

Community Planning and Economic Development -- Planning Division Report

Zoning Code Map and Text Amendments Nokomis East LRT Station Area Rezoning Study

Date: March 5, 2012

Initiator of Amendment: Councilmember Colvin Roy

Date of Introduction at City Council: February 10, 2012

Ward: 12

Neighborhood Organizations: Nokomis East Neighborhood Association

Planning Staff and Phone: Paul Mogush, Principal City Planner, 612-673-2074

Intent of the Ordinance:

The intent of the ordinance is to implement Transit Station Area policies of *The Minneapolis Plan for Sustainable Growth* as articulated in the adopted *Nokomis East Station Area Plan*.

Appropriate Section(s) of the Zoning Code:

Chapter 521: Zoning Districts and Maps Generally

Chapter 551: Overlay Districts

Existing Zoning: Various primary and overlay districts

Proposed Zoning for Map Amendment: See attached map and parcel listing

Zoning Plate Numbers: 34 and 40

Study Background:

State statute requires municipalities to develop consistency between zoning and its comprehensive plan. *The Minneapolis Plan for Sustainable Growth*, the City's comprehensive plan, designates the areas around each of the six neighborhood stations of the Hiawatha LRT line as Transit Station Areas. Further, extensive public involvement has resulted in detailed plans for neighborhood station areas. On January 12, 2007 the City Council adopted the *Nokomis East Station Area Plan*, providing policy guidance for future land use and infrastructure investments in the 50th Street and VA Medical Center LRT station areas.

Zoning amendments in the Hiawatha Corridor outside of downtown are occurring in two phases. The first phase established a Pedestrian Oriented (PO) Overlay zoning district within neighborhood LRT station areas. This was adopted by the Council on January 6, 2005. This created additional regulations and incentives for development in these areas (such as the prohibition of expanding or establishing new automobile service uses). The second phase is resulting in recommendations for changes to "primary"

zoning districts, with some modifications to overlay districts. Nokomis East is the fifth station area to be reviewed for changes to primary district zoning. The extent of the area analyzed for potential zoning changes is the area for which the *Nokomis East Station Area Plan* provides future land use guidance.

Nokomis East LRT Station Area Planning and Public Process:

Parcels were evaluated against adopted City policy to determine whether or not current zoning is appropriate. Primary considerations were *The Minneapolis Plan for Sustainable Growth* and the *Nokomis East Station Area Plan*, which is adopted by reference into the comprehensive plan.

The Minneapolis Plan for Sustainable Growth

The Minneapolis Plan for Sustainable Growth, the City's Comprehensive Plan, provides overarching land use policy guidance for the area. The 50th Street/Minnehaha Park and VA Medical Center stations are designated as Transit Station Areas (TSAs) in *The Minneapolis Plan for Sustainable Growth*. The plan also designates a Community Corridor on Minnehaha Avenue and Neighborhood Commercial Nodes at 50th Street/Hiawatha Avenue and 54th Street/Minnehaha Avenue.

Detailed policies and implementation steps can be found in the required findings below.

Nokomis East Station Area Plan

The *Nokomis East Station Area Plan* was part of a series of long-range plans completed for transit-oriented development (TOD) around Hiawatha LRT stations. Adopted by the City Council on January 12, 2007, the plan was developed with public participation and guidance from both community and technical advisory committees. It focused on land uses, urban design, public infrastructure, and amenities located in the area between the 50th Street station and the City boundary at 54th Street. It serves as an amendment to and articulation of the City's Comprehensive Plan.

Recommendations regarding rezoning are the product of staff work applying the policies of the above documents. The recommended changes have been available for public review on the City's web site since January 4, 2012. A public open house on the draft changes was held at Keewaydin Recreation Center on January 19, 2012.

Map Amendment

Adopted Policy and Recommended Zoning

The Nokomis East Station Area Plan provides future land use guidance for the area between the 50th Street and VA Medical Center LRT stations. The future land use map (attached) offers five land use categories ranging from Single-Family Residential to 3-5 Story Mixed Use or Commercial. Staff identified the zoning district that best matches the intent of each future land use category, shown in the table below.

Land Use Description	Zoning District	Key Zoning District Characteristics
1-2 Story Single-Family Residential	R1, R1A	Allows single-family housing
Single, Two-Family, or 2-3 Story Multi-Family Residential	R3	Maximum FAR (1.0), residential density (29 DU/acre), and as-of-right height (2.5 stories) match well with plan intent of townhouse-style development
3-5 Story Multi-Family Residential	R5	Allows multifamily housing and prohibits commercial uses. Maximum FAR (2.0), residential density (62 DU/acre), and as-of-right height (4 stories) match well with plan intent of apartment-style development
2-3 Story Mixed Use	C1	Allows multifamily housing and commercial uses in mixed-use buildings. Maximum FAR (1.7), residential density (62 DU/acre), and as-of-right height (3 stories) match well with plan intent of moderate-scale neighborhood commercial node development
3-5 Story Mixed Use or Commercial	C2	Allows multifamily housing and commercial uses in mixed-use buildings. Maximum FAR (1.7), residential density (62 DU/acre), and as-of-right height (4 stories) match well with plan intent of 3-5 story mixed-use development.

