Downtown Action Plan



Photo credit: Bruce Challgren (Courtesy of Meet Minneapolis)



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Table of Contents

1. Introduction	. :
2. Action Plan	6
a. Current Initiatives	6
b. New Initiatives	. 7
3. Collaborations and Documentations	

Introduction



Photo credit: Bruce Kluckhohn (Courtesy of Meet Minneapolis)

Downtown Minneapolis is the heart of our state, the economic engine of our city, the creative capital of Minnesota, and the star of the North. For decades, it has operated in service of a white-collar 9-to-5 workforce. The COVID-19 pandemic, with its work-from-home revolution, upended that ecosystem, revealing an opportunity for a new city to emerge. The infrastructure undergirding our commercial center now serves a different downtown where business is but a part of the story.

Downtown is reemerging as a 24-7-365 destination where locals congregate to work, find every-day entertainment, enjoy iconic theaters, experience world-class culinary delights, and attend special events which draw attendees from around the region. Funseekers find something new in each visit, with street-level storefronts boasting local pop-up shops and

roller-skating parties. Sidewalks, alleys, and plazas are peppered morning, noon, and night with street vendors, public art, and unexpected opportunities to play. Fans flock year-round to state-of-the-art stadiums and arenas for world-class sporting events like the Super Bowl, U.S. Gymnastic Olympic Trials, the X Games, and concerts by iconic performers like Taylor Swift, Metallica, and Beyoncé. Nicollet Mall draws in families for staycations and celebratory feasts. In a Downtown with easy transit options, ample parking, and many places to gather both indoors and out, annual festivals like Twin Cities Pride and Taste of Minnesota draw bigger crowds each year and have room to expand and evolve.

With bold vision and unnerving conviction, the Downtown Action Plan charts a path forward, for City and private partners to ensure the vibrancy of downtown will continue to flourish.

INITIATIVES

1. Activate the Streets, Sidewalks, and Alleys

Reanimate streets, sidewalks, and public alleys with year-round activations. Community, families, and colleagues come together to enjoy music, playgrounds, greenspace, public art, and recreation. Create fully pedestrianized areas for people to play and have fun. Increase options to move around Downtown on dedicated paths for bicycles, scooters, and non-motorized vehicles. The public realm will be an enticing place for everyone with more outdoor cafes, open seating areas, sidewalk vendors, and farmers markets. Downtown streets, sidewalks, and alleys are a destination for street festivals, parades, and activations during all seasons.

Downtown Minneapolis is the major league city and entertainment headquarters of the North. Building on the successes of the 1st Avenue, North Loop Neighborhood, Theater District, and Warehouse District Live, Downtown Minneapolis is branded as the place for fun, culture, and entertainment, with a wide array of restaurants, nightclubs live music, and sporting events. Downtown Minneapolis is the only destination for local, national, and international visitors looking for a premier experience.

2. New and Enhanced Tools

Support new and expanded businesses. Create opportunities for arts in all forms, restaurants, nightclubs, retail, and indoor recreational and amusement areas within existing vacant storefronts.

Make it easier to reuse buildings through expedited City approvals and permitting. Partner with private sector stakeholders to identify barriers to the conversions of buildings and advocate for building code changes to increase reuse options.

Find funding to make it more economical to reuse buildings. Promote and increase funding sources to support conversions of office towers with high vacancies and support legislation for the Conversion of Underutilized Buildings tax credit and other new sources.



Photo credit: Hilary Dvorak

Reduce red tape and align ordinances with City polices to ensure compatibility between entertainment uses and current and future uses such as residential and hotel. Consider ordinance changes necessary to avoid conflicts that arise due to higher levels of noise and light within an existing entertainment area. Amend ordinances and codes to support new and flexible sign and billboard regulations.

3. Community Collaboration and Alignment

Convene community at the same table to find our best ideas to act boldly together. Revitalizing Downtown will require clearly articulated interventions, collaborations, and innovations. Key leaders working with the City enterprise ensures Minneapolis will continue to improve coordination and streamline processes and regulations, while protecting public interests. Leveraging our collective public and private investments will make the greatest impacts. A Downtown Action Council of key community leaders with representation from property owner, business, arts and cultural, labor, entertainment, community-based organization, and philanthropic interests will have the charge to realize our new Downtown.

