

MEMORANDUM

To: City Planning Commission, Committee of the Whole

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Date: February 9, 2023

Subject: Proposed Zoning Code Text and Map 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.

Minneapolis 2040 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 is largely completed. The Future Land Use Map is now the focus of staff's work and includes creating an entirely new set of primary zoning districts to regulate use. This work includes determining how use regulations relate to other elements of the code, reconfiguring the structure of the code, and ensuring that changes make it easier for staff, applicants, elected and appointed officials, and other stakeholders to use the code. Work is guided by the goals outlined in Minneapolis 2040, with changes to the zoning code intended to achieve outcomes such as complete neighborhoods, climate change resilience, and racial equity.

Draft code text, supporting materials, and opportunities to submit feedback are all available at minneapolis2040.com/implementation/land-use-rezoning-study

Key Topics

CPED staff will present draft regulations related to a number of specific uses and use categories, covering issues such as how these uses would be defined, which districts would allow the uses, and what standards would apply.

Entertainment Uses – Current zoning code definitions for uses that provide entertainment such as Nightclub, Theater, Restaurant, and Reception Hall have counterintuitive, conflicting, or overlapping attributes that can make it difficult to make classify these uses when a new establishment is proposed. Draft changes to the way entertainment related uses are defined are intended to provide greater clarity and distinctions between uses. There is also an attempt to improve alignment between zoning code and business licensing regulations.

Off-sale liquor – One outcome resulting from increasing commercial zoning is that more areas may be eligible to attain an off-sale liquor license. To qualify, business licensing regulations require a minimum of five acres of contiguous zoning that allows off-sale liquor. Outside of downtown, two spacing requirements will remain for off-sale liquor establishments. First, that new establishments be located a minimum of 2,000 feet from an existing off-sale location, and second, that new off-sale establishments be located a minimum of 300 feet from a school or religious institution. In addition to expanding the number of areas with 5+ acres of contiguous zoning that allow off-sale liquor through more commercial zoning, the draft use table makes the use not permitted in the PR2 district. This results in a reduction in areas eligible for an off-sale liquor license, since these same areas zoned I2 today currently allow off-sale liquor uses. At the same time, however, liquor stores would be allowed in the CM1 Neighborhood Mixed Use District. The use is not currently allowed in the C1 Neighborhood Commercial District.

Tobacco Shops – CPED staff is continuing to analyze this use to ensure that we do not inadvertently undermine work that was completed several years ago to regulate tobacco products shops. Like the off-sale liquor use, the general increase in commercial zoning results in an overall increase in the areas where zoning supports establishment of new tobacco shops. Tobacco products shops have a licensing requirement that the uses must be spaced 2,000 feet from one another.

High-impact Commercial Uses – Several commercial uses that have produced higher off-site impacts are placed in a separate use category in the draft zoning code. Examples of these uses include alternative financial establishment, exterminating shop, firearms dealer, and pawnshop. While the off-site impacts of each of these uses are somewhat unique, the approach to regulating their permitted location is similar across all uses in the category. Generally, these uses are only allowed in the CM2, DC, and DS districts – except firearms dealers, proposed only to be allowed in the DC district. This approach is consistent with current practice to limit their geographic extent to fewer zoning districts than other commercial uses.

Automobile Services Uses – Minneapolis 2040 gives clear guidance regarding which commercial districts should allow automobile service uses, suggesting that they be prohibited in the CM1, CM3, and CM4 commercial districts. This leaves the CM2 district as the only commercial district outside of downtown and production areas that will allow automobile services uses moving forward. These uses can only be established by conditional use permit and will be subject to a minimum lot area of 14,000 square feet as well as new use and development standards to address off-site impacts. The prohibition on these uses in other commercial districts serves to replace a similar prohibition today found in the PO Overlay districts, which staff is proposing to eliminate. Draft regulations would allow automobile services uses in some locations where they are not allowed today. In some districts, minimum floor area ratio (FAR) standards will prevent the construction of standalone, single-use automobile services uses.

Key Dates

- Public engagement
 - 45-day Public Review Period begins January 12, 2023, ending February 26, 2023
 - Virtual Public Meeting, February 15, 2023, 7pm – link to the meeting will be available at the project website
 - Draft code text is available for public review and comment on January 12, 2023
- Approval process
 - Public Hearing at Planning Commission on March 20, 2023
 - BIHZ Committee on April 18, 2023 (Tentative)
 - City Council on April 27, 2023 (Tentative)
 - Ordinance Publication on May 8, 2023 (Tentative)
 - Effective Date of updated zoning ordinance to be determined

Resources and Attachments

- Presentation Slides
- Draft code text available at minneapolis2040.com/implementation/land-use-rezoning-study

A detailed map of a city area, likely St. Louis, Missouri, 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, as well as parks like Elliott Park and Matthews Park. The Mississippi River is visible on the right side. A semi-transparent white box is overlaid on the map, containing the title and presenter information.

