

ZONING CODE TEXT AMENDMENT SUMMARY

<i>Initiator:</i>	Council Members Bender and Gordon
<i>Introduction Date:</i>	December 12, 2014
<i>Prepared By:</i>	<u>Shanna Sether</u> , Senior City Planner, (612) 673-2307
<i>Specific Site:</i>	Citywide
<i>Ward:</i>	All Wards
<i>Neighborhood:</i>	All Neighborhoods
<i>Intent:</i>	To allow for emergency and overnight shelters as a principal use in certain zoning districts.

APPLICABLE SECTION(S) OF THE ZONING CODE

- Chapter 520, Introductory Provisions
- Chapter 536, Specific Development Standards
- Chapter 537, Accessory Uses and Structures
- Chapter 541, Off-Street Parking and Loading
- Chapter 546, Residence Districts
- Chapter 547, Office Residence Districts
- Chapter 548, Commercial Districts
- Chapter 549, Downtown Districts
- Chapter 551, Overlay Districts

Chapter 550, Industrial Districts was also introduced; however, staff is not recommending changes to this chapter as part of this amendment. Therefore, staff is recommending returning Chapter 550 to the author.

BACKGROUND

The text amendment was continued from the October 19, 2015, city planning commission to allow staff to analyze additional code text to address existing overnight shelters accessory to religious institution place of assembly. In addition, staff has revised the definition of *overnight shelters* to be more closely aligned with the proposed definition of *emergency shelters*.

On December 12, 2014, Council Members Bender and Gordon introduced subject matter to amend ordinances related to overnight (homeless) shelters. Existing zoning regulations require all new overnight shelters obtain a conditional use permit and either (1) be located accessory to a religious institution place of assembly or (2) rezone property to the DS Downtown Shelter Overlay District within the specified boundary (see attached) authorized by section 551.1370 of the zoning code.

According to the Office of Ending Homelessness, the median number of homeless people in Hennepin County each night over the last year was 2,156. Of those, 296 were families (1,196 people), 902 were single adults and 59 were youth. The last unsheltered count was 207 people (June 2015) in Hennepin County. There are a total of 16 facilities in Hennepin County that provide shelter to homeless, 14 are located in Minneapolis. Of the 14 facilities, seven are overnight shelters accessory to a religious institution and one is a principal overnight shelter in the DS Overlay District. The remaining facilities are community residential facilities (youth shelters), supportive housing, board and care and a motel. Shelter operators have expressed the need to find new or additional locations within Minneapolis to better serve the homeless population in spaces that provide a comfortable, safe and dignified place. Heading Home Hennepin is a joint City of Minneapolis and Hennepin County initiative and a part of Heading Home Minnesota, a statewide initiative to end homelessness. Heading Home Minnesota has a [Plan](#) is to have families and individuals have access to safe, decent, and affordable housing, and the resources and supports needed to sustain it, by 2016.

Over the course of the proposed project, staff recognized the need to identify two different classifications for overnight shelter based on the size of the facility (maximum occupancy) and the duration of stay. Staff is recommending redefining *Overnight Shelters* and adding a land use classification and definition for *Emergency Shelters*. This amendment will not replace the existing ordinance and zoning classification for DS Downtown Shelter Overlay District; this will allow for greater occupancy in the DS Overlay District for overnight shelters.

Overnight shelters are intended to be larger facilities (greater occupancy) and less than a 24 hour stay. The occupancy of persons would be 150 persons or the maximum allowed per the building code, whichever is less. Staff is proposing a minimum spacing of 1,000 feet to other principal or accessory emergency and overnight shelters to prevent concentration. These uses would be conditional in the C2 Neighborhood Corridor Commercial and C4 General Commercial Districts, Downtown Districts and in the IL Industrial Living Overlay District. Minimum and maximum off-street parking would be determined through the conditional use permit.