The attached staff-recommended primary zoning map reflects an application of zoning districts as outlined in the above table, with the following exceptions:

- Property near the intersection of 54th Street and Riverview Road was rezoned to R4 by the City Council in 2011 to allow a 42-unit senior housing development. Staff recommendation is for the R4 zoning to remain.
- Staff proposes the OR1 district for two properties at the intersection of 52nd Street and Minnehaha Avenue that are in the “Single, Two-Family, or 2-3 Story Multi-Family Residential” category in the adopted plan. Both properties contain commercial structures with commercial uses that would become nonconforming if the R3 district were applied. OR1 allows those structures to be used for limited commercial purposes prior to any future redevelopment, while allowing that potential development to conform to the intent of the plan.
- Staff proposes that existing R4 zoning remain on properties with existing multifamily housing along Hiawatha Avenue between 46th Avenue South and 52nd Street East.
- Staff proposes the OR2 zoning district for properties at the northeast corner of 54th Street East and 48th Avenue South in order to ensure that standalone commercial development does not materialize in isolation west of the alley in the event that a neighborhood commercial node is not achieved at 54th and Minnehaha.

- Staff does not propose any zoning changes within the areas designated for single-family residential, where most of the existing zoning is R1 and R1A.

In addition to proposed changes to primary zoning districts, staff is proposing application of the Pedestrian Oriented (PO) Overlay District in order to ensure that new development meets the standards for pedestrian-oriented design called for in the *Nokomis East Station Area Plan* and the Transit Station Area language of *The Minneapolis Plan for Sustainable Growth*, and to ensure that new auto-oriented uses are not established in areas zoned C2. Nokomis East is the only neighborhood LRT station area on the Hiawatha line lacking the PO district. The extent of the proposed PO district is over areas designated in the adopted small area plan as 3-5 Story Multifamily Residential, 2-3 Story Mixed Use, and 3-5 Story Mixed Use/Commercial. Staff does not propose applying the PO district over areas guided for single family or less-dense multifamily, where the regulations of the PO district would have little effect.

Public Comment

Staff presented the proposed zoning changes at an open house hosted by the Nokomis East Neighborhood Association at Keewaydin Recreation Center on January 19, 2012. Written comments received at that meeting and via email are attached to this report. The staff-recommended primary zoning map reflects a change made as a result of public comment. Previously, staff recommendation was for R3 zoning on 5329, 5333, and 5337 48th Avenue South in an area guided for 3-5 story multi-family residential. The intent of applying the R3 district was to help facilitate a transition from 3-5 story development along Minnehaha Avenue to the existing single family homes along 48th Avenue South. However, a resident commented that the effect of the R3 zoning district would more likely be to leave a small number of single-family homes on the east side of 48th Avenue isolated between two multi-story developments to the north and south. For the foreseeable future, the moderate density allowed by the R3 district is not likely to allow financially-feasible redevelopment of existing single-family homes. Staff concurred with this analysis and changed the recommendation for these properties to R5, consistent with the plan designation and the methodology outlined in the table above.

Nonconforming Uses

The proposed zoning map will result in legal nonconforming uses on the following properties: 5152 Hiawatha Avenue, 5200 Hiawatha Avenue, and 5219 Minnehaha Avenue.

Residential to Commercial

The Planning Division proposes rezoning two parcels from an Office Residence district to a Commercial district (4301 and 4307 50th St E). State statute requires that written consent be obtained from the owners of two-thirds of the properties within 100 feet of any property being changed from residential (including Office Residential) to either commercial or industrial zoning unless the amendment is based on a 40-acre survey/planning study AND the Planning Commission determines that the number of properties affected by the proposed amendment(s) renders obtaining of such written consent impractical. The City Planning Commission, therefore, must make a formal finding of impracticality. If the finding is made by the City Planning Commission that obtaining consent signatures is impractical, the City Council voting requirement to approve the rezoning is two-thirds (with consent signatures obtained, the voting requirement is a majority).

Obtaining consent from the owners of properties within 100 feet of the two properties would require a substantial amount of staff time. In addition, there is a level of impracticality of contacting these

property owners when the zoning changes are intended in part to comply with another part of state statute requiring consistency between adopted land use policy and zoning.