NEW INITIATIVES OVERVIEW

Initiative	Strategies	Timeline
1. Activate the Streets Sidewalks, and Alleys	Strategy #1: Elevate Nicollet Mall to a community-centered pedestrianized main street by creating a plan for future activation, placemaking, programing, beautification, and infrastructure needs that enhance community connection, fun and play.	July 2024 – 2026
	Strategy #2: Brand the Warehouse District as the sports and entertainment headquarters of the North by continuing to support Warehouse District Live and supporting new social districts, street activations, festivals, and entertainment and sporting events.	2024-2027
	Strategy #3: Prioritize street and storefront activation through partnerships between the City of Minneapolis and Minneapolis Downtown Council, the Downtown Improvement District, festival operators, and arts and cultural organizations.	July 2024 - 2026
	Strategy #1: Rocket Docket – Continue to expedite City land use approvals and permitting to facilitate the reuse of existing buildings. Partner with private sector stakeholders to identify barriers to the conversions of buildings and advocate for building code changes to increase reuse options.	November 2023 – June 2026
2. New and Enhanced	Strategy #2: Identify and increase possible funding sources to support conversions of buildings with high vacancies, including supporting legislation for the Conversion of Underutilized Buildings tax credit and other new sources.	June 2024 – June 2026
Tools	Strategy #3: Focus on first floor and storefront activation by leveraging and expanding existing grants, loan programs, and financial incentives to improve effectiveness downtown.	June 2024 – June 2026
	Strategy #4: Amend signage and billboard regulations to allow a greater variety of sign types.	February 2024 – January 2025
	Strategy #5: Review existing light and sound ordinances and consider amendments to allow more vibrancy and ensure compatibility between entertainment uses and residential and hotels.	June 2024 – June 2025
3. Community Collaboration and Alignment	Strategy #1: Establish a Mayor-chaired Downtown Action Council of key community leaders with representation from property owner, business, arts and cultural, labor, entertainment, community-based organization, and philanthropic interests to align efforts and leverage resources.	Monthly meetings to start, quarterly meetings after the first year.

Action Plan

Current Initiatives

There are several initiatives that are currently underway to support Downtown.

Warehouse District Live

Warehouse District Live (WDL) is an enhanced pedestrian zone on First Ave N, between 5th and 6th Streets South, in the City's Warehouse District. WDL features food trucks, tables and seating, restrooms, and activities throughout the summer and fall. The City Council approved \$750,000 in one-time General Fund funding for Public Works to support the WDL program by advancing an active and safe Downtown in 2024.

Vibrant Storefronts

- CPED contract with Minneapolis Downtown Council: Chameleon Shoppes is an initiative to 'connect, incubate, and accelerate BIPOC and women entrepreneurs as part of a movement to create a vibrant and inclusive Downtown Minneapolis.' The City Council approved \$400,000 in funding in 2024, that will be used to support the Chameleon shop program while also growing the downtown retail ecosystem through connecting community, defining current opportunities, and supporting innovation and vibrancy in a variety of ways.
- Arts and Cultural Affairs: The Arts and Cultural Affairs department has \$250,000 in funding in 2024 to connect with Downtown property owners and arts individuals and organizations to provide funding to subsidize rental costs to activate vacant storefronts in and around Harmon Place and Downtown.

Process Streamlining

CPED's Development Services division established a point-of-entry review team, known as the "Rocket Docket", for all developers who wish to pursue the building conversion process. The Rocket Docket establishes priority for the conversion applications, advanced advice and direction on the City's review and approval process, and a point of contact for the developer throughout the process.

Zoning Code Changes

Last year the City adopted a new zoning code, which included an expansion of land uses allowed in Downtown, eliminating the Nicollet Mall overlay district, and creating more predictable and streamlined approval processes.

First Avenue North Reconstruction

Public Works is reconstructing half a mile of First Avenue N, between Washington Ave and 8th St N. The project will encourage commerce, retail activity, and safe, comfortable, and accessible travel. This street intersects many local, express, and Bus Rapid Transit bus routes and is also next to the Warehouse District/Hennepin LRT stop.