Emergency shelters are intended to be smaller facilities, with occupancy and lot requirements based on zoning districts. These uses would allow for a longer stay, for up to 30 days. This type of shelter would have the occupancy of persons determined by the zoning district. Staff is again proposing a minimum spacing of 1,000 feet to other accessory or principal emergency and overnight shelters to prevent concentration. This would be a conditional use in all primary zoning districts in the City of Minneapolis, except in the Industrial Districts where the IL Industrial Living Overlay District is not present. Staff is

not recommending a minimum off-street parking requirement but is recommending a maximum parking requirement of one space per bed.

Staff is proposing to continue to allow overnight shelters, with a stay of less than 24 hours, when accessory to a place of assembly or religious institution. This will allow the continued charitable functions of many religious institutions and allow the existing accessory shelters to remain a conforming use.

Staff is recommending an additional regulatory framework be required for one or both types of shelters. The Department of Health issues and inspects properties carrying Board and Lodging and Lodging licenses. Staff is recommending an accompanying ordinance, if needed, in the Health Code to require these facilities to carry these annual licenses. This will allow for the regular inspections of the property and additional regulatory oversight to ensure safe and healthy places for occupants. This will also allow for a relationship between license renewal and continued compliance with City ordinances.

PURPOSE

What is the reason for the amendment?

The reason for the amendment is to allow for more opportunity for homeless shelters to open in the City of Minneapolis. Shelters provide temporary sleeping accommodations and occasionally meals to individuals or families for a period between 30 days and less than 24 hours.

Current regulations require that all new shelters be accessory to a place of assembly or religious institution or within the DS Overlay District (see attached map). These existing regulations do not allow for the establishment of an overnight shelter as a principal use, without rezoning property in a very small geographic area in the City of Minneapolis.

The amendment is intended to allow for new shelters to open where demand is, while not allowing the concentration of shelters in one small area within the City. Staff is proposing to redefine overnight shelters and add a definition for emergency shelters. This will allow for two different shelter uses, each would be regulated by occupancy and duration of stay based on the zoning classification of the property. In addition, staff is recommending additional specific development standards to ensure best management practices and compatibility amongst adjacent land uses. Finally, staff is recommending that additional licensure be required for operators to ensure a safe and healthy place for occupants. This will also allow for a relationship between license renewal and continued compliance with City ordinances.

What problem is the amendment designed to solve?

Shelter operators have been challenged with finding new locations within the City of Minneapolis to serve the homeless population. In addition, congregations are decreasing in many places and religious institutions are seldom attended by people living near the facility. This could potentially lead to the closure or relocation of a religious institution and if the shelter is accessory to one of these facilities, they would be required to close or relocate, as well.

Staff has observed the need for additional shelter beds in the City of Minneapolis. According to the Office of Ending Homelessness, the median number of homeless people in Hennepin County each night over the last year was 2,156. Of those, 296 were families (1,196 people), 902 were single adults and 59 were youth. The last unsheltered count was 207 people (June 2015) in the Hennepin County.

What public purpose will be served by the amendment?

The amendment will serve a public purpose by allowing shelters as a principal use with additional standards to control concentration of these types of uses. Additionally, with the establishment of licensing standards, facilities will be regulated for life and safety compliance, consistent with the applicable Health codes. The proposed text amendment is intended to encourage the establishment of longer-term stays, up to 30 days, in emergency shelters. This is consistent with the Housing First model which allows individuals and families experiencing homelessness to have a place to stay for a longer duration to allow focus on accessing and sustaining permanent housing. In addition, by not requiring that shelters be accessory to religious institutions, they can instead be designed to provide more permanent accommodations, in lieu of simply rolling out of mats and beds in assembly spaces originally designed for services.

Beyond the proposed zoning code text amendment, new Federal rules require all Continuum of Care communities to establish and operate a coordinated assessment system. Hennepin County is included as a Continuum of Care community. This system is designed to ensure that homeless people are matched with the right facility and plan at the point of entry. One of the main goals of this system is to standardize access and assessment for all clients and allow referral across all providers. Therefore, shelters will have a more coordinated intake process to ensure consistency. The intake process will also be linked to the Minnesota Homeless Management Information System, which collects client data and housing and services to homeless individuals and families.