Findings as required by the Minneapolis Zoning Code:

1. Whether the amendment is consistent with the applicable policies of the comprehensive plan.

The purpose of the proposed changes to primary and overlay district zoning in the 50th Street and VA Medical Center Transit Station Areas is to implement the adopted plan for the area and achieve consistency with the City's comprehensive plan. They address the following Minneapolis Plan policies and implementation steps relevant to zoning:

Policy 1.1: Establish land use regulations to achieve the highest possible development standards, enhance the environment, protect public health, support a vital mix of land uses, and promote flexible approaches to carry out the comprehensive plan.

- 1.1.1 Ensure that the City's zoning code is consistent with The Minneapolis Plan and provides clear, understandable guidance that can readily be administered.
- 1.1.2 Further integrate visual quality and design considerations into review of capital improvement projects.
- 1.1.3 Encourage the use of flexible regulatory options that promote high quality development, such as the Planned Unit Development (PUD) tool.
- 1.1.4 Support context-sensitive regulations for development and land use, such as overlay districts, in order to promote additional land use objectives.
- 1.1.5 Ensure that land use regulations continue to promote development that is compatible with nearby properties, neighborhood character, and natural features; minimizes pedestrian and vehicular conflict; promotes street life and activity; reinforces public spaces; and visually enhances development.
- 1.1.6 Develop small area plans for designated land use features, particularly Activity Centers, Growth Centers, and Major Retail Centers, in consultation with neighborhood associations, residents, and other stakeholders.
- 1.1.7 Invest in targeted place-making strategies to build upon and enhance existing community assets and encourage private sector development.

Policy 1.7: Limit new and expanded auto-oriented uses in the city so impacts on the form and character of commercial areas and neighborhoods can be minimized.

- 1.7.1 Discourage new and expanded high traffic, auto-oriented uses in neighborhood commercial nodes.
- 1.7.2 Direct auto-oriented uses to locations on Commercial Corridors that are not at the intersection of two designated corridors, where more traditional urban form would be appropriate.
- 1.7.3 Auto-oriented uses should be designed with aspects of traditional urban form, to minimize the impact on the pedestrian realm.

Policy 1.11: Preserve and enhance a system of Neighborhood Commercial Nodes that includes a mix of housing, neighborhood-serving retail, and community uses.

- 1.11.1 Discourage the commercial territorial expansion of Neighborhood Commercial Nodes, except to adjacent corners of the

node's main intersection.

- 1.11.2 Support the continued presence of small-scale, neighborhood-serving retail and commercial services in Neighborhood Commercial Nodes.
- 1.11.3 Discourage new or expanded uses that diminish the transit and pedestrian character of Neighborhood Commercial Nodes, such as some automobile services and drive-through facilities.
- 1.11.4 Encourage a height of at least two stories for new buildings in Neighborhood Commercial Nodes, in keeping with neighborhood character.
- 1.11.5 Encourage the development of medium- to high-density housing where appropriate within the boundaries of Neighborhood Commercial Nodes, preferably in mixed use buildings with commercial uses on the ground floor.
- 1.11.6 Encourage the development of medium-density housing immediately adjacent to Neighborhood Commercial Nodes to serve as a transition to surrounding low-density residential areas.
- 1.11.7 Encourage the redevelopment of vacant commercial buildings and direct City services to these areas.

Policy 1.13: Support high density development near transit stations in ways that encourage transit use and contribute to interesting and vibrant places.

- 1.13.1 Encourage pedestrian-oriented services and retail uses as part of higher density development near transit stations.
- 1.13.2 Pursue opportunities to integrate existing and new development with transit stations through joint development.
- 1.13.3 Discourage uses that diminish the transit and pedestrian character of areas around transit stations, such as automobile services, surface parking lots, and drive-through facilities.
- 1.13.4 Encourage architectural design, building massing and site plans to create or improve public and semi-public spaces near the station.
- 1.13.5 Concentrate highest densities and mixed use development adjacent to the transit station and along connecting corridors served by bus.
- 1.13.6 Encourage investment and place making around transit stations through infrastructure changes and the planning and installation of streetscape, public art, and other public amenities.

Policy 2.4: Make transit a more attractive option for both new and existing riders.

- 2.4.1 Collaborate with regional partners to prioritize transit service and capital improvements along a network of corridors where standards for speed, frequency, reliability, and quality of passenger facilities are maintained.
- 2.4.2 Concentrate transit resources in a manner that improves overall service and reliability, including service for seniors, people with disabilities, and disadvantaged populations.
- 2.4.3 Encourage higher intensity and transit-oriented development to locate in areas well served by transit.

2. Whether the amendment is in the public interest and is not solely for the interest of a single property owner.

The proposed map amendments reflect considerable long-range planning efforts related to light rail transit over the last several years, which have included significant public involvement. They address Minneapolis Plan policies and implementation steps, including those articulated in adopted plans. The proposed map changes the zoning on 105 parcels of land.