Nicollet Mall Pedestrianization

The City Council received and filed a legislative directive, on December 5, 2023, as a first step in beginning the work the city must accomplish to engage stakeholders and to investigate converting Nicollet Mall into a pedestrian, bicycle, and non-motorized vehicle public plaza. Staff from Public Works and CPED are working in tandem with Metro Transit to relocate existing bus service from Nicollet Mall.

New Initiatives

INITIATIVE: Activate the Streets, Sidewalks, and Alleys

Strategy #1: Elevate Nicollet Mall to a community-centered pedestrianized main street by creating a plan for future activation, placemaking, programing, beautification, and infrastructure needs that enhance community connection, fun and play.

Timeframe: July 2024 - 2026

Action Step: The Mayor will create a public and private workgroup to plan for the future of Nicollet Mall, with the following objectives:

- Establish a tactical plan for placemaking and programing of a fully pedestrianized Nicollet Mall.
- Collaborate and strategize on storefront activation, skyway use, and wayfinding.
- Identify opportunities and target areas for investment along Nicollet Mall.
- Identify innovative strategies and opportunities for marketing Nicollet Mall.
- Generate a long-term infrastructure plan for improvements, including but not limited to, green infrastructure, ice skating, and additional landscaping.

City Departments:

- Public Works
- · Arts and Cultural Affairs
- Community Planning and Economic Development

Partners and Stakeholders:

- Metro Transit
- Minneapolis Foundation
- Minneapolis Downtown Council
- Downtown Improvement District
- · Meet Minneapolis
- Minneapolis Regional Chamber of Commerce
- Greater Minneapolis Building Owners and Managers Association
- Downtown Minneapolis Neighborhood Association
- Target

- New activations, festivals, and street fairs along Nicollet Mall.
- Reduced residential, commercial, and office vacancies along Nicollet Mall.
- Improved economic landscape, including reduction in distressed sales, short sales, and foreclosures.
- Increased tax revenue generated by downtown properties and businesses.
- New development and investments downtown.

INITIATIVE: Activate the Streets, Sidewalks, and Alleys

Strategy #2: Brand the Warehouse District as the sports and entertainment headquarters of the Midwest by continuing to support Warehouse District Live and supporting new social districts, street activations, festivals, and entertainment and sporting events.

Timeframe: 2024-2027

Action Steps:

- Provide on-going financial support to Warehouse District Live.
- Leverage the Special Events City staff team to streamline permit and license reviews for festivals, events, street activations, and outdoor dining.
- Explore new legislation to allow for outdoor social districts with open container allowance.
- Prioritize pedestrians' experience by enhancing the public realm, wayfinding, and creating a sense of arrival to the Warehouse District.
- Explore opportunities for new and on-going festivals, events, street activations, and popups.

City Departments:

- · Mayor's office
- Budget and Finance
- Community Planning and Economic Development
- Health
- Public Works
- Intergovernmental Relations

Partners and Stakeholders:

- Minneapolis Downtown Council
- · Downtown Improvement District
- Meet Minneapolis
- Minneapolis Regional Chamber of Commerce
- Minneapolis Renaissance Coalition
- Greater Minneapolis Building Owners and Managers Association
- Downtown Minneapolis Neighborhood Association
- First Avenue Productions
- Hennepin Theater Trust

- Increased tax revenue generated events downtown.
- Improved tourism economy and downtown visitors, as measured by Meet Minneapolis and cell phone data.
- New festivals and street activations in the Warehouse District.

INITIATIVE: Activate the Streets, Sidewalks, and Alleys

Strategy #3: Prioritize street activation through partnerships between the City of Minneapolis and Minneapolis Downtown Council, the Downtown Improvement District, festival operators, and arts and cultural organizations.

Timeframe: July 2024 - 2026

Action Steps:

- Provide on-going financial support to Warehouse District Live.
- Leverage the City Special Events staff team to help streamline permit and license reviews for festivals, events, street activations, and outdoor dining.
- Explore new legislation to allow for outdoor social districts with open container allowance.
- Invest in bold and creative ideas for arts activations by supporting cultural spaces to maximize their use and fund artist projects downtown.
- Support a murals program led by the Arts and Cultural Affairs Department.

