

**Department of Community Planning and Economic Development – Planning Division**  
Small Area Plan/Comprehensive Plan Amendment

**Date:** March 8, 2010

**Project Name:** North Loop Small Area Plan

**Submitted By:** CPED Planning Division

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**Wards:** 5, 7

**Neighborhood Organizations:**

- North Loop Neighborhood Association

**Current Minneapolis Plan Designations:**

- Growth Center: Downtown
- Industrial Employment District: North Washington
- Transit Station Area: Intermodal Station
- Commercial Corridor: Washington Avenue
- Activity Center: Warehouse District

**Background**

The North Loop Small Area Plan is a policy document produced by the City of Minneapolis to guide land use and development in the North Loop neighborhood for the next 20 years. It is officially an update to the *Downtown East/North Loop Master Plan*, adopted by the City in 2003, and builds upon the policy direction of *The Minneapolis Plan for Sustainable Growth*, the City's Comprehensive Plan. It is meant to articulate a vision for the neighborhood based on existing City policy and input from community stakeholders – both public and private - throughout the planning process. The City, public partners, and community organizations will use the plan to guide their own decision-making processes, implementing incremental changes to realize the full vision.

The plan examines the current conditions of the area, develops a future vision of what community members want the neighborhood to become and then formulates specific goals, objectives, and policies that will help implement that vision. The plan itself builds on past planning efforts and public involvement processes, particularly with respect to adherence to the original plan.

Planning staff began meeting with community groups and other neighborhood stakeholders in January of 2009 in order to craft a scope for the project. After considering the full breadth of the issues, staff determined that the project should be managed wholly in-house with the assistance of a market consultant and Planning capstone group from the Humphrey Institute.

**Public Participation**

Since the plan is officially an update to an already-adopted small area plan with its own extensive participation process, the decisions and resulting recommendations from the original plan were assumed to still be relevant. Many parts of the neighborhood were not included in the original geography and therefore required a unique and strategic public participation process in order to reach all the stakeholders and receive input on what were priorities for the analysis and planning.

A variety of stakeholders are involved in planning issues within the North Loop neighborhood, many conducting their own studies. One purpose of this planning process was to coordinate with City partners and community members to make sure the plans and studies respond well to each other. It was also critical to engage residents, property owners, and business owners who may not have been represented in any official way.

The North Loop public participation process included a Community Advisory Committee, Technical Advisory Committee, coordination with existing community groups within their own meeting contexts, and a large community meeting to receive feedback on the plan recommendations.

The draft North Loop Small Area Plan was available for public review from December 8, 2009 to January 20, 2010. Beyond the traditional methods of receiving written input during the review period, the City also worked with the North Loop Neighborhood on a Wiki Pilot Project. The Wiki Pilot Project was hosted on an external website and linked from the official City page. The Wiki allowed anyone the opportunity to provide input by editing the draft plan document directly. The City distilled the comments along with input received through existing methods and made the necessary revisions to the plan document.

## **Plan Summary**

The plan is broken up in several main sections:

The Summary of Research, Existing Conditions, and Public Participation Process chapters provide a summary of information that sets the stage for the plan's analysis and recommendations.

The Recommendations chapter provides analysis of the issues facing the neighborhood, describes options, and outlines recommendations within the context of Transportation and Infrastructure, Land Use, and Development Guidelines.

The Implementation Plan chapter describes the steps needed for implementing the recommendations in the previous chapter. This outlines potential options for the implementation process; a more in-depth implementation strategy will need to be formulated once the plan is adopted.

## **Transportation and Infrastructure**

Reconnecting the neighborhood both internally and to surrounding communities is the overarching goal of the transportation recommendations. There is considerable opportunity to realize some of these changes in the near term. Major reinvestment has occurred in recent years in the portions of the neighborhood along the river and the Hennepin Avenue corridor. This reinvestment is continuing with the infusion of public dollars that are being spent on the new home of the Minnesota Twins, Northstar Commuter Rail, Hiawatha Light Rail Transit extension, and the

possible introduction of three new light rail transit lines entering the neighborhood over the next 5-10 years.