Land Use Rezoning Study

Planning Commission Committee of the Whole
February 9, 2023

Presenters:

Jason Wittenberg, Manager, Code Development

Joe Bernard, Planning Project Manager, Code Development

Janelle Widmeier, Principal Planner, Code Development

Agenda

Land Use Rezoning Study Update

- Timeline Reminders
- Entertainment Uses
- Off-sale Liquor
- Tobacco Shops
- High-impact Commercial Uses
- Automobile Services Uses
- Discussion



Timeline Reminders

Engagement Strategy and Opportunities

- 45-day public review period from January 12 through February 26, 2023
- Draft materials published at <https://minneapolis2040.com/implementation/land-use-rezoning-study/>
- Virtual public meeting on February 15th, 2023, 7pm – link will be published on project website
- Public Hearing at City Planning Commission on March 20, 2023



Eliminate disparities

In 2040, Minneapolis will see all communities fully thrive regardless of race, ethnicity, gender, country of origin, religion, or zip code having eliminated deep-rooted disparities in wealth, opportunity, housing, safety, and health.



More residents and jobs

In 2040, Minneapolis will have more residents and jobs, and all people will equitably benefit from that growth.



Affordable and accessible housing

In 2040, all Minneapolis residents will be able to afford and access quality housing throughout the city.



Living-wage jobs

In 2040, all Minneapolis residents will have the training and skills necessary to participate in the economy and will have access to a living-wage job.



Healthy, safe, and connected people

In 2040, the people of Minneapolis will be socially connected, healthy, and safe.



High-quality physical environment

In 2040, Minneapolis will enjoy a high-quality and distinctive physical environment in all parts of the city.



History and culture

In 2040, the physical attributes of Minneapolis will reflect the city's history and cultures.



Creative, cultural, and natural amenities

In 2040, Minneapolis will have the creative, cultural, and natural amenities that make the city a great place to live.



Climate change



Clean environment



Healthy sustainable

Entertainment

Questions

- Where should uses that provide entertainment be allowed?
- What use standards should apply?

Key Info

- Typical uses that provide entertainment (live music, dancing, performances):
 - Use in the Commercial Recreation and Assembly use category
 - Uses in the Food and Beverages use category



Entertainment

Related Policies

- **POLICY 59 Downtown** Strengthen Downtown's position as a regional commercial, cultural, and entertainment center that serves residents, employees, and visitors.
- General policy support for economic growth outside of downtown

Key Info

- Potential off-site adverse impacts include noise, traffic, etc., with high usage at peak periods compared to many other types of commercial uses
- Current zoning code use classifications
 - Nightclub
 - Reception/meeting hall
 - Restaurant
 - Theater



Entertainment

Staff Proposal

- New use classifications
- Update definitions to distinguish uses that provide entertainment
 - Principal vs incidental: entertainment, alcohol, food
 - Other factors
 - Fees
 - Hours open for business
 - Seating

Use	Entertainment		Alcohol		Food	
	Primary	Incidental	Primary	Incidental	Primary	Incidental
Bar		X	X			X
Entertainment venue	X			X		X
Nightclub	X		X			X
Reception/meeting hall		X		X		X
Restaurant		X		X	X	
Theater	X			X		X

Entertainment

Staff Proposal

- Use table
 - Districts allowed
 - Maximum gross floor area

Uses by GROUP, Category, and Specific use	Zoning Districts																Use Standard	
	UN1	UN2	UN3	RM1	RM2	RM3	CM1	CM2	CM3	CM4	DC	DS	DD	PR1	PR2	TR1		PK1
COMMERCIAL																		
<i>Commercial Recreation and Assembly</i>					5P*	10P*	5P	P	P	P	P	P	P	P				X
Entertainment venue								5P	10P	10P	P	P	P	P				X
Nightclub								10P	10P	10P	P	P	P	10P				X
Reception or meeting hall								P	P	P	P	P	P					
Theater					5P*	10P*	5P	P	P	P	P	P	P	P				X
<i>Food and Beverages</i>				5P*	5P*	10P*	5P	P	P	P	P	P	P	5P				X
Bar							5P	P	P	P	P	P	P	5P				X
Restaurant				5P*	5P*	10P*	5P	P	P	P	P	P	P	5P				X

Entertainment

Staff Proposal

- Use standards

Commercial recreation and assembly uses.

