

MEMORANDUM

To: City Planning Commission, Committee of the Whole

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Subject: Proposed Zoning Code Text Amendment: Land Use Rezoning Study

Background

Following adoption of Minneapolis 2040, staff embarked on a multi-year workplan to update the city's zoning ordinance. State law requires that the city's zoning ordinance conform with its comprehensive plan. New and updated policies in Minneapolis 2040 necessitate numerous changes to the zoning ordinance. So far the city has adopted an inclusionary zoning ordinance and eliminated single-family exclusive zoning in 2020, new built form regulations in early 2021, and an overhaul of parking and travel demand management standards also in 2021.

The next phase of implementation work is to align regulations in the zoning ordinance related to the types and locations of uses allowed with the guidance in Minneapolis 2040. As commissioners will recall, the comprehensive plan includes two maps that are particularly significant in terms of guiding the development of new zoning regulations: a Future Land Use Map and a built form map. Work on built form regulations that govern issues such as building height, floor area ratio (FAR), setbacks, lot coverage, impervious surface, and transitions between districts has largely been completed. The Future Land Use Map is now the focus of staff's work and will include a rethinking of how our primary zoning districts (R1, C3A, etc.) regulate use, how those regulations relate to other elements of the code, and generally how the code is structured – all with an eye toward streamlining how the code is used by staff, applicants, elected and appointed officials, and other stakeholders.

Work will again be guided by the goals outlined in Minneapolis 2040, with changes to the zoning code intended to achieve goals such as complete neighborhoods, climate change resilience, and racial equity.

Key Issues

General Consistency

Among the chief tasks at hand is to address any misalignment between our existing primary zoning districts and the guidance found in the Minneapolis 2040 Future Land Use Map. Staff currently reviews many rezoning applications that are specifically intended to align a property's zoning district with the adopted Future Land Use Map. For example: some corridors that are guided Corridor 4 still have R1 zoning,

which only allows up to three residential units on a property. To build more units at the height and scale envisioned by the built form map, projects are required to rezone their primary zoning district. We are essentially compelled to approve such requests, but it's an extra step that the land use rezoning study will rectify. We will also be able to remove the barrier that exists for some cases where the Future Land Use Map calls for commercial activity, but the existing residential zoning on the site proves difficult to change due to state requirements around consent signatures to change from residential to commercial zoning.

Clarifying Policy Objectives in Minneapolis 2040

With the built form rezoning study, Minneapolis 2040 provided specific guidance on the scale of buildings that are appropriate for each built form category. Minneapolis 2040 land use policies, on the other hand, leave some of the finer details up to additional analysis that needs to be done as part of this project. For example: some of the commercial future land use guidance requires retail or commercial activity in new developments but stops short of providing clear standards to enforce. Part of this project will require that we create those clear standards. In this case – which uses will we allow to meet this requirement? What size do they need to be? Examples of similar analyses that need to be done include requiring production space in some mixed-use buildings (in-progress as a separate amendment) and creating distinctions regarding the size of commercial establishments allowed by district.

Allowed Uses, Primary Zoning Districts, and Development Standards

Since the built form districts now play the role of defining some of the standards that had distinguished the primary zoning districts from one another. In some cases, for instance with residential districts, this affords us some flexibility in determining how to use our primary districts moving forward. Is the existing framework that we have for our primary zoning districts working well, or do we look for a new model to better suit our needs? We anticipate a potential outcome where we have many fewer districts to administer in the future because of this work.

A major element of this work will require rewriting our use tables – determining which uses are allowed in which districts throughout the city. Some guidance on this issue from Minneapolis 2040 includes prohibiting uses in production areas that are not efficient uses of land and reevaluating the role of heavy industrial uses in our production areas. Throughout this effort, staff will pay close attention to the creation of non-conforming uses, being careful to do so only when essential to achieving the goals outlined in Minneapolis 2040.

As we reconsider the zoning code's use tables, CPED staff is exploring opportunities to group similar uses into broader categories rather than enumerating every imaginable commercial use. Simplified use categories are increasingly considered a best practice as communities focus additional attention on form/scale and somewhat less attention to distinguishing between various types of retail sales and services, for example. In conjunction with reevaluating the City's regulation of uses, we'll consider whether there is a more effective way to address development standards currently found in Chapter 536, Specific Development Standards.

Mapping

Like the built form work, this will require an expansive remapping effort. At the end of this process, we will have a significant increase in commercially zoned property in Minneapolis, an essential component to achieving complete neighborhoods and climate change goals as outlined in Minneapolis 2040. Another example is a challenge in figuring out how to best support long term efforts by the park board to acquire

land for future park space. This is reflected in the Future Land Use Map in Minneapolis 2040, but the mechanics of putting this into zoning are complicated, in that we cannot take all redevelopment opportunity away from a property in the name of parks – especially if there isn't a public entity ready to step forward to acquire property.

Additionally, some of the overlay districts may become obsolete as a result of this work. In the past some overlay districts played a role of introducing new regulation to select geographic areas of the city, in part to see how the regulation worked on that smaller scale. In some cases, those regulations have proven useful enough that we may consider applying them citywide, or a new mechanism for achieving a similar outcome was called for in Minneapolis 2040. That's all to say that overlay districts will be part of this analysis, and we expect some of them to change or become obsolete as a result of this work.