Major recommendations include:

- **Create “Loop” Route.** Create a connection through the neighborhood along 10<sup>th</sup> Ave N and Border Ave, including more pedestrian and bicycle accommodations, a two-way Border Ave, and a new street connection from Border Ave to Glenwood Ave.
- **Light Rail Transit.** In the case of any new transit line, the street grid should be expanded and healed in areas that improve access to the line and any potential station. For example, provide clear and direct pedestrian connections from the proposed Southwest LRT Royalston Station to the Farmers Market, the Upper North Loop, and the Downtown office core.
- **Connections and Pedestrian Safety.** Create new connections and access points that improve circulation and pedestrian safety between the Mississippi River, the Downtown office core, neighboring communities, and destinations within the neighborhood.
- **Repair, Reconstruction, and Reclassification.** Prioritize the “Loop” route for repair and construction as well as streets defined in the plan as “Heritage Streets” where design needs to be balanced between function and preservation of historic character.

### Land Use

A major component of any small area plan is a Future Land Use Plan. Since this is an update to an existing plan, future land use direction should be taken from the *Downtown East/North Loop Master Plan* within its study boundaries and from this document for the remaining parts of the North Loop neighborhood.

The future land uses proposed here build upon the City’s comprehensive plan and will provide better specificity. The Future Land Use Plan will be used by the various public and private stakeholders as a tool for encouraging and regulating long-term land use decisions. If redevelopment occurs within the neighborhood, it will be required to adhere to the future land use plan.

When updating an existing policy document, it is important to recognize and perpetuate the main components of its recommendations for general land use guidance throughout the North Loop. By continuing the policy direction from the original plan, the planning process recognized that it is still sound and relevant policy. General guidance for the North Loop Small Area Plan, consistent with the original plan, is:

- Land uses in the North Loop that support the strength and character of the Downtown Core instead of competing with it;
- Concentration of future Class-A Office development contained within the existing Downtown Core;
- Preference for mid- to high-density mixed-use developments that combine residential, commercial, and retail (where appropriate) uses;

- Promotion of an overall increase in neighborhood housing density that includes a continuum of housing choices;
- Land uses organized to encourage and support public transit, cycling, and walking as viable alternatives to the private automobile;
- Preference for structured parking built below, or embedded within, development projects. New accessory and commercial surface parking lots are prohibited;
- Promotion of pedestrian-friendly streetscapes, street-facing retail in identified locations, transit nodes, and neighborhood services.

Major recommendations include:

- **Land use by parcel.** Each parcel within the North Loop is assigned a future land use designation. To make sure that regulation matches the policy in the neighborhood, a rezoning study should be performed as an implementation step to the North Loop Small Area Plan.
- **Designated land use features.** Designate Glenwood Ave as a Commercial Corridor to recognize its commercial potential and connect it to the designated Commercial Corridor to the west of I-94.
- **Land Use Districts.** Within districts carried over from the original plan with the addition of some new districts, emphasize destination ground-floor commercial uses on Washington, Hennepin, and Glenwood. Mixed use buildings are appropriate generally throughout the neighborhood but ground-floor commercial should be more service oriented. Infill development should be geared toward the removal of surface parking lots and other under-developed sites that are replaced with both housing and job density.

### Development Guidelines

These guidelines are meant to complement recommendations related to land use and infrastructure and lay out fundamental urban design principals for both the public realm and development. Urban design tools can be used to mitigate the negative effects of bulk and height to create a more human-scale, pedestrian-friendly environment. It can also identify the community's ideal vision for how to create seamless connections within the public realm, increase the amount of green space, and context-appropriate design of development and rehabilitation of existing buildings.

The fundamental urban design principles include: the establishment of a connected network of streets that provide circulation for automobiles, pedestrians, bicyclists and transit; and development standards that clearly define street frontages at the pedestrian level and that guide the overall massing, height and form of buildings.