- *General standards.*

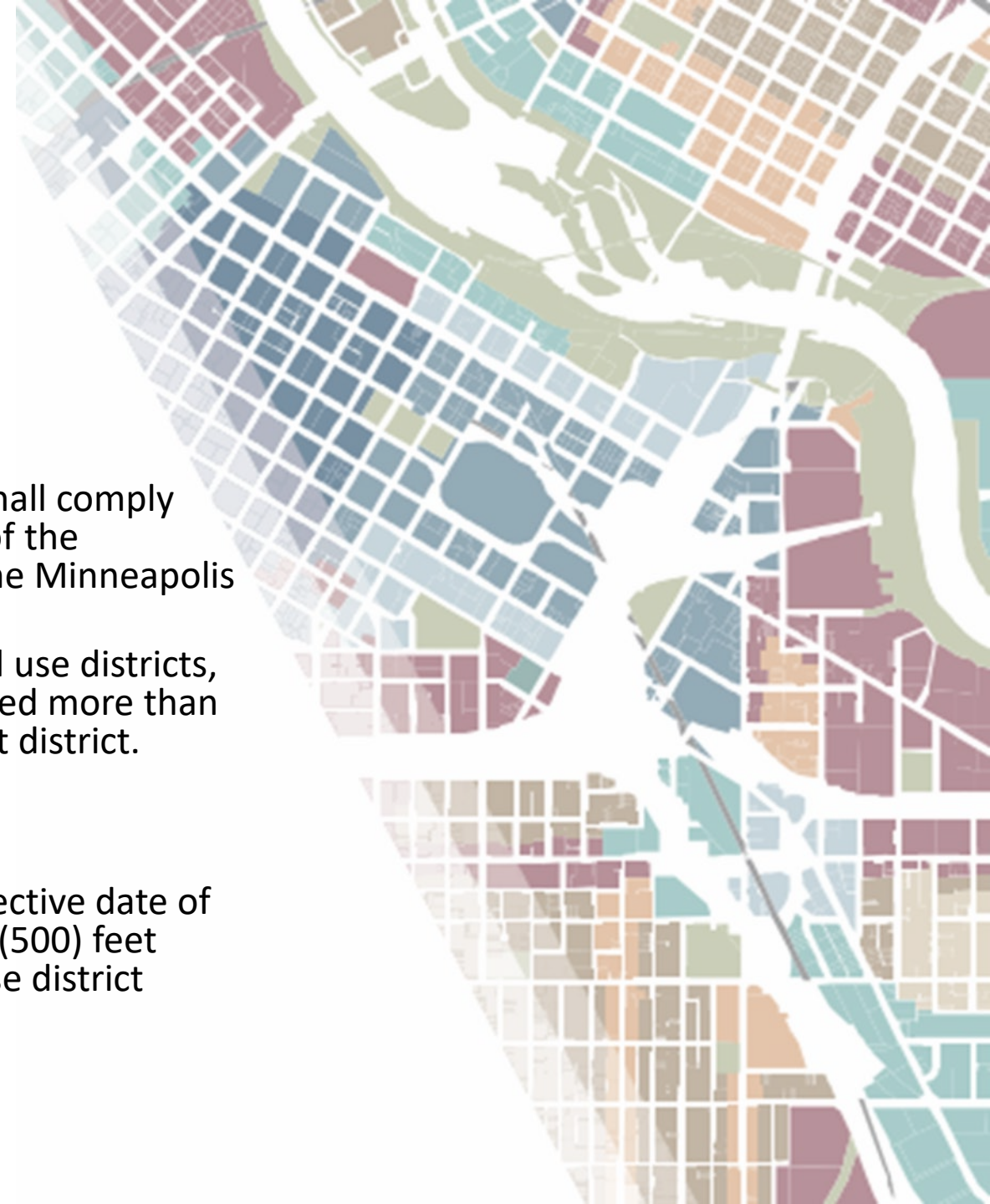
(A) Where alcoholic beverages are served, the use shall comply with the requirements of Title 14, Liquor and Beer, of the Minneapolis Code of Ordinances and Chapter 4 of the Minneapolis City Charter.

(B) In the urban neighborhood and residential mixed use districts, the square footage of unenclosed areas cannot exceed more than half of the allowed square footage for the use in that district.

- *Specific use standards.*

Nightclub.

(A) Nightclubs established or expanded after the effective date of this ordinance shall be located at least five hundred (500) feet from an urban neighborhood or residential mixed use district boundary.



