

**Department of Community Planning and Economic Development –
Planning Division
Zoning Code Text Amendment**

Date: June 25, 2007

Initiator Of Amendment: Council Member Schiff

Date of Introduction at City Council: May 11, 2007

Ward: All

Planning Staff And Phone: Becca Farrar, (612) 673-3594

Intent Of The Ordinance: The purpose of the amendment is to limit the size of Food and Beverages uses in Industrial Districts.

Appropriate Section(s) of the Zoning Code:

Amending Chapter 550 related to Zoning Code: Industrial Districts

Amending Chapter 551 related to Zoning Code: Overlay Districts

Background: Food and Beverages uses are either permitted or conditional in the I1 (Light Industrial) district and I2 (Medium Industrial) district; but are not allowed in the I3 (General Industrial) district. Therefore, the proposed amendment would only impact the I1 and I2 district regulations.

Food and Beverages uses include the following permitted uses:

- catering;
- coffee shop, with limited entertainment;
- restaurant, delicatessen; and
- restaurant, sit down, including the serving of alcoholic beverages with general entertainment.

Food and Beverages uses include the following conditional uses:

- nightclub; and
- restaurant, fast food.

Although all Food and Beverages uses, with the exception being catering, are subject to specific development standards, there are no provisions in place that restrict the size of Food and Beverages uses.

The City's Industrial Land Use and Employment Policy Plan, which was adopted on November 3, 2006, was adopted to provide the City with a clear policy direction for industrial land uses and industrial sector employment within the City of Minneapolis. The study evaluated the long-term viability of existing industrial uses and proposed a range of industrial uses to retain in the future. The study identified where existing and new industrial uses should be located and what components, either existing or new, these uses would require. In addition to land use, the study provided a comprehensive examination of current

and future industrial sector employment within the City of Minneapolis in relation to national and regional trends. The adopted plan further provided direction that called for the City to amend its industrial regulations as it pertains to uses allowed in order to maintain the availability of industrial land throughout the City specifically for industrial uses. The following specific policy direction was given by the City Council: "Limit the size of food & beverages uses (nightclubs, restaurants, etc.) within designated employment districts or within industrial districts generally while preserving the ability for smaller scale Food & Beverages uses to primarily serve the employees in these districts."

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 purpose of this text amendment is to limit the size of Food and Beverages uses in Industrial Districts. The intent is not to entirely discourage these types of uses but to limit the scale and focus large scale Food and Beverages uses to the commercial districts and downtown districts as applicable. As previously mentioned, the City adopted the Land Use and Employment Policy Plan, on November 3, 2006. This plan designates employment districts to provide geographic boundaries to Industrial Business Park Opportunity Areas (IBPOA) within the City of Minneapolis. The specific geographic boundaries clarify that industrial is the priority land use and uses that impede industrial businesses should not be permitted. The following specific policy direction was given by the City Council: "Limit the size of food & beverages uses (nightclubs, restaurants, etc.) within designated employment districts or within industrial districts generally while preserving the ability for smaller scale Food & Beverages uses to primarily serve the employees in these districts."

This amendment is designed to provide protection and to maintain the purpose of the industrial districts as well as the employment districts within the industrial districts, while allowing smaller scale Food and Beverages uses to serve these districts. Essentially, by limited the overall scale of Food and Beverages uses in the industrial districts the City is ensuring that the uses allowed in industrial districts will have available and adequate space to locate.

The amendment would serve the public interest by ensuring that large scale Food and Beverages uses are located in areas outside of the industrial districts while preserving the intent of the industrial districts within the city.

Planning Staff does not anticipate that the amendment would result in significant issues as large scale Food and Beverages use are not prevalent in the industrial districts; however, certainly there is the potential for the creation of non-conforming uses as well as the potential that future establishments could have issues with a maximum size limitation especially when attempting to retrofit an existing industrial building. The maximum size proposed for Food and Beverages uses in the industrial districts could be varied where the regulation causes hardship based on circumstances unique to individual properties.

Timeliness:

Is the amendment timely?

Is the amendment consistent with practices in surrounding areas?

Are there consequences in denying this amendment?

The amendment is timely due to the growing trend and transition of former industrial buildings into other uses such as residences, offices and commercial uses including Food and Beverages uses.

Though certainly not exhaustive, internet, and email research has indicated that many large cities regulate the maximum size of certain types of food and beverages uses. Planning Staff has reviewed the applicable Zoning Code provisions for other municipalities and has discovered that there are other major metropolitan cities that limit the size of various types of food and beverages uses within Industrial districts.

The consequences of denying the amendment would have long term implications as Food and Beverages uses at unlimited sizes could continue to populate the industrial districts, which in turn could potentially result in less available land for industrial uses within the City boundaries.

Comprehensive Plan:

How will this amendment implement the Comprehensive Plan?

The amendment would allow CPED to continue to ensure that the goals and policies of the comprehensive plan are implemented.

Policy 9.25 of the Minneapolis Plan states that, “Minneapolis will establish industrial districts to provide locations for industrial uses, while ensuring that new industrial development is compatible with its surroundings.” This policy includes the implementation step to “develop regulations for the industrial districts that promote compatible industrial development and the efficient use of land.”

Policy 9.26 of the Minneapolis Plan states that, “Minneapolis will prioritize growth in light industrial land uses to increase the tax base and create jobs for city residents.” This policy includes the implementation step to “identify appropriate areas for the retention and expansion of existing industry and the development of new industry in specific industrial and business park opportunity areas.

Policy 9.33 of the Minneapolis Plan states that, “Minneapolis will support the existing economic base by providing adequate land and infrastructure to make city sites attractive to businesses willing to invest in high job density, low impact, light industrial activity.” This policy includes the implementation steps to “Identify appropriate areas for the retention and expansion of existing industry and the development of new industry in specific Industrial/Business Park Opportunity Areas”, and “continue to protect a healthy physical environment that is attractive for private investment and compatible with neighborhoods.”

CPED Planning Division Report

As previously mentioned, the adopted Land Use and Employment Policy Plan also supports the proposed amendment as it provided direction that called for the City to amend its industrial regulations as it pertains to uses allowed in order to maintain the availability of industrial land throughout the City specifically for industrial uses. This plan further designates employment districts to provide geographic boundaries to Industrial Business Park Opportunity Areas (IBPOA) within the City of Minneapolis. The specific geographic boundaries clarify that industrial is the priority land use and uses that impede industrial businesses should not be permitted. The following specific policy direction was given by the City Council: "Limit the size of food & beverages uses (nightclubs, restaurants, etc.) within designated employment districts or within industrial districts generally while preserving the ability for smaller scale Food & Beverages uses to primarily serve the employees in these districts."

Each of the outlined policies illustrate the need for a text amendment related to limiting the size of Food and Beverages uses in the industrial districts in order to meet the goals of the comprehensive plan to ensure that locations for industrial uses are readily available throughout the City.

Recommendation Of The CPED Planning Division:

The CPED Planning Division recommends that the City Planning Commission and City Council adopt the above findings and **approve** the zoning code text amendment, amending Chapter 550 and returning Chapter 551 to author.