Major recommendations include:

- **Development Intensity.** Categorize sites into three districts in order to reflect a variation in increased development intensity consistent with the character of a Downtown neighborhood.

- **General and Private Development.** All new buildings should be at least two stories and adhere to pedestrian-oriented design principles for frontage, parking, landscaping/fencing, and building façade.
- **Primary Public Realm Features.** Achieve a higher aesthetic and livability standard in the neighborhood for streets, greening, gateways, and view corridors.

## **Analysis – Considerations and Issues**

### Industrial Land Uses

*The Minneapolis Plan for Sustainable Growth* built on the policies in the *Industrial Land Use and Employment Policy Plan* in order to gauge the best way to handle industrial land uses in the city. Within the North Loop neighborhood, there is an existing designated Industrial Employment District in the northwest corner of the study area, following North Washington further up the river. The goal of the Industrial Employment Districts is to preserve valuable industrial land for high job-generating industrial uses. The remaining industrial parts of the neighborhood, mainly in the Lower North Loop, were identified in the Comprehensive Plan for “Transitional Industrial”. Because this future land use category is mainly a placeholder for further analysis and definition, the City hired a market consultant to conduct research on development potential in the Lower North Loop.

The market analysis is summarized in the plan and can be found in full within the plan appendix. Generally the results show that market conditions are uncertain in the Lower North Loop despite its proximity to the new Target Field, Intermodal Station, Downtown Core, and potential Southwest LRT station on Royalston. With improvements to the area’s infrastructure system for better accessibility, the likeliest options for the future will include:

- Lower-priced (but market-rate) multi-family residential developments;
- Entertainment-related businesses;
- Ongoing industrial tenancies; and
- Small-scale renovations for office/industrial users.

With this in mind, the plan proposes to keep the “Transitional Industrial” future land use designation for the majority of the Lower North Loop. Narrative in the plan’s Land Use Districts better distinguishes the opportunities yet emphasizes the value of maintaining the industrial jobs currently in the neighborhood. Once the market improves and a Southwest LRT station is more certain, there will be a need for further land use analysis and likely a more concrete market study.

In the neighborhood’s northwest corner, there is a large site owned by the Star Tribune that is directly adjacent to the designated Industrial Employment District. During the planning analysis, it became clear that further attention should be paid to this adjacency. Because the site is large, situated near freeway entrances, and includes an active rail spur, the initial plan direction placed it in the Industrial Employment District. Our advisory committee and other members of the community were concerned this designation may stymie future re-use of the site if the Star Tribune ever left and new industrial uses proved infeasible. Therefore, the current recommendation includes the site in the plan’s “Protected Industrial” Land Use District for industrial as the primary future

land use but stipulates that: “If using the existing building for a new industrial use proves infeasible, the site may also be viable for residential if the development fits the character of the neighborhood.”

### Development Intensity

As in other recent small area plans, a Development Intensity Map acts as a companion to the Future Land Use Map in order to allow for better decision-making about bulk and height, usually in a rezoning study. A Downtown neighborhood, however, has a different character than other parts of the City where we have used this tool and can take greater density because of the access to transit and jobs. We therefore created three new Development Intensity districts that focused primarily on height as found in Downtown. The three districts include:

- District A: Appropriate building types include residential, commercial, or industrial buildings of two to six stories. In commercial areas, buildings may include commercial businesses on the ground floor.
- District B: Appropriate building types include housing, commercial, and industrial structures of two to ten stories. This type is generally consistent with the bulk and height of historic warehouse structures in the neighborhood.
- District C: Appropriate building types include a mix of uses with commercial businesses on the ground floor. They are greater than ten stories and geared toward a nearby transit station.

There are tremendous opportunities for growth in District C. This district is located at the Intermodal Station, consistent with the original *Downtown East/North Loop Master Plan*, and extends west along 5<sup>th</sup> Street North where there are many large underutilized sites. The majority of the neighborhood falls under the middle district and recognizes the value of mid-level development intensity to better support the Downtown Core and neighborhood uses. District A is found along the river in areas mainly built with residential and contained within historic districts.