Entertainment

Staff Proposal

- Use standards

Food and beverage uses.

- *General standards.*

(A) Where alcoholic beverages are served, the use shall comply with the requirements of Title 14, Liquor and Beer, of the Minneapolis Code of Ordinances and Chapter 4 of the Minneapolis City Charter.

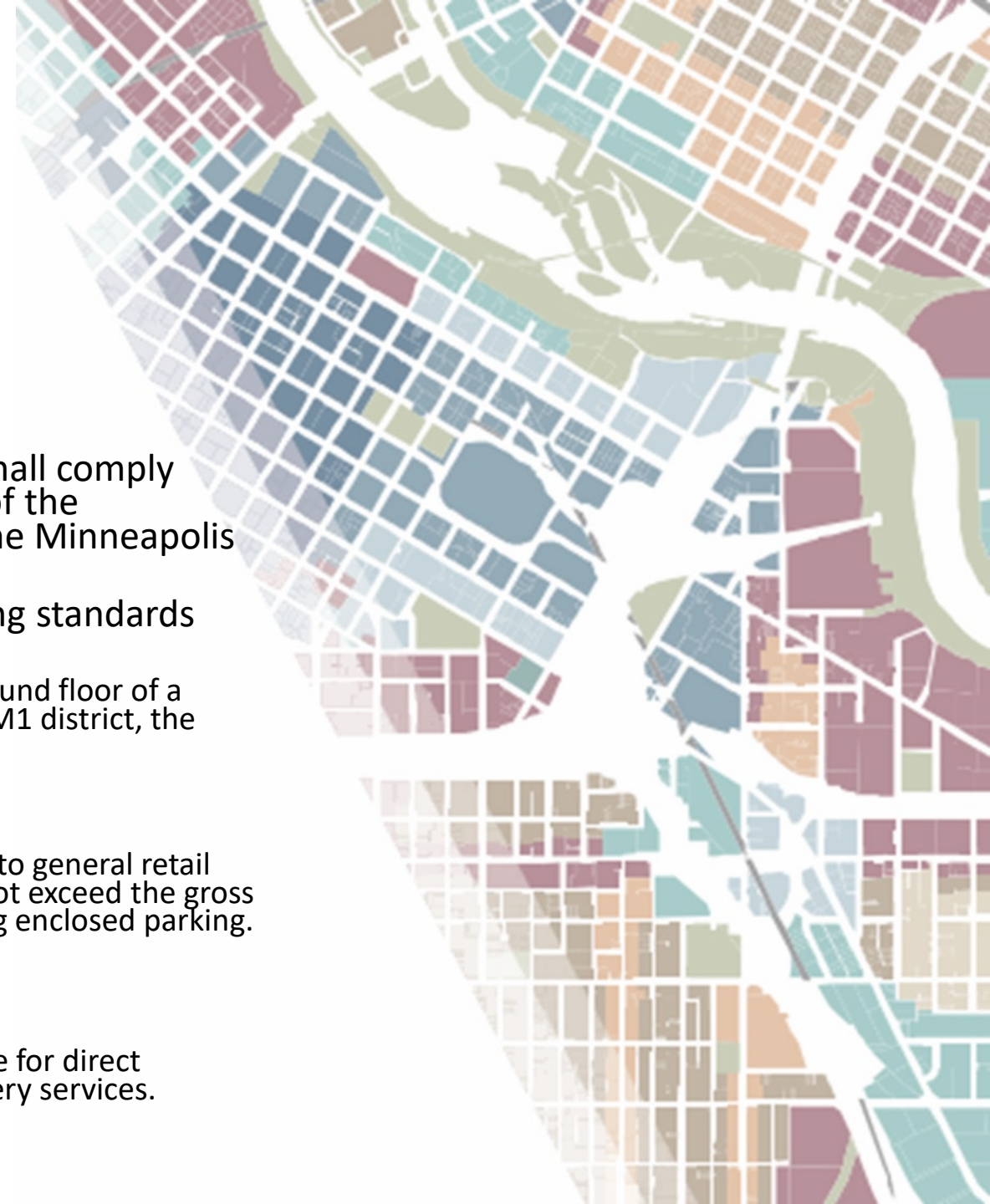
(B) In the residential mixed-use districts, the following standards shall apply:

- All food and beverage uses shall be located on the ground floor of a mixed use building of at least two (2) stories. In the RM1 district, the building shall also contain a residential use.
- Drive-through facilities shall be prohibited.
- Wholesale and off-premise sales shall be prohibited.
- In the RM1 district, the total gross floor area devoted to general retail sales and services and food and beverage uses shall not exceed the gross floor area devoted to the residential use, not including enclosed parking.