- 3. Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of particular property.**

The proposed changes to primary and overlay zoning designations are guided primarily by the adopted station area plan as well as Transit Station Area and Neighborhood Commercial Node policies of *The Minneapolis Plan*. These plans and policies consider the growth and evolution of the entire area, including integration with and transition between surrounding land uses.

- 4. Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of particular property.**

The proposed zoning identifies reasonable changes to fulfill long-term land use objectives of adopted city plans. In some cases, uses become legally non-conforming so that future uses are consistent with the plans. In most cases, zoning changes increase development potential to realize the density and/or use objectives of the plans.

- 5. Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of particular property.**

The advent of light rail transit changes the policy context as well as market potential of property in around LRT station areas. The proposed changes address policy and plan objectives as expressed in *The Minneapolis Plan* for Sustainable Growth and the Nokomis East Station Area Plan.

Text Amendment

Accompanying the proposed map amendment is a text amendment to Chapter 551 adding the 50th Street/Minnehaha Park and VA Medical Center station areas to the list of Pedestrian Oriented Overlay Districts for which Transit Station Area provisions apply. These provisions include:

- Additional prohibited uses: Self service storage, commercial parking lots, and conversion of accessory parking lots to commercial parking lots
- Where the zoning code offers density bonuses of 20 percent, the bonus available in a Transit Station area is 30 percent
- New development is required to meet a minimum floor area ratio of 1.0 in the Commercial, OR2, OR3, and Industrial districts.
- The off-street parking requirement for multiple family dwellings is 90 percent of the number specified in Chapter 541, Off-Street Parking and Loading

The following considerations address the proposed text 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?

This amendment accompanies the application of the PO Overlay District in the 50th Street and VA Medical Center LRT Station Areas. The proposed text adds these two station areas to the list of existing station areas in section 551.175 of the zoning code, which includes additional standards and incentives for selected areas around rail stations.

Consistent with adopted policies for transit station areas, the zoning ordinance includes additional standards and regulations near LRT stations, including a list of prohibited uses, enhanced density bonuses, and a minimum floor area ratio (FAR). These standards help the city and the region capitalize on the investment in rail transit by ensuring that development near stations occurs in a manner that is transit-supportive.

No problems are expected to occur as a result of the proposed amendment. The specific subset of transit station area regulations being added to these stations have been successfully administered around other Hiawatha and Central Corridor LRT stations.

Timeliness:

Is the amendment timely?

Is the amendment consistent with practices in surrounding areas?

Are there consequences in denying this amendment?

This amendment is timely given that it coincides with the application of the PO Overlay District in the 50th Street and VA Medical Center LRT Station Areas. When the PO Overlay District was applied in the other neighborhood station areas in the Hiawatha Corridor in 2005, the City Planning Commission excluded 50th/VA because small area planning had not yet been completed at the time.

Most peer cities with light rail systems have zoning standards aimed at ensuring that station area development capitalizes on the public investment in passenger rail.

If the text amendment is denied and the PO Overlay District still applied, the station areas in question would continue to include the protections and incentives found in the City's PO Overlay Districts, but they would not include the provisions that are specifically tailored toward LRT station areas.

Comprehensive Plan:

How will this amendment implement the Comprehensive Plan?

The following policies from *The Minneapolis Plan for Sustainable Growth* are most relevant to the proposed amendment:

Policy 1.13: Support high density development near transit stations in ways that encourage transit use and contribute to interesting and vibrant places

Relevant implementation steps:

1.13.3 Discourage uses that diminish the transit and pedestrian character of areas around transit stations, such as automobile services, surface parking lots, and drive-through facilities.

1.13.5 Concentrate highest densities and mixed use development adjacent to the transit station and along connecting corridors served by bus.

By adding the 50th Street and VA Medical Center areas to the list of transit station area PO Overlay Districts, new development will be eligible to obtain higher densities by incorporating a mix of uses, enclosing off-street parking, and providing affordable housing. Further, self service storage and commercial parking lots will become prohibited in these two PO Overlay Districts, in addition to the uses already prohibited in such overlay districts outside of LRT station areas.

RECOMMENDATION OF THE DEPARTMENT OF COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT, PLANNING DIVISION:

The Department of Community Planning and Economic Development - Planning Division recommends that the City Planning Commission and City Council find that obtaining consent signatures for the rezoning of properties from office-residential to commercial in the Nokomis East LRT Station Area Rezoning Study Area would be impractical and further recommends that the City Planning Commission and City Council adopt the above findings and **approve** the zoning map amendment for the rezoning of parcels in the attached exhibits.

The Department of 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, amending chapter 551.

Attachments:

- Nokomis East Station Area Plan Future Land Use Map
- Existing Zoning Map
- Proposed Zoning Map
 - Primary Zoning Districts
 - Pedestrian Oriented (PO) Overlay District
- Proposed ordinance language
- Public comments received