Some residents have expressed concern over the maximum height parameter in District A. They would prefer the height range from two to four stories, consistent with some of the existing developments along 2<sup>nd</sup> Street North. Even though staff recognizes the value in keeping heights lower in the blocks near the river to be consistent with the existing character, we believe six stories to be an appropriate maximum. The reasons are:

- It is generally consistent with the Downtown Height Overlay District;
- The historic districts in this area allow for up to six stories;
- Buildings on Washington are six stories and the Itasca building on 1<sup>st</sup> Street North is eight stories; and
- Any redevelopment site in the Upper North Loop will face serious economic challenges if limited to four stories.

### Implementation

The North Loop is truly a tale of two cities. The Upper North Loop has experienced much private investment over the past decade, creating an area where condo residents and industrial businesses co-exist. The Lower North Loop, however, has a dramatic lack of connected streets and acts like an isolated island. This fact, coupled with the uncertainty of future land uses, requires a unique method for implementation.

A heavy focus of the implementation strategy will be improving the infrastructure over time to eliminate major barriers to market development. The future land use recommendations promote the valuable industrial jobs but allow for transition over time to other uses if sites become unmarketable to new industrial users.

For all of the plan recommendations, they follow a framework that acknowledges that development in some parts of the neighborhood may be long-term but that short-term improvements will be critical to the existing and future success of the North Loop.

The following framework was developed to prepare for a variety of possibilities ranging from minimal change in development patterns to complete overhaul of the landscape.

*Functional Improvements* – These recommendations can and should happen regardless of whether or not major private reinvestment occurs in the neighborhood. Current industrial, residential, and commercial users in the neighborhood will benefit immediately from these strategic improvements.

*Managing Growth* – Recommendations in this category should happen in conjunction with possible change in the neighborhood. Examples of such change include new transit facilities, infrastructure maintenance, and private sector redevelopment.

*Visionary Change* – These recommendations are meant to serve as an anchor point for the long term vision of the community. Functional and Managing Growth changes should not impede the possibility of visionary recommendations taking place.

While these categories are meant to give emphasis, definition, and a general timeline to the implementation steps, it is important to note that each category is meant to work in conjunction with each other. Each implementation step is meant to be considered as part of a continuum that acknowledges their reliance on each other, and the necessity to coordinate their outcomes so as not to conflict with each other.

As with most small area plans, a rezoning study will be the first critical step in implementing the vision. The rezoning study will likely look at creating a new zoning district that allows for Downtown neighborhood density without the limitless height of the current Downtown B4 zoning districts. The rezoning study will begin once the plan is approved and likely be completed by the end of 2010.

## **Public Comments**

Staff received about a dozen comments during the 45-day public review period for the North Loop Small Area Plan. The overall character of the comments was supportive of the plan direction – only a couple comments required revisions to the plan.

## Future Related Actions

- **Comprehensive Plan changes.** This small area plan will be amended into *The Minneapolis Plan for Sustainable Growth*.
- **Development review.** Future development proposals for property in the North Loop neighborhood would require City Planning Commission review of development applications such as rezonings, conditional use permits, street vacations, and site plan review. The Planning Commission also has a role in recommending whether the capital improvement plan, proposed land sales - including those sold through the RFP process –and the establishment of redevelopment districts are in conformance with the City’s Comprehensive Plan and the small area plan.

### **RECOMMENDATION OF THE DEPARTMENT OF COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT – PLANNING DIVISION:**

The Department of Community Planning and Economic Development – Planning Division recommends that the City Planning Commission and City Council **adopt** the North Loop Small Area Plan as an articulation of and amendment to the policies found in the City’s Comprehensive Plan and direct staff to begin a rezoning study to implement the adopted policy.

#### **Reference Materials / Attachments:**

- ❖ Public comments
- ❖ North Loop Small Area Plan
- ❖ The official plan website (where the appendices can be viewed):  
[http://www.ci.minneapolis.mn.us/cped/north\\_loop.asp](http://www.ci.minneapolis.mn.us/cped/north_loop.asp)