- *Specific use standards.*

Restaurant.

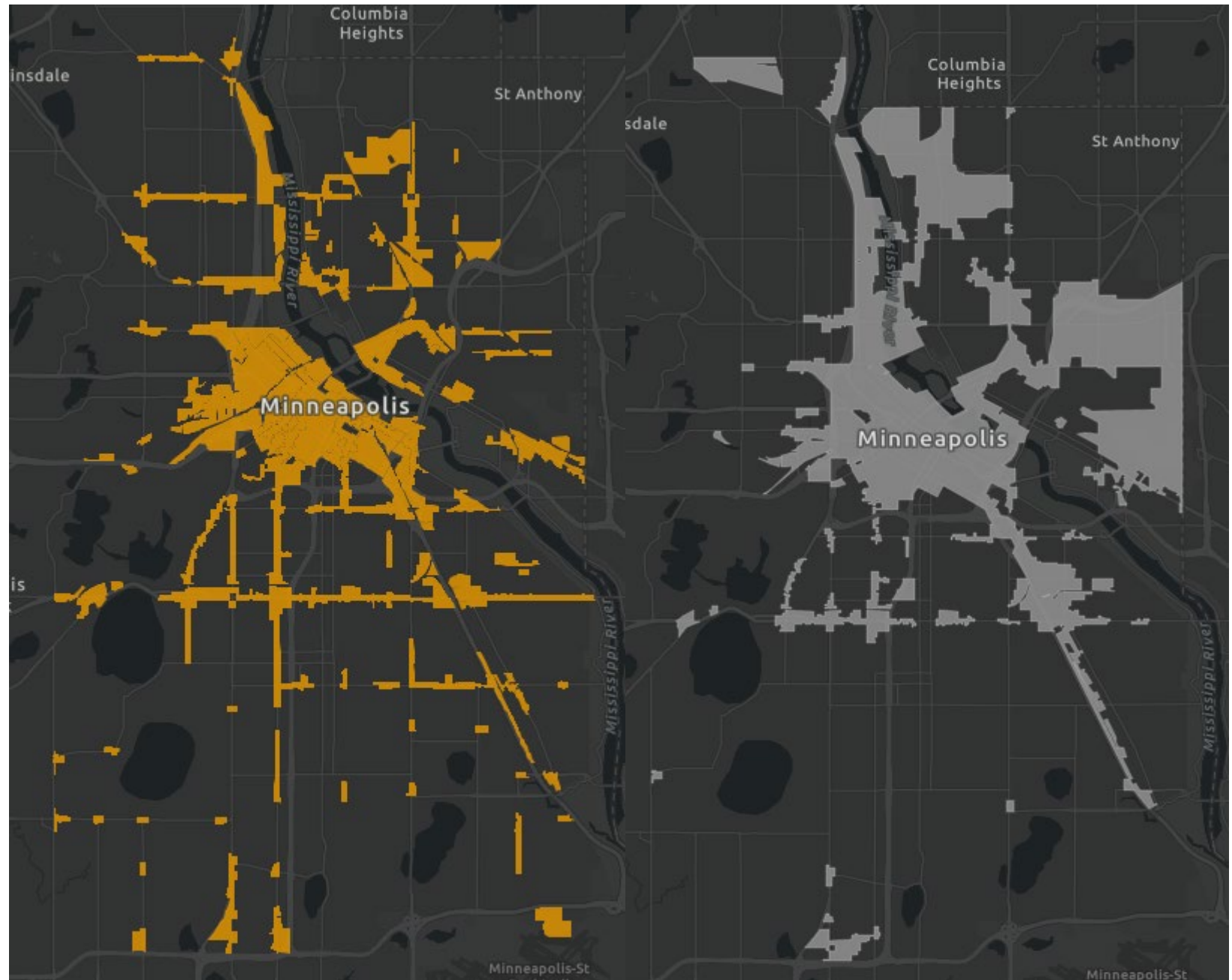
- Preparation for off-site consumption must be available for direct customer pickup and shall not exclusively be via delivery services.



