

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

Date: July 27, 2009

Initiator of Amendment: Council Member Remington (Chapter 527)
Council Member Schiff (all other chapters)

Date of Introduction at City Council: February 23, 2007 (Chapter 527)
May 11, 2007 (all other chapters)

Ward: Citywide **Neighborhood Organization:** Citywide

Planning Staff and Phone: Jim Voll 612- 673-3887

Intent of the Ordinance: The intent of the amendment is to revise the City’s planned unit development regulations to better align with adopted applicable city policies and practices.

Appropriate Section(s) of the Zoning Code:

- Chapter 520: Introductory Provisions
- Chapter 527: Planned Unit Development
- Chapter 536: Specific Development Standards
- Chapter 546: Residence Districts
- Chapter 547: Office Residence Districts
- Chapter 548: Commercial Districts
- Chapter 549: Downtown Districts
- Chapter 550: Industrial Districts
- Chapter 551: Overlay Districts

The following chapters were also introduced. However, staff is not recommending changes to these chapters as part of this amendment and therefore recommends returning them to the author:

- Chapter 525: Administration and Enforcement
- Chapter 535: Regulations of General Applicability

Background: Planned unit developments are projects on larger lots (one acre or more) where the City considers an entire development comprehensively as one unified project. Because of the larger size of the sites the regulations are designed to allow flexibility in exchange for amenities that result in higher quality development that utilizes the unique features of a site.

Planned unit developments take different forms, but the most common is a new zoning district or overlay district to change the zoning of the site to “PUD District.” In this district a city approves a development plan through its planning commission or city council. This approach has been criticized as lacking objective and predictable standards. Another version is approval by subdivision, although this is not very common and is usually done when there is no change in use or density. A third option is to

allow a planned unit development through the conditional use permit process, which is the system Minneapolis currently uses. Staff chose to continue this process with this code revision as it has historical continuity, but also because it more closely ties to the existing zoning district standards and comprehensive plan land use features. A primary objective of the proposed amendment is to bring greater predictability and consistency to the planned unit development regulations and process. These objectives would be achieved primarily by specifying the types of project amenities expected in exchange for the regulatory flexibility offered large-scale, master-planned developments. Greater predictability is expected to benefit those who live near proposed planned unit developments as well as City staff, planning commissioners, and policymakers charged with administering the regulations. Further, developers proposing planned unit developments consistent with City regulations and policy objectives should find that they are not subject to a “moving test” resulting from unlimited discretion.

In addition to our own policy documents, including *The Minneapolis Plan* and *The Minneapolis Plan for Sustainable Growth*, staff has consulted a variety of sources to help inform the proposed revisions, including a review of other municipalities planned unit development ordinances and of various planning publications.

The CPED-Planning staff team that drafted the amendment included Amada Arnold, Joe Bernard, Hilary Dvorak, Becca Farrar, Kimberly Holien, Jim Voll, and Janelle Widmeier. The proposed revisions have been discussed with the City Planning Commission on three occasions at the September 25, 2009; January 22, 2009; and June 25, 2009, Committee of the Whole meetings. A project web site was created at the beginning of September (www.ci.minneapolis.mn.us/cped/pud_amendment.asp) to help inform people of the forthcoming amendment. Finally, the revisions have been the subject of additional public engagement at a city-wide open house on May 5, 2009.

Highlights of the Draft Amendment for the Planned Unit Development chapter

- The purpose section has been updated and expanded to clarify that planned unit developments allow flexibility, but also require higher levels of amenities to obtain a higher quality development.
- The minimum lot area has been reduced from two acres to one acre.
- Planned residential, commercial, and industrial development categories have been eliminated and replaced with just a planned unit development category, but they are still conditional use permits subject to the standards of the zoning district in which they are located.
- Many of the introductory sections have been revised to reflect staff practice in the administration of the code or to address issues that have arisen with administration of the code including sections relating to ownership and control, changes to approved plans, phasing, and time of completion.