What problems might the amendment create?

The proposed amendment would allow for an emergency or overnight shelter on any property, except industrially zoned property where the IL Industrial Living Overlay District does not exist. This would allow for a new land use that has not previously been allowed as a principal use in these districts. Staff is recommending that new facilities be required to obtain a conditional use permit (C.U.P.) to ensure compliance with the specific development standards and to ensure compatibility with surrounding uses. Through the C.U.P., the city planning commission may impose such conditions on the proposed use and require such guarantees as it deems reasonable and necessary to protect the public interest and to ensure compliance with the standards and purposes of this zoning ordinance and policies of the comprehensive plan. CPED staff acknowledges that there is a stigma associated with shelter uses and that conditional uses permits are likely to be contentious in many circumstances because of real or perceived impacts.

TIMELINESS

Is the amendment timely?

Residential and social uses, now known as congregate living facilities, were first introduced and defined in the zoning code in 1987. In 1991, the city council amended the zoning code to add a new use and definition for overnight shelters. It is at this time that overnight shelters are only allowed when accessory to a place of assembly or religious institution with a conditional use permit. In 2010, the city council added an overlay zoning district, DS Downtown Shelter Overlay District, to allow shelters to be a principal use in a limited area in the North Loop and Downtown West neighborhoods.

Staff recognizes the need for temporary housing options with so many individuals and families sheltered and unsheltered each night. According to the operators surveyed, many have to turn people away each evening or try to find open beds at a nearby shelter. Additionally, staff is aware that of a new policy that will go into effect this winter in one of the City's largest shelters. Currently, the Salvation Army Harbor Light facility provides sleeping accommodations to approximately 476 people in on an average night. 364

of these people have beds and many are sleeping in common areas and overflow spaces. The Salvation Army will no longer be allowed to have people to stay in undesignated sleeping areas, thus reducing their nightly occupancy by 80-120 people.

Is the amendment consistent with practices in surrounding areas?

Staff has conducted a peer city review of similar zoning ordinances in surrounding areas. Staff was not able to find another municipality that only allows for overnight shelters solely accessory to another use or in an overlay district. Instead, staff found in all of the cities surveyed, that shelters are allowed with a conditional use permit as a principal use in high-density residential, commercial, downtown and industrial districts. The City of St. Paul has two different shelter classifications based on duration of stay, as well as an Overnight Shelter Board to secure adequate overnight shelter of homeless persons. Many of the cities reviewed, including Portland, OR, regulate the occupancy of homeless individuals based on the zoning classification of the property. Approximately one-half of the cities reviewed have a spacing requirement to similar uses or to schools or churches. About the same percentage require licensure, certification and inspection. A full matrix of cities reviewed is attached to the staff report.

Are there consequences in denying this amendment?

The consequences of denying the proposed text amendment will continue to only allow for new shelters to be located accessory to a place of assembly or religious institution or in the DS Overlay eligible area. Reducing the available locations for overnight shelter will provide an additional impediment to providing more shelter beds. In addition, without this amendment, the City may see additional concentration of shelters, which currently do not have a spacing requirement.

COMPREHENSIVE PLAN

The amendment will implement the following applicable policies of *The Minneapolis Plan for Sustainable Growth*:

Housing Policy 3.4: Preserve and increase the supply of safe, stable, and affordable supportive housing opportunities for homeless youth, singles and families.

- 3.4.1 Promote increased development of housing for very low-income households earning 30% or less of metropolitan median income.
- 3.4.2 Support the creation of additional supportive housing units for homeless youth, singles and families.
- 3.4.3 Support the creation of additional shelter beds for youth.
- 3.4.4 Evaluate City policies and regulations related to the creation of supportive housing and smaller housing units, including Single Room Occupancy (SRO) housing.
- 3.4.5 Implement and promote additional strategies to reduce homelessness, such as those identified in Heading Home Hennepin

Housing Policy 3.5: Improve the stability and health of communities of concentrated disadvantage through market building strategies, and strategies that preserve and increase home ownership.