City Departments:

- Community Planning and Economic Development
- · Arts and Cultural Affairs

Partners and Stakeholders:

- Minneapolis Foundation
- Minneapolis Downtown Council
- Meet Minneapolis
- Minneapolis Regional Chamber of Commerce
- Greater Minneapolis Building Owners and Managers Association
- Downtown Minneapolis Neighborhood Association

- New activations, festivals, and street fairs along Nicollet Mall.
- Reduced residential, commercial, and office vacancies along Nicollet Mall.
- Improved economic landscape, including reduction in distressed sales, short sales, and foreclosures.
- Increased tax revenue generated by downtown properties and businesses.
- New development and investments downtown.

Strategy #1: Rocket Docket - Continue to expedite City land use approvals and permitting to facilitate the reuse of existing buildings. Partner with private sector stakeholders to identify barriers to the conversions of buildings and advocate for building code changes to increase reuse options.

Timeframe: November 2023 – June 2026

Action Steps:

- Continue to support the CPED Rocket Docket for priority assignments and expedited permit reviews.
- Identify and evaluate amendments to the Minneapolis Code of Ordinances to align with policies to reduce barriers to converting from one use to another.
- Participate in the rulemaking process with the MN Department of Labor and Industry to introduce and evaluate amendments to the building codes to align with policies supporting the reuse of existing buildings.
- Conduct on-going listening sessions between CPED and the private sector to evaluate business process improvements.

City Departments:

- Community Planning and Economic Development
- City Attorney's Office

Partners and Stakeholders:

- Greater Minneapolis Building Owners and Managers Association
- Downtown Minneapolis Neighborhood Association
- Minneapolis Renaissance Coalition
- Visible Cities
- Downtown architects and developers
- Builders Association of Minnesota

- Permits are reviewed in a timely manner.
- Minneapolis Code of Ordinances have been updated to align with policies supporting mixed-use neighborhoods.
- Building and trade codes have been updated to require building improvements for residential conversions within entertainment districts reduce incompatibility between uses.

Strategy #2: Identify and increase possible funding sources to support conversions of buildings with high vacancies, including supporting legislation for the Conversion of Underutilized Buildings tax credit and other new sources.

Timeframe: June 2024 – June 2026

Action Steps:

- Assemble a list of possible funding sources, grants, financial incentives, and tax credit programs that could support building conversions downtown.
- Support legislative initiatives for tax credits and subsidies to financially assist building conversions.

City Departments:

- Intergovernmental Relations
- Community Planning and Economic Development
- City Attorney's Office

Partners and Stakeholders:

- Rethos
- Minneapolis Renaissance Coalition
- Downtown Minneapolis Neighborhood Association
- Minneapolis Downtown Council
- Developers
- Building Owners and Management Association
- Building Owners

- Building conversion projects can access financial and tax incentives to facilitate the conversion of vacant buildings.
- Reduced residential, commercial, and office vacancies downtown.

Strategy #3: Focus on first floor and storefront activation by leveraging and expanding existing grants, loan programs, and financial incentives to improve effectiveness downtown.

Timeframe: *June 2024 – June 2026*

Action Steps:

- Evaluate and potentially retool existing grants, loan programs, and financial incentives to improve effectiveness downtown.
- Continue to market current funding opportunities.
- Expand and continue to fund the City's Vibrant Storefronts program, bringing active uses to existing vacant spaces Downtown.
- Generate a list of targeted sites and programs for possible future funding allocations.
- Support businesses during the First Avenue North Reconstruction project and ensure antidisplacement strategies are prioritized.

City Departments:

- Community Planning and Economic Development
- · Arts and Cultural Affairs
- Public Works

Partners and Stakeholders:

- Minneapolis Downtown Council
- Building Owners and Management Association
- Building Owners
- Minneapolis Renaissance Coalition
- Downtown Minneapolis Neighborhood Association
- Arts and cultural organizations

- Activated first floor and storefronts with new and expanded commercial and retail uses.
- Increased tax revenue generated by downtown properties and businesses.
- New development and investments downtown.

Strategy #4: Amend signage and billboard regulations to allow a greater variety of sign types.

Timeframe: February 2024 – January 2025

Action Steps:

- Conduct peer city research, focusing on cities with historic districts near major entertainment districts.
- Identify and evaluate amendments to Title 20 Zoning Code in the Minneapolis Code of Ordinances.