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- Section 527.120, exceptions has been changed to alternatives and creates a point system that requires a certain minimum amount of points for every planned unit development and for each alternative to a zoning code requirement requested. All planned unit developments are required to meet a minimum threshold of 10 points. Also, for each alternative requested an additional five points are required. This is intended to set clear expectations for the types of amenities that are expected for alternatives.
- There is a new table (Table 527-1) with a menu of amenities with assigned point values that applicants can choose from to obtain approval. If an amenity meets the standards the points are awarded and if it does not meet the standards the points are not awarded; there are not partial points awarded. However, there is a category that allows the applicant to propose an amenity or amenities that are not on the list to anticipate significant amenities that can not be envisioned at this point, or that would be different than the standard on the list. Also, the Commission will have the ability to award additional points for amenities that significantly exceed the standards in the table. Please note that applicants are not required to meet amenity standards unless they are using the amenity to obtain points for the planned unit development approval.
- While points are awarded if an amenity meets a standard, the entire planned unit development is still a conditional use permit where the City Planning Commission is required to make findings (the standard five conditional use permit findings plus additional planned unit development findings) to approve or deny a planned unit development. The approval is not automatic or administrative just because one provides amenities that meet the standards in the table for the required amount of points. However, the overarching goal of the amendment is to bring more predictability to the planned unit development regulations.
- A table (Table 527-2) has been added to clarify the authorized alternatives to the zoning code allowed in a planned unit development.
- Section 527.140(b) relating to height has been clarified to add the standard findings for an increase in building height.
- Section 527.160 has be changed to allow reductions in setbacks or yards on the periphery, except along rear and interior property lines adjacent to residential uses. Encroaching into an interior or rear side yard adjacent to a residential use or district would still require a variance of the setback requirements.
- The signs and off-street parking sections have been revised to clarify the alternatives allowed and the evaluation standards. They are consistent with the recently adopted revisions to the sign and parking chapters of the zoning code.
- A new article (Article III Permitted and Additional Uses) has been added to clarify what additional uses the Planning Commission may allow in certain zoning districts and when

an additional conditional use permit is necessary for uses that require a conditional use permit within the planned unit development.

- The planned unit development findings have be augmented with additional language regarding sustainable building practices.

Other Amendments to the zoning code

- The definition in Chapter 520 has been revised.
- The specific development standards in Chapter 536 have been amended to change the terms planned residential, planned commercial, and planned industrial developments to planned unit development.
- The use tables in the Residence, Office Residence, Commercial, Downtown, and Industrial districts have been amended to change the terms planned residential, planned commercial, and planned industrial developments to planned unit development.
- The lot dimension tables in the Residence, Office Residence, Commercial, Downtown, and Industrial districts have been amended to change 2 acres to 1 acre.
- The language in the conditional use permit section of the Industrial Living Overlay District chapter has been revised to make it clear that planned unit developments are allowed in the Industrial Living Overlay District.

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 reason for this amendment is to bring the City's planned unit development regulations into alignment with approved and adopted policies as well as staff practice related to administrative issues including phasing and changes to approved plans. The planned unit development chapter was created in 1995 by locating all of the various references to planned unit developments throughout the 1963 zoning code into one chapter. Revisions, but not an entire rewrite, to this chapter were done in 2000. The comprehensive plan, zoning code, and best practices have changed since these revisions that support an update to the chapter.

Planning staff, the Planning Commission, developers, neighborhood groups, and the general public have express differing opinions on what constitutes an amenity in the current planned unit development chapter. This can translates into uncertainty for developers, frustration for neighborhood groups that a project is not being required to provide adequate amenities, and difficulty for staff in balancing the two

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objectives. The creation of clear standards and tables for the allowable alternatives and required amenities is designed to bring clarity and certainty to the planned unit development process, while still allowing for a public hearing, planning commission review, and land use decision based on required findings. This improved clarity will contribute to facilitating growth that is consistent with the policies of the comprehensive plan.

Planning staff does not anticipate that substantial problems will arise from the amendment. This is a significant change from the existing system, so issues may arise, but staff has used a similar point systems for administrative site plan review for 1-4 unit residential development and that process has worked well. There has also been debate as to where the points required are too high or two low. Based on an evaluation of previously approved planned unit developments (discussed in detail at the January 29, 2009, CPC Committee of the Whole) staff believes that a reasonable range is proposed.

Timeliness:

Is the amendment timely?

Is the amendment consistent with practices in surrounding areas?

Are there consequences in denying this amendment?