Off-sale Liquor

Eligible areas

- Eligible areas with commercial zoning will expand
- The use will not be allowed in PR2 (former I2 areas)



Proposed areas that allow off-sale liquor stores

Existing areas that allow off-sale liquor stores

Tobacco shops

Eligible areas

- CPED will complete additional analysis in order to ensure that this Land Use Rezoning Study is intentional about how proposed standards either support or change the outcomes that resulted from cross-department work that was concluded several years ago related to tobacco products shops.
- As proposed, tobacco shops would be prohibited in the CM1 Neighborhood Commercial District
- Licensing standards require a 2,000-foot distance between tobacco products shops

Uses by GROUP, Category, and Specific use	Zoning Districts																	Use Standard
	UN1	UN2	UN3	RM1	RM2	RM3	CM1	CM2	CM3	CM4	DC	DS	DD	PR1	PR2	TR1	PK1	
General Retail Sales and Services (except as noted below)				5P*	10P*	10P*	10P	P	P	P	P	P	P	P				X
Animal Boarding				5P*	10P*	10P*	10P	P	P	P	P	P	P	P				X
Dry cleaning				5P*	10P*	10P*	10P	P	P	P	P	P	P	P				X
Funeral home				5P*	10P*	10P*	10P	P	P	P	P	P	P	P				X
Liquor store, off-sale							5P	P	P	P	P	P	P	5P				X
Package delivery service, no on-site vehicle fleet				5P*	10P*	10P*	10P	P	P	P	P	P	P	P				X
Secondhand goods store				5P*	10P*	10P*	10P	P	P	P	P	P	P	P				X
Shopping center				5P*	10P*	10P*	P	P	P	P	P	P	P	P				X
Small engine repair								P						P				
Tobacco shop								P	P	P	P	P	P	P				X
Veterinary clinic				5P*	10P*	10P*	10P	P	P	P	P	P	P	P				X

High-impact commercial uses

Use Standards

High-impact commercial uses. High-impact commercial uses shall be subject to the following general standards and specific use standards as applicable.

(1) *General standards.*

(A) Reserved.

(2) *Alternative financial establishment.*

(A) The use shall be located at least one thousand (1,000) feet from all existing alternative financial establishments and pawnshops.

(3) *Firearms dealer.*

(A) The use shall be located at least two hundred fifty (250) feet from the nearest urban neighborhood, residential mixed use, or parks and open space district.

(B) The use shall be located at least five hundred (500) feet from the following protected uses: religious institution, K-12 school, child care center or family or group family day care, library, or park.

(C) No firearms or ammunition shall be displayed in window areas or any area where they can be viewed from any public right-of-way.

(D) Firing ranges shall be prohibited.

(E) The use shall meet the required security standards mandated by Minnesota Statutes.

(4) *Pawnshop.*

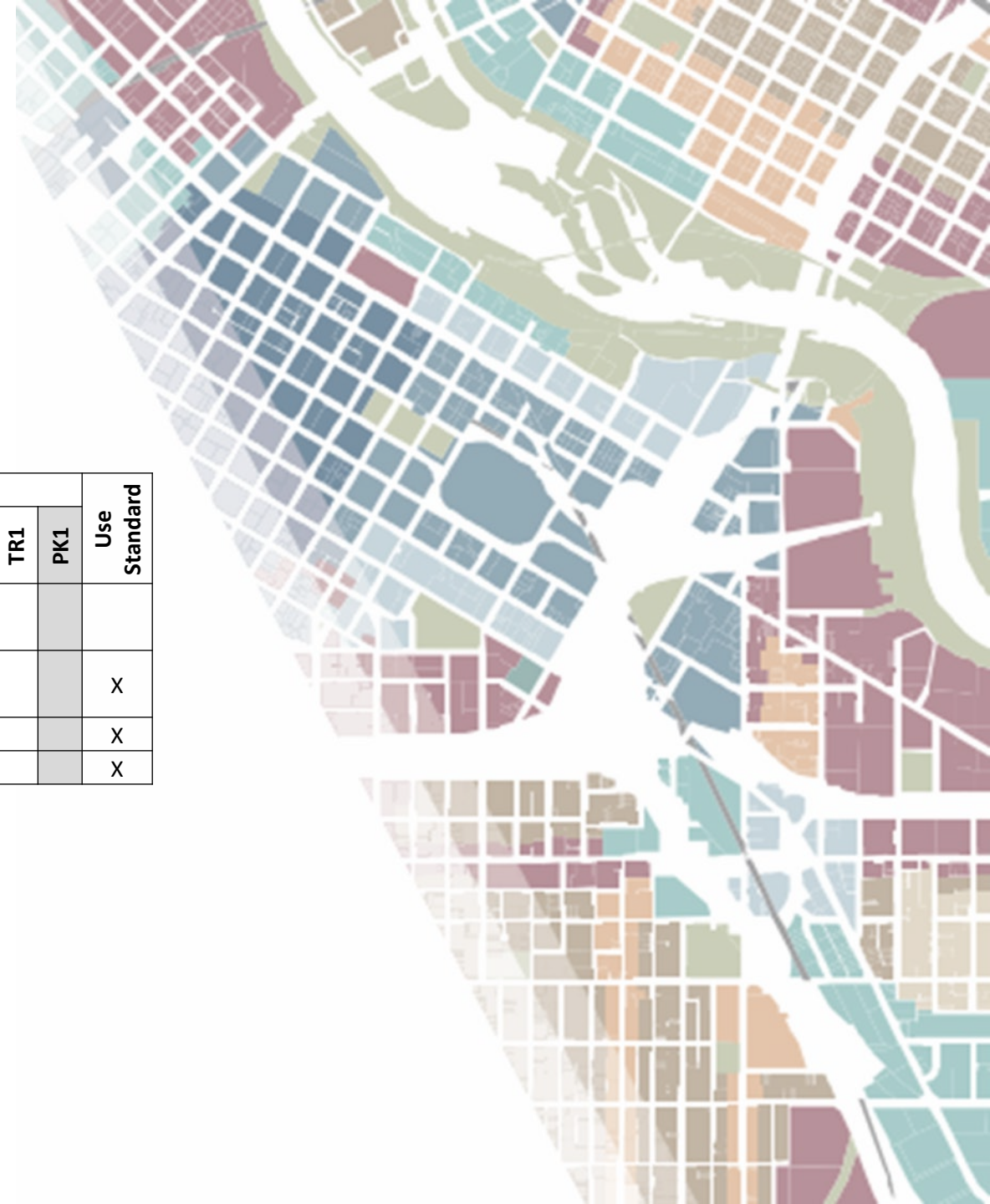
(A) The use shall be located at least one thousand (1,000) feet from all existing pawnshops, alternative financial establishments and missions.