Partners and Stakeholders:

- Minneapolis Downtown Council
- Downtown Improvement District
- Minneapolis Regional Chamber of Commerce
- Greater Minneapolis Building Owners and Managers Association
- Downtown Minneapolis Neighborhood Association
- Minneapolis Renaissance Coalition

City Departments:

- Community Planning and Economic Development
- City Attorney's Office

Success Metrics:

• Minneapolis Code of Ordinances have been updated to allow greater flexibility and creative signage and promotions that are compatible within a historic district, minimize visual clutter and confusion, and minimize adverse effects on nearby property.

Strategy #5: Review existing light and sound ordinances and consider amendments where necessary to ensure compatibility between entertainment uses and residential and hotels.

Timeframe: June 2024 – June 2025

Action Steps:

- Establish a cross-department workgroup to evaluate current ordinances for sound, light, and glare and building code requirements for sound attenuation. This team will also evaluate impacts outdoor nighttime uses, including ground-level and roof-top patios.
- Identify and evaluate amendments to the Minneapolis Code of Ordinances to align with policies to ensure compatibility between land uses.
- Participate in the rulemaking process with the MN Department of Labor and Industry to introduce and evaluate amendments to the building codes to align with policies supporting mixed-use neighborhoods and reducing off-site impacts.

City Departments:

- Community Planning and Economic Development
- Health
- Intergovernmental Relations

Partners and Stakeholders:

- Minneapolis Downtown Council
- Downtown Improvement District
- Minneapolis Regional Chamber of Commerce
- Greater Minneapolis Building Owners and Managers Association
- Minneapolis Renaissance Coalition
- Downtown Minneapolis Neighborhood Association
- First Avenue Productions
- Hennepin Theater Trust

- Minneapolis Code of Ordinances have been updated to align with policies supporting mixeduse neighborhoods.
- Building and trade codes have been updated to require building improvements for residential conversions within entertainment districts reduce incompatibility between uses.

INITIATIVE: Community Collaboration and Alignment

Strategy #1: Establish a Mayor-chaired Downtown Action Council of key community leaders with representation from property owner, business, arts and cultural, labor, entertainment, community-based organization, and philanthropic interests to align efforts and leverage resources.

Timeframe: Monthly meetings to start, quarterly meetings after the first year.

Action Step:

The Mayor will convene and chair a Downtown Action Council with the following objectives:

- Establish public and private partnerships to further the goals of the City of Minneapolis.
- Identify opportunities and target areas for investment in downtown Minneapolis.
- Collaborate and strategize on complex challenges facing downtown, including but not limited to, public safety, storefront and office vacancy, skyway use, wayfinding, and hours, and leveraging financial resources such as the entertainment sales tax and other revenue sources to support activation and culture uses downtown.
- Identify innovative strategies and opportunities for marketing downtown Minneapolis.
- Advocate for future legislation at the city, state, and federal level(s) to further the goals of the City of Minneapolis.

City Departments:

- Mayor's office
- Community Planning and Economic Development

Partners and Stakeholders:

Community, Non-Profit, and Philanthropic Organizations

- Black Business Enterprise
- Minneapolis Downtown Council
- Minneapolis Foundation
- Meet Minneapolis
- Minneapolis Regional Chamber of Commerce
- · Pohlad Family Foundation
- Service Employees International Union

Development, Business, and Property Owners

- Greater Minneapolis Building Owners and Managers Association
- Minneapolis Renaissance Coalition
- Minneapolis Restaurant Coalition
- Minnesota State Building and Construction Trades Council
- Mortenson Construction
- Sherman and Associates

Arts, Culture, and Design

- · Dayton's Project
- Guthrie Theater
- Hennepin Arts
- Jester Concepts
- MSPC

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Large Downtown Employers and Corporations

- Minnesota Timberwolves and Lynx
- Minnesota Vikings
- Target
- US Bank

- Unified alignment on strategies to revitalize downtown.
- Reduced residential, commercial, and office vacancies.
- Improved economic landscape, including reduction in distressed sales, short sales, and foreclosures.
- Increased tax revenue generated by downtown properties and businesses.
- New development and investments downtown.

