

## Community Planning and Economic Development -- Planning Division Report

### Zoning Code Map Amendments Midtown Greenway Rezoning Study

**Date:** October 26, 2009

**Initiator of Amendment:** Council Member Schiff

**Date of Introduction at City Council:** July 31, 2009

**Wards:** 2, 6, 7, 8, 9, 10, 13

**Neighborhood Organizations:** Cedar Isles Dean, West Calhoun, East Isles, ECCO, CARAG, Lowry Hill East, Whittier, Lyndale, Phillips West, Central, Midtown Phillips, Central, Powderhorn Park, East Phillips, Corcoran, Longfellow, Cooper, Seward.

**Planning Staff and Phone:** Amanda Arnold, Principal City Planner, 612-673-3242, and Paul Mogush, Principal City Planner, 612-673-2074

**Intent of the Ordinance:** The intent of the ordinance is to implement the future land use policies found in the following land use plans which address areas surrounding the Midtown Greenway:

- The Midtown Minneapolis Land Use and Development Plan (adopted December 2005)
- The Industrial Land Use and Employment Policy Plan (adopted June 2006)
- The Midtown Greenway Land Use and Development Plan (adopted February 2007)
- The Seward Longfellow Area Land Use and Predevelopment Study (adopted February 2007)
- The Uptown Small Area Plan (adopted February 2008)
- The Lyn-Lake Small Area Plan (adopted June 2009)

**Appropriate Section(s) of the Zoning Code:**

Chapter 521: Zoning Districts and Maps Generally

**Existing Zoning:** Various primary and overlay districts

**Proposed Zoning for Map Amendment:** Attached

**Zoning Plate Numbers:** 18, 23, 24, 25, 26, 27, and 28

**Study Background:**

Over the past four years the City has adopted five small area plans and one topical plan that address land uses along the Midtown Greenway and surrounding areas. These plans each have consistent expectations that a) the Midtown Greenway is a unique amenity that has drawn and will continue to draw a market interest in multi-family housing development, b) the Midtown Greenway area is not the most efficient place for industrial uses, particularly as land uses shift to residential, and c) commercial

development should be focused on major corridors that intersect with the Greenway as well as Lake Street.

Each of the applicable small area plans contain future land use maps that depict the guided future land use and describe the future level of development intensity in maps, drawings, and text. It has become standard practice to follow up a small area plan process with an evaluation of the zoning in order to implement the future land use recommendations. Each of the plans affecting the Midtown Greenway area specifically mentions rezoning as an implementation step.

The goals of a rezoning study are to allow the type of development envisioned in the adopted plans and to prevent development that is inconsistent with the plans. In addition, the City has a legal obligation to ensure that zoning reflects adopted land use policy.

Note that the Phillips West Master Land Use Plan, which the City Council adopted in July 2009, also sets future land use policy for an area near the Midtown Greenway. These land use recommendations are consistent with those of the Midtown Greenway Land Use and Development Plan as well as the Midtown Minneapolis Land Use and Development Plan, and do not necessitate any zoning changes beyond what the earlier plans suggest. The remainder of the Phillips West Master Land Use Plan study area will be evaluated for potential zoning changes following the adoption of the Chicago Avenue Corridor Plan in 2010.

**Public Process:**

Each of the adopted plans that will be implemented by this rezoning study had a public involvement process. In each process a community steering committee was established and community meetings were held. All of the plans were made available for public review and public hearings were held upon their adoption. Over 150 public meetings were held during the development of the adopted plans.

In addition, the rezoning study has involved extensive efforts to make information available to the public:

- Notices were sent out to all property owners and tax payers within the study area on August 15 and September 18 (approximately 5,000 notices in each mailing).
- An e-mail notice was sent to all neighborhood organizations, business associations, and other stakeholder groups within the study area on August 17 and a second one on September 18.
- The first notices explained the purpose of the recommendations, provided a link to the project website, and announced three community meetings. Those meetings were held on August 31, September 1, and September 2. Approximately 100 people attended.
- A project website (<http://www.ci.minneapolis.mn.us/cped/mgrs/index.asp>) was established. On this site, individuals can search for affected property and get a summary of the existing zoning, proposed zoning, and links to the applicable policy guidance. Maps of all of the recommendations in the study area are posted as is information about each zoning district.