(B) All receipt, sorting and processing of goods shall occur within a completely enclosed building.



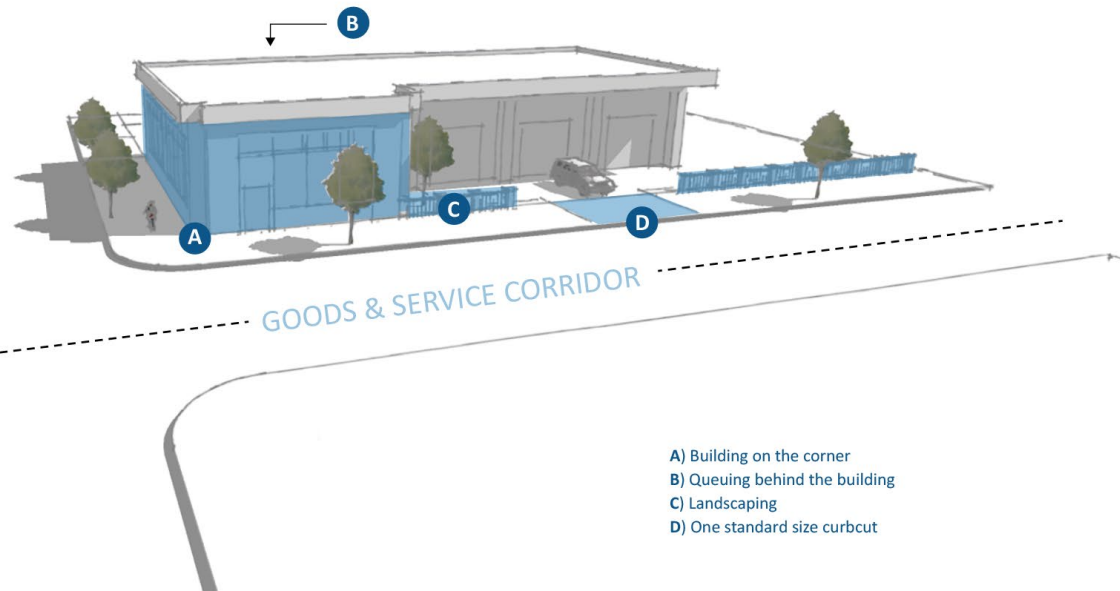
High-impact commercial uses

Select uses only allowed in limited districts



Uses by GROUP , Category , and Specific use	Zoning Districts																Use Standard		
	UN1	UN2	UN3	RM1	RM2	RM3	CM1	CM2	CM3	CM4	DC	DS	DD	PR1	PR2	TR1		PK1	
High-Impact Commercial (except as noted below)								5C			5P	5P							
Alternative financial establishment								5C			5P	5P							X
Exterminating shop											5C								X
Pawnshop								5C			5P	5P							X

Automobile Service uses



Minneapolis 2040 Guidance

- Prohibit the establishment of new drive-throughs and gas stations.
- Prohibit the establishment of new auto repair facilities and other auto-oriented uses in areas designated Neighborhood, Community, and Destination Mixed Use on the Future Land Use Map.
- Mitigate the impacts of auto repair and other auto-oriented uses on the pedestrian environment through building and site design requirements.

