

**Community Planning and Economic Development Planning Division Report
Zoning Code Text Amendment**

Date: August 10, 2009

Initiator of Amendment: Council Member Schiff

Date of Introduction at City Council: June 6, 2008

Specific Site: Citywide

Ward: Citywide **Neighborhood Organization:** Citywide

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Intent of the Ordinance: To revise permitted and conditional uses in Industrial Districts and the IL Overlay District.

Appropriate Section(s) of the Zoning Code: Chapter 550, Industrial Districts; Chapter 551, Overlay Districts.

Background: On June 6, 2008, an ordinance amendment was introduced at the City Council to amend Chapters 550 and 551 relating to permitted uses in the Industrial Districts and Industrial Living Overlay District. The purpose of the amendment is to modify the use tables to no longer allow K-12 schools in the industrial districts in an effort to preserve land for industrial uses, in accordance with the City's Industrial Land Use and Employment Policy Plan. This amendment would also amend the permitted uses in the Industrial Living Overlay District to allow K-12 schools as a conditional use.

Staff has sent letters to all known schools in industrial districts, notifying them of the potential change. Staff is also notifying the Minneapolis Board of Education of the proposed change. Staff is not aware of any Minneapolis public schools that would become nonconforming as part of this amendment.

Purpose for the Amendment:

What is the reason for the amendment?

What problem is the Amendment designed to solve?

What public purpose will be served by the amendment?

What problems might the amendment create?

The purpose of the amendment is to remove K-12 Schools as a permitted use in the I1, Light Industrial and I2, Medium Industrial districts, and add K-12 Schools as a permitted conditional use in the IL Overlay District. The city currently has at least eleven schools on nine properties located in industrial districts. Of those, four are located in I1, Light Industrial districts, and five are located in I2, Medium Industrial districts. Additionally, seven of the school properties are located in Industrial Employment Districts. Vocational or business schools, such as the Dunwoody Institute, will continue to be permitted,

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as they focus on training and future employment in business and industry and prepare future workers to fill industrial positions.

Industrial uses can generate heavy truck traffic, which may adversely affect a school use. Other issues such as traffic circulation, noise, dust, trash disposal, lack of pedestrian access, lack of green space and compatibility with surrounding uses are some issues of concern when a building designed for industrial office or warehouse use is retrofitted for a use such as a K-12 School. Eliminating schools as a permitted use in the I1 and I2 districts would eliminate any conflict between industrial uses and their adverse affect on school uses and children. This amendment would also support the City's Industrial Employment districts by protecting prime industrial space for uses that generate industrial sector employment opportunities.

The City's Industrial Land Use and Employment Policy Plan, adopted in 2006, identifies seven Industrial Employment Districts throughout the City, as follows:

- Humboldt
- Mid-City
- North Washington Jobs Park
- SEMI
- Seward/Hiawatha
- Shoreham Yards
- Upper River

These employment districts are established with the objective of protecting prime industrial space, providing an opportunity for the City to support targeted industries and business clusters and to redevelop underutilized sites for economic development purposes.

Staff does not anticipate that the amendment will create significant problems. The schools that are currently established in industrial districts will have non-conforming rights to remain in their current locations. The amendment would create an opportunity for K-12 schools to be established by conditional use permit in the ILOD.

The purpose of the ILOD is to encourage the rehabilitation and reuse of existing industrial structures and to provide for limited residential and retail uses in the I1 and I2 Industrial Districts where such uses are compatible with other uses in the area. It is the opinion of staff that schools would be compatible with other permitted and conditional uses in the ILOD. Staff also believes that schools would be an appropriate and valuable asset near residential uses in the ILOD. Industrial Living Overlay Districts are typically located outside of Industrial Employment Districts and City policy generally supports a wider range of non-industrial uses in these transitional industrial areas.

Timeliness:

Is the amendment timely?

Is the amendment consistent with practices in surrounding areas?

Are there consequences in denying this amendment?

The amendment is timely given that the City has not made any changes to permitted and conditional industrial uses since the adoption of the Industrial Land Use and Employment Policy Plan in 2006. This amendment is part of the continual process of updating the zoning ordinance as well. Staff performed a

code search to obtain information on how other area cities treat school uses in industrial districts. The City of Saint Paul allows K-12 schools as a permitted use in their light industrial, medium industrial and restricted industrial districts. The City of Bloomington, MN does not allow schools in any of their industrial districts. The City of Saint Cloud, MN does not allow K-12 schools in any of their industrial districts.

If the proposed amendment is denied, schools may still be established in the I1 and I2 districts, potentially taking prime industrial space. This may limit opportunities for the City to attract industrial users that provide generous employment opportunities.

Comprehensive Plan:

How will this amendment implement the Comprehensive Plan?

The following general land use policies of the *Minneapolis Plan for Sustainable Growth* apply:

Policy 1.14: Maintain Industrial Employment Districts to provide appropriate locations for industrial land uses.

- 1.14.1 Develop regulations for the Industrial Employment Districts that promote compatible industrial development and the efficient use of land.
- 1.14.3 Restrict the development and expansion of non-industrial uses within designated Industrial Employment Districts, limiting non-industrial uses to the types of uses and locations designated in the Industrial Land Use and Employment Plan.

The following recommendations of the Industrial Land Use and Employment Policies plan (2006) apply:

Recommendation #4: Allow more conditional uses in ILODs.

ILODs have become a specialized zoning tool to transition areas from industrial to residential uses. Initially created to protect historic structures and promote the creation of affordable housing, ILODs now give developers and the city a way to zone a parcel for residential use while maintaining the primary industrial zoning. These districts may become entirely residential and need to be rezoned as such.

Recommendation #6: Within the Employment Districts, make churches a conditional use as opposed to a permitted use. Exclude all primary, secondary and post-secondary schools in the employment districts except those where the curriculum is targeted to preparing students for careers associated with business and industry.

Excluding all primary, secondary and post-secondary schools in the employment districts except those where the curriculum is targeted to preparing students for careers associated with business and industry. This recommendation is intended to reduce potential conflicts between school children and industrial operations. Schools that focus on training and future employment in business and industry would prepare future workers to fill industrial positions. Currently, schools

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are permitted uses in I-1 and I-2 zoning districts and locate in these areas primarily because of low lease rates and low density building structures. This situation limits the ability to redevelop these sites and/or preserve them for industrial use.

Recommendation of the Community Planning and Economic Development--Planning Division:

The Community Planning and Economic Development Planning Division recommends that the City Planning Commission and City Council adopt the above findings and **approve** the zoning code text amendment.

Attachments:

1. Ordinance amending Chapter 550, removing K-12 Schools as a permitted use in the I1 and I2 Districts.
2. Ordinance amending Chapter 551, adding K-12 Schools as a permitted conditional use in the IL Overlay District.