Sheraton building at 2901 Chicago Ave—originally constructed as a 136-unit luxury hotel and later used as a shelter during the height of the pandemic—is now being converted into a 182-person, state-credentialed care facility. The stated applicant for this project is the Midtown Health and Recovery Center. The residential services would be managed by “Sobriety Inc.com LLC”, managed by Jeremy Hover, the founder of Change Place.

The first floor will feature a mix of offices, a kitchen, a coffee shop, and group meeting rooms. Floors 2 through 4 will be transformed into residential spaces, with each room accommodating two individuals. Rooms on floors 3 and 4 will also include small kitchenettes and living rooms.

According to the Minneapolis zoning code, a state-credentialed care facility (SCCF) is defined as a congregate living use where individuals reside under the care and supervision of a program licensed by the State of Minnesota or Hennepin County. Guests arrive with a reservation, check in, have access to private or semi-private sleeping rooms, and depart once their program ends.

Pursuant to state licensing requirements and anticipated conditions of approval for the conditional use permit, 24-hour staffing will be provided for the SCCF component of the property. In addition, supplemental 24-hour on-site security services will be deployed once the property is operational serving all three proposed uses: (1) the SCCF, (2) the clinical operation, and (3) the coffee shop. Within the building, enhanced security measures will be implemented for floors two through four. Access to these floors will be strictly limited to authorized individuals to ensure a care-focused, secure environment.

Under the SCCF model proposed for this site, clients typically stay between 30 and 90 days while receiving supportive services. Two components of the facility will be open to the general public: a coffee shop/café and a medical office offering outpatient services such as counseling, therapy, and behavioral health care.

The Department of Community Planning and Economic Development evaluated the application based on a range of factors, including public health, access to goods and services, infrastructure, transportation systems, visual quality, and landscaping.

On Monday, July 7, the Planning Commission reviewed and unanimously approved the proposal in a 9-0 vote. Commissioner Angela Conley raised thoughtful and important questions, encouraging the applicant to consider the neighborhood's history, the building's past uses, future site management, and increased community engagement. The proposal now moves to the City Council for a vote.

The Midtown Phillips Neighborhood Association and the Phillips West Neighborhood Association will host a community meeting about the project later this summer. Scan below to follow us for updates.