Automobile Service uses

Draft Recommendations

- Allow automobile services uses via conditional use permit only
- Eliminate the PO Overlay District, which currently prohibits automobile services uses
- Prohibit these uses in CM1, CM2, and CM3 as Minneapolis 2040 suggests
- Prohibit new gas stations as explicitly stated in Minneapolis 2040
- New use: electric vehicle charging hubs
- No longer distinguish between new and used auto sales. Where automobile sales uses would be allowed, require sales/display areas to be enclosed.

Uses by GROUP, Category, and Specific use	Zoning Districts														PK1 Use Standar d			
	UN1	UN2	UN3	RM1	RM2	RM3	CM1	CM2	CM3	CM4	DC	DS	DD	PR1		PR2	TR1	
TRANSPORTATION, VEHICLE SERVICES, AND PARKING																		
Automobile Services (except as noted below)							C				C	C	C	C	C			X
Automobile repair, major															C			X
Automobile sales, enclosed											C	C	C		C	C		X
Car washes							C							C	C			X
Electric vehicle charging hubs							C				C	C	C	C	C	C		X
Gas stations existing on the effective date of this ordinance								C	C	C		C	C	C	C			X

Automobile Service uses

Draft Use Standards

(a) *Automobile services uses.* Automobile services uses shall be subject to the following general standards and specific use standards as applicable.

(1) *General standards.*

(A) The minimum lot area for automobile services uses shall be fourteen thousand (14,000) square feet.

(B) Fuel pumps for the purpose of the retail sale and dispensing of fuel to the general public shall be prohibited.

(C) All vehicles waiting for repair or pick-up shall be stored on the site within an enclosed building or in parking spaces in compliance with Chapter 555, Off-Street Parking, Loading, and Mobility.

(C) All vehicle repairs shall be performed within a completely enclosed building.

(D) All vehicles parked or stored on-site shall display a current license plate with a current license tab. Outside storage of automotive parts or storage of salvaged vehicles shall be prohibited.

(E) Automobile and other motor vehicle sales shall only be allowed as a principal use and shall not be allowed accessory to other automobile services uses.

(F) Vacuum facilities shall be located in an enclosed structure or located not less than fifty (50) feet from any residential use to avoid the impacts of noise.

(G) All parking areas, including vehicle storage areas, shall be surfaced as required in Chapter 555, Off-Street Parking, Loading and Mobility.

(H) Vehicle access doors shall not face a goods and services corridor.

(2) *Automobile repair, major.*

(A) The use shall employ best management practices regarding the venting of odors, gas and fumes. Such vents shall be located a minimum of ten (10) feet above grade and shall be directed away from residential uses. All storage tanks shall be equipped with vaportight fittings to preclude the escape of gas vapors from the fill pipes.

Automobile Service uses

Draft Use Standards (cont'd)

(3) *Automobile sales, enclosed.*

(A) Automobiles displayed for sale shall be located entirely within an enclosed building.

(4) *Car washes.*

(A) Water from the car wash shall not drain across any sidewalk or into a public right-of-way.

(5) *Electric vehicle charging hub.*

(A) Facilities shall maintain a minimum acceptable level of security at all times, while not creating glare or excessive lighting of the site and come into compliance with the lighting standards in Chapter 535, Article XVI, General Performance Standards.

(6) *Gas stations existing on the effective date of this ordinance.*

(A) The use shall employ best management practices regarding the venting of odors, gas and fumes. Such vents shall be located a minimum of ten (10) feet above grade and shall be directed away from residential uses. All storage tanks shall be equipped with vaportight fittings to preclude the escape of gas vapors from the fill pipes.

(B) Service area canopy light fixtures shall be completely recessed within the canopy so that the lenses shall not extend beyond the surface of the canopy.

(C) The total light output used for illuminating service area canopies shall not exceed forty (40) initial bare-lamp lumens per square foot of canopy.

(D) Facilities that provide for unattended, automated dispensing of gasoline or other engine fuel shall provide lighting on site that maintains a minimum acceptable level of security at all times, while not creating glare or excessive lighting of the site and come into compliance with the lighting standards in Chapter 535, Article XVI, General Performance Standards.