- 3.5.1 Work to improve the stability and sustainability of the city's disadvantaged communities by taking measures to diversify the household mix and allay historic patterns of concentration of poverty.
- 3.5.2 Pursue an integrated array of development and revitalization strategies to attract a broadened socio-economic mix of residents to communities of concentrated disadvantage.
- 3.5.3 Utilize program criteria in city housing finance programs that give preference to low income and homeless housing projects in non-poverty concentrated areas, and that prioritize high quality mixed-income and market rate housing projects in disadvantaged communities.
- 3.5.4 Work with for-profit, nonprofit, and governmental partners to increase understanding of the need for market-building investments in communities of concentrated disadvantage.
- 3.5.5 Focus development activities strategically in priority areas within disadvantaged communities so that it results in the greatest impact.
- 3.5.6 Use promotion strategies and City development resources and programs to build home ownership in high rental neighborhoods.
- 3.5.7 Create pathways for qualified low-income families to become homeowners, with appropriate support, with an emphasis on improving minority homeownership rates.
- 3.5.8 Reduce the number of foreclosures through strategies such as home ownership counseling, public education about responsible mortgages and early warning systems that flag problem issues before default is inevitable.
- 3.5.9 Utilize and expand the city's development programs and tools to jumpstart investment in the city's disadvantaged communities.
- 3.5.10 Support the timely development of infill housing on vacant lots. Use partnerships and incentives to reduce duration of vacancy.
- 3.5.11 Use education and code enforcement to ensure that rental housing is responsibly managed, and that the number and occupancy of dwelling units does not exceed legal limits.
- 3.5.12 Continue to work in a vigorous and multidisciplinary manner to identify and remedy problem properties that have disproportionate public safety and livability impacts on the surrounding community.

This amendment will be consistent with the above policies of the comprehensive plan.

RECOMMENDATIONS

The Department of Community Planning and Economic Development recommends that the City Planning Commission and City Council adopt staff findings to amend Title 20 of the Minneapolis Code of Ordinances, amending Chapters 520, 536, 537, 541, 546, 547, 548, 549 and 551 as follows:

A. Text amendment to Chapters 520, 536, 537, 541, 546, 547, 548, 549 and 551 related to the Zoning Code: Introductory Provisions, Specific Development Standards, Off-Street Parking and Loading, Residence Districts, Office-Residence Districts, Commercial Districts, Downtown Districts and Overlay Districts.

Recommended motion: **Approve** the text amendment to allow emergency and overnight shelters as a principal use in certain districts. Return Chapter 550: Industrial Districts.

ATTACHMENTS

1. Ordinance amending Chapter 520 relating to Introductory Provisions.
2. Ordinance amending Chapter 536 relating to Specific Development Standards.
3. Ordinance amending Chapter 537 relating to Accessory Uses and Structures.
4. Ordinance amending Chapter 541 relating to Off-Street Parking and Loading.
5. Ordinance amending Chapter 546 relating to Residence Districts.
6. Ordinance amending Chapter 547 relating to Office Residence Districts.
7. Ordinance amending Chapter 548 relating to Commercial Districts.
8. Ordinance amending Chapter 549 relating to Downtown Districts.
9. Table showing comparisons between Emergency Shelters, Overnight Shelters-Principal, and Overnight Shelters – Accessory.
10. Map showing the DS Downtown Shelter Overlay eligible area.
11. Map showing where emergency shelters would be permitted by zoning, outside of the 1,000-foot spacing requirement by maximum occupancy.
12. Map showing where overnight shelters would be permitted by zoning, outside of the 1,000-foot spacing requirement.
13. Peer city research table.
14. Correspondence.