The time allowed for review and comment was extended through the recommendation that public testimony be heard on parcels east of 35W on October 13<sup>th</sup> and parcels west of 35W on October 26<sup>th</sup>.

### **Decision Making Process for Recommended Zoning:**

In order to make objective rezoning recommendations grounded in adopted policy, staff reviewed all of the relevant policy guidance for each of the 3,210 parcels within the boundaries of the adopted small area plans. Each of the relevant small area plans provides one or more of the following categories of policy guidance on a parcel-by-parcel basis:

- Future land use: Residential (with a density range), commercial, mixed-use, industrial, etc.
- Development intensity: Recommended building types, including guidance on height and bulk, in the form of three development districts: Neighborhood-oriented, Urban-oriented, and Transit-oriented
- Character areas: Plan narrative and graphics providing other guidance for geographic sub-districts within the small area plan study area

Staff matched each possible policy combination with the zoning district that most closely implements that policy. The recommendations for an individual parcel are consistent with other parcels that have the same combination of policy guidance. This approach takes into consideration that in the interim period between policy adoption and rezoning study, individual property owners have the right to request a rezoning to match the policy guidance for an individual parcel and that the City Council is required to make its decision based on adopted policy. The same parcel-by-parcel connection between policy and zoning needs to be made when evaluating zoning for a larger area.

### **Summary and Implications of Changes to Primary Zoning Districts:**

There are 3,210 parcels within the study area. On 1,766 of these parcels, the policy guidance in the adopted small area plans differed enough from the regulations of the current zoning district to necessitate a zoning change. All recommended changes are the result of an objective staff analysis matching the policy guidance on each parcel to the zoning district that best implements that policy guidance. Most of the changes fall into one of the following categories:

#### **Industrial to Non-Industrial**

Twelve parcels currently zoned Industrial are recommended for rezoning to a Commercial district. Eighteen are recommended for rezoning to an Office Residence district, and 199 are recommended for rezoning to a Residence district.

In addition, the application of the Industrial Living Overlay District is recommended for 32 parcels.

#### **One Level of Residential to Another**

The majority of proposed changes are from one Residence district to another. One thousand ninety-two (1,092) changes are proposed. Of these, 793 are upzonings to a higher-level residential district and 280 are downzonings to a lower-level Residence district. Changes to allowed residential density are the result of plan guidance showing new concentrations of residential density along the Midtown Greenway as well as near comprehensive plan-identified land use features such as Activity Centers, Commercial Corridors, and Community Corridors.

A substantial number of the changes, 513, are from either R1A or R2B to R3. In these cases, the adopted small area plans call for medium density housing but discourage heights higher than two and half or three stories. Council-enacted changes to the zoning code earlier in 2009 amended the R3 district to accommodate medium-density housing (29 units per acre) while keeping intact residential setbacks, a maximum height of 2.5 stories, and a maximum floor area ratio of 1.0. The intent of the medium-

density, low-scale designation in the plans, as well as the R3 district, is to allow a mix of single-family, duplex, triplex, and townhome-style development.

Under R3 zoning, owners of some single family homes and duplexes will have rights to an additional one or two units. Such incremental density increases would be (and have been) consistent with the policy direction of the adopted plans as well as comprehensive plan policy regarding density levels adjacent to commercial corridors. Some of the public comments submitted to date have expressed concern about this policy, citing problems with past low-quality duplex and triplex conversions that have contributed to neighborhood disinvestment. Staff analysis of this issue suggests that past practice in this regard is not likely to continue in the future as a result of the following factors:

- Some low-quality conversions appear to have been carried out without proper building permits, a practice which has been the subject of increased enforcement by City housing and zoning inspectors in recent years.
- Recent building code changes have made low-quality, low-cost conversions infeasible as a result of requirements for soundproofing and fire suppression. Conversions to three- and four-unit apartments now require substantial investment just to meet building code regulations.
- The Preliminary Development Review (PDR) process is now triggered when property owners propose changes to impervious surface ratios or parking lot configuration for three and four unit buildings. In most cases, the zoning code requirement of one off-street parking space per unit will require some change to impervious surface ratios or parking lot configuration. As a result, the requirements of the site plan review chapter of the zoning code apply, requiring additional investment in landscaping and screening. The end result is either a financially-infeasible project or a conversion that enhances the visual quality of the property.
- Not all newly-R3 properties will have rights to a multiple-family dwelling. Multiple-family dwellings, as well as duplexes, require a minimum lot area of 5,000 square feet. Of the 513 residential parcels recommended for an upzoning to R3, about half are existing single- and two-family homes that meet the minimum lot area for a multiple-family dwelling. The remainder are either less than 5,000 square feet and therefore do not qualify for a multiple-family dwelling, or already have a multifamily dwelling on the property.

### **Residential to Commercial**

The Planning Division proposes rezoning seventeen parcels from a Residence or Office Residence district to a Commercial district. Of these seventeen, nine parcels are currently split between Commercial and Residential districts. State statute requires that written consent be obtained from the owners of two-thirds of the properties within 100 feet of any property being changed from residential to either commercial or industrial zoning unless the amendment is based on a 40-acre survey/planning study AND the Planning Commission determines that the number of properties affected by the proposed amendment(s) renders obtaining of such written consent impractical. The City Planning Commission, therefore, must make a formal finding of impracticality. If the finding is made by the City Planning Commission that obtaining consent signatures is impractical, the City Council voting requirement to approve the rezoning is two-thirds (with consent signatures obtained, the voting requirement is a majority).

Obtaining consent from the owners of properties within 100 feet of the seventeen properties would involve staff approaching the owners of 162 properties. Reaching these owners and obtaining signatures would require a substantial amount of staff time. In addition, there is a level of impracticality of

contacting these property owners when the zoning changes are intended in part to comply with another part of state statute requiring consistency between adopted land use policy and zoning.

### **Nonconformities**

In some cases residential properties are recommended for upzoning and in others they are recommended for downzoning depending on the plan guidance. Some of the downzonings create a situation in which properties with multiple-family dwellings become nonconforming as to lot area. In other words, the number of units on the property exceeds the number that would be allowed for a new building. This does not mean, however, that the multiple family dwelling becomes a nonconforming use. Districts R3 and above allow multiple family dwellings as a conditional use, so existing multiple-family dwellings that remain in a multiple-family district will still have the right to expand as long as the number of units does not increase.

The industrial uses on approximately 100 properties would become non-conforming. These parcels are held by approximately 60 individuals. The adopted plans make clear that the City of Minneapolis continues to value its job-generating businesses along the Midtown Greenway, and it is important to note that regardless of the applied zoning district, market forces will determine the pace of conversion away from industrial land uses along the Midtown Greenway. The Planning Division anticipates that the City Planning Commission and City Council will continue to grant changes and expansions of nonconforming use as determined by the required findings for those applications.

### **Summary and Implications of Changes to Overlay Districts:**

#### **Pedestrian Oriented Overlay**

Two new Pedestrian Oriented Overlay Districts are being recommended as part of the rezoning study and the boundaries of some existing Pedestrian Oriented Overlay Districts (PO) are recommended for expansion:

