

Minneapolis Planning Department

350 South Fifth Street, Room 210

Minneapolis, MN 55415-1385

(612) 673-2597 Phone

(612) 673-2728 Fax

(612) 673-2157 TDD

MEMORANDUM

DATE: June 25, 2002

TO: Council Member Gary Schiff, Chair
Zoning and Planning Committee
and Members of the Committee

FROM: Thomas Leighton
Planning Department

SUBJECT: Housing Policy: Amendments to The Minneapolis Plan

In January, 2002, the City Council took an action directing Planning Department staff to review the housing-related policies of The Minneapolis Plan (TMP) and provisions of its zoning code. The expressed intent is to modify both the policy and regulatory context for residential development in order to foster the growth of the City's housing stock—and of affordable housing in particular. This memorandum and associated materials are intended to set the stage for a City Council housing policy conversation at a concept level. This will provide staff additional direction as specific proposals are developed for TMP language changes.

Existing Policy

The current policy foundation for the City's housing activity is found in several documents. The Minneapolis Plan is, of course, the City's comprehensive plan. It contains many housing-related policies and "Implementation Steps". It should provide general policy support for all of the City's housing related activity—from rental licensing to the extension of below-market home mortgages, the disposition of condemned properties, and the financing of new residential development projects. Any housing policy theme of importance to the City's leadership should be represented in a TMP policy.

Downtown 2010 is the city's vision for downtown Minneapolis. It was created before The Minneapolis Plan, and formally made part of The Minneapolis Plan when the TMP was adopted in early 2000. It establishes policy for the downtown area in more detail than does the TMP. Downtown 2010 includes a number of policies related to downtown housing.

The City Council has in recent years passed three resolutions related to affordable housing. These resolutions are implementation-oriented, prioritizing housing development activity. They give

attention to how municipal financial resources should be directed, and set outcome-related goals for such investment. They also contain some policy statements and represent a policy orientation that is largely but not wholly compatible with that of The Minneapolis Plan. The full text of these resolutions are included as part of this packet.

Historical Context

To understand how the focus of City housing policy has shifted over time it is helpful to look at the policy antecedents to existing policy documents—in particular, Plan for the 80s and the Housing Principles. Plan for the 80s was the City’s comprehensive plan through the 80s and 90s. The Housing Principles document was adopted by the City Council in 1995. It did not formally replace the Plan for the 80s, but it provided additional direction by clarifying the focus of the City’s priorities with respect to housing.

Housing Principles has been incorporated wholesale into the Minneapolis Plan, and augmented by additional policies and implementation steps.

The evolution of housing policy through the above-described documents is summarized in an attached spreadsheet that identifies major themes of the City’s housing policy over time. One can see, for instance, that growth in the overall housing stock became a policy objective only with the adoption of the Minneapolis Plan, while a strong emphasis on owner occupancy has diminished over time relative to other policy objectives. Key policy statements supporting these policy themes are identified in another set of attachments.

Changes to The Minneapolis Plan

The attached spreadsheets also begins to identify in its final column the policy themes that are thought to warrant attention as part of this review exercise. Notations in this column signify themes where modifications to The Minneapolis Plan are proposed. Some important policy themes are absent, and need to be added. For instance, there is no policy in the TMP that indicates that growing the stock of affordable housing is a City goal. Other TMP policies require strengthening, or clarification.

Process and General Timeline

Proposed changes will be discussed first at the concept level, and second with respect to specific proposed language changes. The June 25 staff presentation is intended to be the concept-level conversation with the City Council. It allows the City Council to learn what policy themes are proposed to be changed and why—and to shape this agenda prior to reviewing specific language changes. Concept level conversations took place with the City Planning Commission Committee of the Whole on May 30, 2002, and with an interdepartmental work team on Monday, June 17. Modifications to the City’s zoning code will be considered in parallel to the comprehensive changes. They are proposed to be adopted on the same schedule at the same meetings utilizing the same public hearings.

Staff anticipates returning to the City Planning Commission and City Council in late July or early August with proposals for specific TMP and Zoning Code language changes. These proposed

changes will be the first of two sets of changes. They would encompass changes to the TMP and zoning code related to a set of issues that are judged to have a high level of support. Staff expect that this first stage of TMP and zoning code amendments will be adopted by the end of the summer. A second round of proposed comp plan and zoning code modifications would follow, encompassing a set of issues thought to require more attention and dialog.

Interdepartmental involvement. The Minneapolis Plan provides a policy foundation for the work of all City departments. For it to do so well, interdepartmental involvement is required. This is important not only to ensure buy-in across the City enterprise, but also to get it right when formulating plan policies and implementation steps.

The success of departmental activity should be measured in large part by how such activity implements the policy objectives of the comprehensive plan. Issue-oriented strategic plans, or departmental business plans can link the comprehensive plan to departmental strategies for investment of financial and staff-time resources. Appropriately defined performance measures should be identified to assess departmental efforts on a periodic basis, linking departmental activity to the comprehensive plan in an evaluative sense. Implementation strategies can be repeatedly fine-tuned as a result of this process. (The McKinsey study is highlighting the need to strengthen the linkages between City goals and implementation.) All of this speaks to the importance of involvement by other departments in the revision of TMP policies. The Planning Department has assembled an inter-departmental work team that includes staff from Housing Inspections, Rental Licensing, the MCDA, the MPHA, and Plan Review. The focus of the work team is the formulation and review of proposed TMP modifications.

Public input. The process as outlined above responds to City Council direction to move quickly on these changes. In this model, the primary opportunity for the public to weigh in on proposed changes would be at the formal public hearings related to specific proposed TMP and Zoning Code modifications. However, some interest has been expressed by the Mayor's staff and certain council members in engaging the community more proactively in a conversation about affordable housing and housing density. Indeed, the ability of City leadership to make aggressive regulatory changes that support increased housing/affordable housing production may depend on improving the public's understanding of the benefits of residential density, and softening the public's aversion to affordable housing. Discussion of proposed housing-related changes to the comprehensive plan could play a role in such a community dialog. If community dialog sessions of this kind are initiated, it may or may not affect the proposed timeline for adoption of TMP modifications.