

ORDINANCE

By Bender

Amending Title 20 of the Minneapolis Code of Ordinances relating to the Zoning Code.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That the definition for "affordable housing" contained in Section 520.160 of Chapter 520, Introductory Provisions, be amended to read as follows:

520.160. Definitions. Unless otherwise expressly stated, or unless the context clearly indicates a different meaning, the words and phrases in the following list of definitions shall, for the purposes of this zoning ordinance, have the meanings indicated. Additional definitions may be found within specific chapters of this zoning ordinance. All words and phrases not defined shall have their common meaning.

Affordable housing. ~~Housing affordable to households whose income does not exceed fifty (50) percent of the metropolitan median household income, as determined by the U.S. Department of Housing and Urban Development. Housing must remain affordable continuously for a period of not less than fifteen (15) years to qualify as affordable housing. Housing must remain affordable continuously for a period of not less than fifteen (15) years to qualify as affordable housing.~~ Residential housing affordable to and occupied by households earning a percentage of the area median household income as specified in the Unified Housing Policy.

Section 2. That Chapter 535, Regulations of General Applicability, of the Minneapolis Code of Ordinances be amended by adding thereto a new Article XIV, including new Sections 535.930 through 535.970, to read as follows:

ARTICLE XIV. INCLUSIONARY HOUSING

535.930. Purpose. Regulations governing inclusionary housing are intended to promote affordable housing and to fulfill the goals of the city's housing policies, including providing moderately-priced housing in mixed-income developments that would exceed the residential density or development capacity of the primary zoning district.

535.940. Applicability. (a) *In general.* Dwelling units complying with the affordability standards indicated in this article shall be provided in conjunction with any of the following applications:

(1) Zoning amendment of any property from a district that does not allow multiple-family dwellings to a primary or overlay zoning district that allows multiple-family dwellings.

(2) Zoning amendment, variance, density bonus, or other application or combination of applications that would increase the allowed residential or mixed use floor area of the land area in question by sixty percent (60%) or more compared to the floor area allowed on the same property or properties prior to the application(s).

(b) Affordability standards. The minimum percentage of dwelling units subject to the affordability standards, percentage rate of area median household income, and minimum number of years that the

affordable housing units shall remain affordable shall be required as specified in the Unified Housing Policy.

(c) Exceptions.

(1) In general. Any multiple-family dwellings exempt as specified in the Unified Housing Policy.

(2) Multiple-family dwellings in the R3 and R4 Multiple-Family Districts. Multiple-family dwellings in the R3 and R4 Multiple-Family Districts shall be exempt from the requirements of this article except where an application for variance and/or density bonus is approved to exceed the maximum floor area in the R3 or R4 Districts by sixty percent (60%) or more.

(3) Zoning amendment without proposed residential uses. In addition, applications Applications for zoning amendment outlined by this section that are not accompanied by a proposed multiple-family residential use shall be exempt from the requirements of this article provided that any land use application with a multiple-family use within three (3) years of approval of the rezoning shall be subject to the requirements of this article.

535.950. Computation of affordable dwelling units. Where determination of the number of affordable dwelling units results in a fractional unit, any fraction of one-half (1/2) or less may be disregarded, while a fraction in excess of one-half (1/2) shall be counted as one (1) dwelling unit.

535.960. Recording of site plan approval. All final site plan approvals subject to conditions of inclusionary housing shall be filed with the Office of the Hennepin County Recorder or Registrar of Titles and evidence of proper filing shall be submitted to the zoning administrator prior to the issuance of any building permits.

535.970. Effective date. The effective date for Article XIV, Inclusionary Housing shall be January 1, 2019. Any application for land use or preservation approval that is deemed complete before the effective date shall be exempt from the provisions of this article.