This amendment has been on the CPED-Planning work plan for the last couple of years. It will implement the existing policies of *The Minneapolis Plan* and *The Minneapolis Plan for Sustainable Growth*.

Staff reviewed ordinances of other large central cities and of the immediately surrounding communities. Of the cities reviewed none used the conditional use permit system and the majority utilized the zoning district approach. In general, the standards were very broad and general and there is very little or no mention of specific amenities. Staff anticipates that planned unit developments will be a more innovative and effective tool in Minneapolis as a result of the standards proposed in the amendment.

National City	Minimum size	Type	Amenities
Portland	None listed	Land use review	No specific amenity requirements
Seattle	2 ac. To 100,000 sq. ft. downtown	Land use review	No specific amenities, but public benefits for downtown development
Denver	None	Zoning district	No specific amenities requirements
Milwaukee	None	Zoning district	No specific amenities requirement
Indianapolis	None	Zoning district	No specific amenities requirement
Kansas City	None	Zoning district	No specific amenities requirement
Minnesota City	Minimum size	Type	Amenities
Columbia Hts.	?	?	?
Brooklyn Center	1 acre	Zoning district	No specific amenities requirement
Golden Valley	None	Land use review	No specific amenities requirement
Robbinsdale	1.5 ac. Res., 2 ac. Com., 10 ac. for Res/Bus.	Land use review	No specific amenities requirement

Roseville	None	Zoning district	No specific amenities requirement
Richfield	1 acre	Zoning district	No specific amenities requirement
St. Anthony	3 acres	Zoning district	No specific amenities requirement
St. Paul	1.5 acres	Zoning district	No specific amenity requirements
St. Louis Park	2 acres – can be reduced with superior design	Land use review	No specific amenities, but general objectives. No specific explanation of what is a “superior design”

Comprehensive Plan:

How will this amendment implement the Comprehensive Plan?

The following Policies and Implementation Steps from *The Minneapolis Plan* (adopted in 2000) are most relevant to this zoning code amendment:

9.2 Minneapolis will continue to preserve the natural ecology and the historical features that define its unique identity in the region.

9.5 Minneapolis will support the development of residential dwellings of appropriate form and density.

9.6 Minneapolis will work with private and other public sector partners to invest in new development that is attractive, functional and adds value to the physical environment

9.11 Minneapolis will support urban design standards that emphasize a traditional urban form in commercial areas.

9.12 Minneapolis will promote design solutions for automobile parking facilities that reflect principles of traditional urban form.

9.15 Minneapolis will protect residential areas from the negative impact of non-residential uses by providing appropriate transitions between different land uses.

9.16 Minneapolis will encourage new development to use human scale design features and incorporate sunlight, privacy, and view elements into building and site designs.

9.17 Minneapolis will build on recent initiatives to use Crime Prevention Through Environmental Design (CPTED) principles when designing all projects that impact the public realm, including open spaces and parks, on publicly owned and private land.

9.18 Minneapolis will establish land use regulations, in order to achieve the highest possible development standards, enhance the environment, promote flexibility in approaches and otherwise carry out the comprehensive plan.

Implementation step: Encourage the utilization of the Planned Unit Development (PUD) device.

9.21 Minneapolis will preserve and enhance the quality of living in residential neighborhoods, regulate structures and uses which may affect the character or desirability of residential areas, encourage a variety of dwelling types and locations and a range of population densities, and ensure amenities, including light, air, privacy and open space.

The following Policies and Implementation Steps from *The Minneapolis Plan for Sustainable Growth* (adopted pending Metropolitan Council review) are most relevant to this zoning code amendment:

1.1 Establish land use regulations, in order 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.

1.1.3 Encourage the use of flexible regulatory options that promote high quality development, such as the Planned Unit development (PUD) tool.

1.2 Ensure appropriate transitions between uses with different size, scale, and intensity.

1.4 Develop and maintain strong and successful commercial and mixed use areas with a wide range of character and functions to serve the needs of current and future users.

The urban design chapter also has several policies that the planned unit development chapter is designed to implement.

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, amending chapters 520, 527, 536, 546, 547, 548, 549, 550 and 551. Staff further recommends that chapters 525 and 535 be returned to author.