Non-conforming Uses

For the most part, Minneapolis 2040 intends to be more permissive in allowing uses than our existing zoning – with the notable exception of some production areas and uses. We are on our way to completing an extensive survey of existing uses in the city to help inform us on how best to accommodate existing uses, and encourage new uses in such a way that reflects guidance from Minneapolis 2040 – all without creating an abundance of new non-conforming uses. Creating non-conforming uses is always a result of a use-based rezoning study as sometimes that's the best way to implement policy. Staff will be paying close attention to this issue and working to communicate with all stakeholders on the implications of making any uses non-conforming throughout the process.

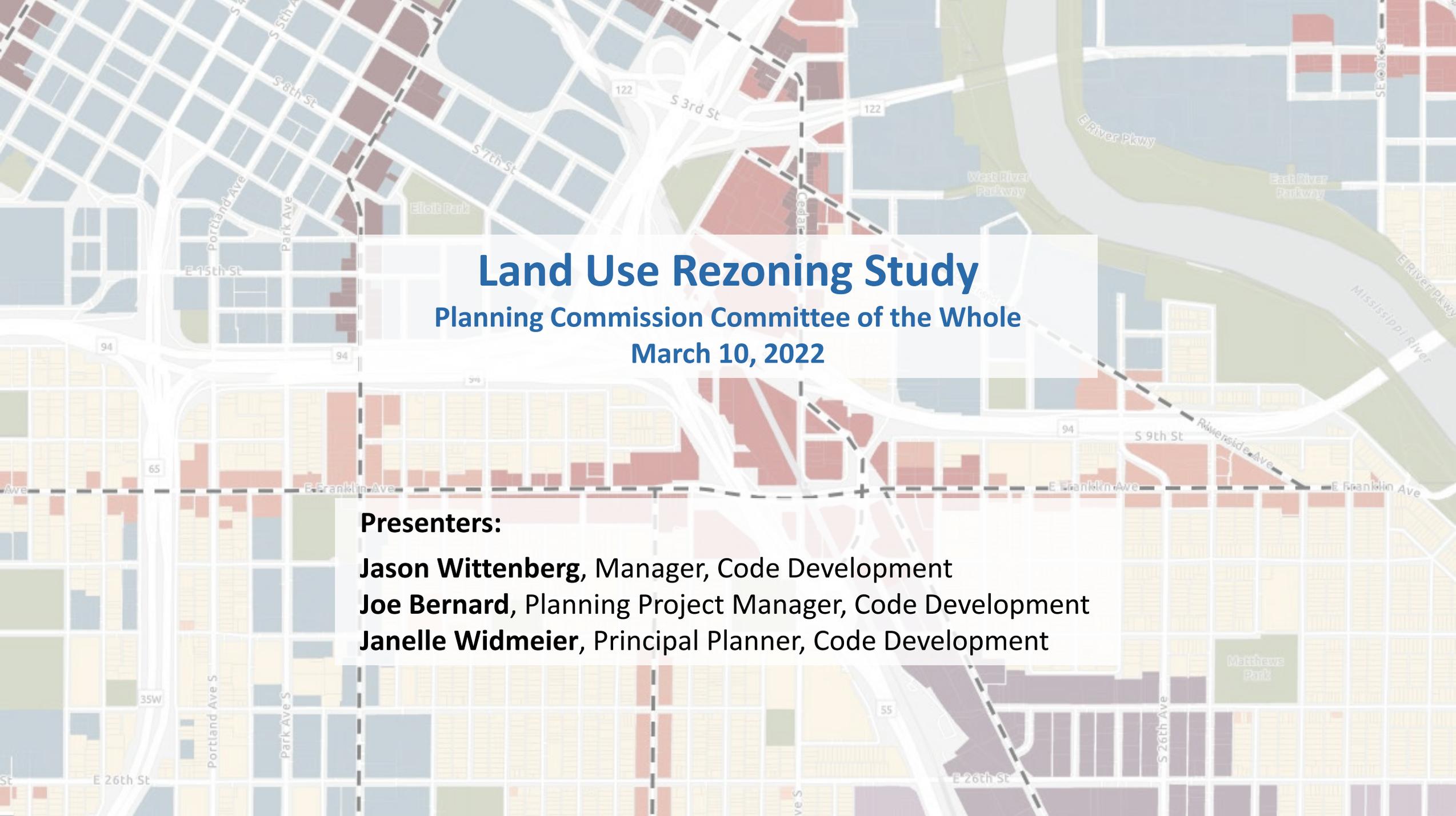
Process and Timeline

While much of the work here will be done by Code Development staff, we'll be relying on collaboration with other CPED divisions and work teams – especially Zoning, Land Use Design and Preservation, and Community Planning – to get this project done. We'll also work closely with Business Development staff in Licensing, the Small Business Team, and with CPED Housing staff as needed.