Collaborations & Documentations

Following the Vibrant Downtown Storefronts Workgroup recommendations in June 2023, staff have engaged numerous collaborations of property owners, business owners, artists, organizations, and City staff all dedicated to the seeing the continued success of Downtown. These groups have had produced several analyses, reports, and hundreds of recommendations that have provided a blueprint for growing the city and revitalizing Downtown in a vibrant and dynamic way consistent with the goals and policies of Minneapolis 2040. This action plan synthesizes these community analyses, reports, and recommendations into a set recommended strategies for the City to pursue.

Staff has analyzed recommendations provided in the following documents, reports, and collaborations below. There are several recommendations that are currently underway, partially started, or awaiting prioritization. In some cases, the City would be the lead implementation agency while other initiates may be community- led such as the Minneapolis Downtown Council/Downtown Improvement District, Minneapolis Foundation, Minneapolis Renaissance Coalition, or by other governmental agencies such as the Minneapolis Park and Recreation Board. Recommendations that would fall within the City's responsibility are further synthesized into a strategic plan for Downtown in the following section.

Vibrant Downtown Storefronts Report

Mayor Jacob Frey announced the Vibrant Storefront Work Group in December 2022. The working group was facilitated by consultant Peter Brown and staffed by Minneapolis' Community Planning and Economic Development Department (CPED), the Minneapolis Downtown Council (MDC) and Downtown Improvement District (DID) staff. The project team released their report on June 1, 2023.

<u>Downtown Next -- An Action Strategy for Downtown Minneapolis</u>

The Minneapolis Foundation sponsored this report as a 'call to action' by looking forward to connecting different *Downtown Villages*, and not just reminiscing over the successful six blocks that once defined 'Downtown Minneapolis'. The report includes over one hundred recommendations stemming from three main themes: (1) move from an 8-hour downtown to a 24-hour downtown with a variety of uses that draw people to Downtown; (2) creating activated spaces, focusing on the built environment, public safety, and activation; and (3) moving from single uses to a mixed-use district, while increasing engagement with both current and future users in Downtown.

Downtown Transformation – Research, Analysis, and Transformation

CPED contracted with Visible City to conduct research on the behavior and market conditions downtown, downtown sale and valuation trends and their effects on citywide tax assessments, and an examination of strategies for downtown revitalization in other peer cities to Minneapolis. Visible City has provided several detailed recommendations on how to transition and transform downtown, including:

- Continued support this Downtown Action Plan.
- Advocacy for the <u>Conversion of Underutilized Building</u> tax credit to incentivize the reuse of existing vacant spaces and buildings.
- Building out development and funding strategies by targeting specific areas downtown and prioritizing racial equity and inclusion.

Building and Inclusive Recovery for Downtown Minneapolis: Prioritizing Workers for Prosperity for All

Service Employees International Union (SEIU) Local 26 is Minnesota's property services union and SEIU represents over 8,000 custodians, security officers and window cleaners in the Twin Cities metro area. In January 2024, the SEIU Local 26 published a report that includes the perspectives of their membership, which have largely been left out of previous conversations and reports on Downtown recovery. The recommendations included in the report include new/additional proposals for labor standards, unionized staffing, and affordable housing.

Warehouse District ULI-Technical Assistance Panel Report

The Urban Land Institute was engaged by the Community Planning and Economic Development Department to conduct a Technical Assistance Panel (ULI-TAP) on November 14 - 16, 2023. The ULI-TAP focused on opportunities for the Warehouse District to allow for a greater mix of uses, including more residential, and a return to a regional destination for entertainment. The report provides near-term, mid-term, and long-term interventions across four categories: (1) Programming and Operations, (2) Policy Updates, (3) Financial, and (4) Design and Built Environment.

Minneapolis Renaissance Coalition

This coalition is a group of stakeholders and property owners in the Warehouse District formed in April 2023, that has provided the City with recommendations and feedback on financial considerations, public safety, and the built environment. The coalition meets monthly and has several committees that provide context and potential recommendations for downtown revitalization including: (1) public relations and marketing, (2) financial incentives and advocacy, (2) Warehouse District ULI-TAP and a Warehouse District Public Realm Vision, (3) public safety, and (4) reducing barriers.