We intend to bring regular updates on the work to this committee throughout the project. Similar to the built form work, we'll develop and publish all of the appropriate online resources, and share engagement opportunities as dates and topics become more solidified. Staff work is well underway with a current focus on researching the elements of the code that need updating, reviewing peer city approaches to similar issues, and engaging internally with Planning staff. We are aiming to start a 45-day public review period of the draft recommendations by the end of 2022, with adoption taking place in the first quarter of 2023.

Resources and Attachments

- Presentation

A map of a city area, likely St. Louis, showing various colored zones (red, blue, green, yellow, purple) and street names. The map includes major roads like E Franklin Ave, S 9th St, and S 26th Ave, and parks like Elliott Park and Matthews Park. The Mississippi River is visible on the right side. A dashed line runs horizontally across the map, and a solid line runs vertically through the center.

Land Use Rezoning Study

Planning Commission Committee of the Whole
March 10, 2022

Presenters:

Jason Wittenberg, Manager, Code Development

Joe Bernard, Planning Project Manager, Code Development

Janelle Widmeier, Principal Planner, Code Development

Purpose

Achieve Minneapolis 2040 Goals

- Complete Neighborhoods
- Climate Change Resilience

State statute requires consistency between comprehensive plans and zoning

- If plans conflict with the zoning ordinance, state law requires the zoning ordinance be brought into conformance with those plans

Improve usability of the zoning ordinance

- Staff intends to make the zoning code easier to administer, and easier for applicants and the general public to navigate

Interim issues

Misalignment between Zoning and Minneapolis 2040

- The built form rezoning study only solved part of this equation

Examples:

Both residential and commercial redevelopment sometimes still needs to pursue rezoning to implement the Minneapolis 2040 Future Land Use map.

- Additional process is a barrier to investment and to achieving Minneapolis 2040 goals
- Acquiring consent signatures to change from Residential to Commercial zoning sometimes not feasible

Interim issues

Recommendations from Minneapolis 2040 not codified

- The plan calls for rules generally to require or encourage the land use types that support plan goals, but often does not suggest specific standards

Example:

In places where commercial land use guidance requires retail or commercial activity as part of larger redevelopment, there is no clear standard in the current code that we can consistently enforce

- This causes frustration in consistently administering the requirements on the part of staff and from applicants attempting to meet those requirements

Scope to include...

Modifying and removing existing primary zoning districts and creating new base zoning districts

- How much of the current structure for our use-based zoning districts do we retain?

Example:

The built form districts now play the role of defining many of the standards that formerly made our primary zoning districts distinct from one another. As a result, we may be able to reduce the number of residential districts for example, to simplify the code.

Scope to include...

Adding performance measures

- Minneapolis 2040 calls for performance measures in some cases, but stops short on specifics.

Examples:

- How much commercial square footage to require to comply with commercial/retail space requirement
 - Relationship to skyways level retail uses
- How much production square footage to require to comply with production mixed use requirements (currently in progress as a separate project)
- Allowed size of commercial uses by district

Scope to include...

Drafting new use tables

- Which uses should be allowed in each zoning district. Minneapolis 2040 calls for modification to our current approach.

Examples:

- Prohibit uses in Production areas that are the least efficient use of land
- Evaluate heavy industrial uses
- Allowing existing commercial buildings the ability to re-tenant in residential areas
- Simplify use tables by grouping commercial uses into categories rather than listing every imaginable use

Scope to include...

Mapping

- Amend or create new zoning maps based on changes to the base districts.

Examples:

- Minneapolis 2040 calls for a marked increase in commercial zoning
- How to approach the Parks future land use designation

Scope to include...

Non-conforming Uses

- Though Minneapolis 2040 is generally more permissive in terms of land use than our existing primary zoning, we want to pay close attention to and avoid creating an abundance of non-conforming uses.

Examples:

- Minneapolis 2040 does not get into specifics on the types of commercial uses that should be allowed in each commercial future land use designation – something that needs additional work in this project. For example – there has been considerable attention paid to pawn shops and tobacco shops in the past, how will this relate to creating non-conformities or conversely bringing some uses into conformance?

Scope to include...

Interaction with other code sections

- Changes to allowed uses and added performance measures will likely result in needed changes to other sections of the code

Examples:

- What parts of the PO Overlay districts need to be retained – some elements may become duplicative
- Some built form elements were intentionally left in the primary zoning districts temporarily, now will be the time to move them fully into the built form districts
- We will be monitoring impacts to other city ordinances as a result of this work (liquor licensing, for example)
- Sign ordinance needs to be updated as the sign regulations are tied to zoning districts that may or may not be retained

Resources and Process

Staffing

- Code Development to manage the project
- Collaboration primarily across CPED divisions and work teams
- Cross-department collaboration as needed (Public Works, City Clerk, etc.)

Communications and Engagement

- Regular updates to the Planning Commission Committee of the Whole
- Website, virtual public meetings, surveys, etc.

Timeline

2021

- Internal staff work
 - Existing land use inventory
 - Best practices research
 - Communications Plan

2022

- Draft Code Text and Use Tables
- Mapping
- Public Engagement

2023 (1st Quarter)

- Approval Process and Adoption