- At Hennepin Avenue and Lake Street as well as Lake Street and Lyndale Avenue South, it is recommended that the Pedestrian Oriented Overlay Districts be expanded to match the boundaries of the Activity Centers shown in the comprehensive plan. Activity Center policies suggest that uses that diminish the transit and pedestrian character of the Activity Center, such as automobile services, surface parking lots, and drive through facilities be discouraged. The Pedestrian Oriented Overlay District prohibits such uses.
- New Pedestrian Oriented Overlay Districts are recommended for the intersections of Lake Street and Chicago Avenue and Lake Street and Bloomington Avenue. These districts implement comprehensive plan policies related to Activity Centers (in the case of Chicago-Lake) as well as the discouragement of auto-oriented uses where Commercial Corridors intersect other designated corridors (in the case of Bloomington-Lake). Both are also intended to serve as a regulatory response to the 2008-2009 moratorium on the establishment or expansion of principal parking facilities along East Lake Street. The addition of the PO district at these locations is part of a larger strategy of disincentives to tear down buildings in favor of surface parking lots.

These changes would add the Pedestrian Oriented Overlay District to 129 parcels.

#### **Industrial Living Overlay**

The Industrial Living Overlay is recommended for several industrial parcels east of Minnehaha Avenue. The Seward Longfellow Greenway Area Land Use and Pre-Development Study recommended that

parcels labeled as “Transitional Industrial” retain the rights to industrial uses while adding rights to residential uses.

### **Potential Midtown Greenway Overlay**

The Midtown Greenway Land Use and Development Plan suggested the consideration of a new overlay district or other regulatory mechanisms aimed at accomplishing the following objectives:

- 15 foot setbacks along the Midtown Greenway property line
- Prohibition of billboards within 300 feet of the greenway
- Explicit consideration of shadowing and visual connectedness in conditional use permit applications for additional height
- Consideration of density variances where private land is dedicated for the purpose of providing one of the identified public realm features in the plan

After careful analysis, staff concluded that the creation of an overlay district is not necessary to achieve the above objectives. An explanation of each follows:

#### *A 15 foot setback*

This objective is based on a desire to ensure that future development is placed appropriately in relationship to the greenway. A 15 foot setback would allow for ample landscape buffering or the addition of features such as the promenade that is suggested in the Midtown Greenway Land Use and Development Plan. Under existing zoning, there are many places where no setback is required along the greenway. However, under the proposed primary zoning changes, setbacks will be required as determined by each zoning district. The minimum setback as required by the code will not always be 15 feet, but it is important to note that the relationship between the property line and the edge of the greenway trench varies substantially from place to place, so careful consideration by developers and City staff will continue to be required for each development proposal. The mechanism for achieving these goals is the conditional use permit application associated with a request for a multiple-family dwelling, as well as the conditional use permit application for a planned unit development in the case of larger projects.

#### *Prohibition of billboards within 300 feet of the greenway*

Under the current zoning ordinance, no new billboards are allowed in the area of the greenway.

#### *Explicit consideration of shadowing and visual connectedness in conditional use permit applications for additional height*

The Midtown Greenway Land Use and Development Plan suggests that development projects be reviewed for their shadowing impact on the greenway. Two changes to the zoning code since the adoption of the plan have addressed this issue:

- 1) Residential Density Text Amendment – Earlier in 2009, the City Council amended the zoning code to better align allowed residential densities with the policies of the comprehensive plan. One of the consequences of this amendment is that we now have zoning districts that allow higher residential densities as shown in adopted plans without allowing heights above four stories as-of-right. This is of particular importance along the south side of the greenway, where adopted policies discourage buildings that shadow the greenway. Prior to this code change, the R6 district would have been required to achieve planned densities, but six stories would then be

allowed as-of-right. The proposed zoning map does not include any zoning on the south side of the greenway trench that allows more than four stories as-of-right.

- 2) Shadowing Studies – Related to the above, if an applicant requests to build above the as-of-right height, a conditional use permit (CUP) is required. Among the required findings for this CUP is consideration of the shadowing of residential properties or significant public places (including the Midtown Greenway). Since the adoption of the Midtown Greenway Land Use and Development Plan, the zoning code has been amended to require submission of shadow studies aimed at addressing that required finding.

In addition, the built environment along the Midtown Greenway varies drastically along the length of the corridor. In some locations 29<sup>th</sup> Street is adjacent to the Greenway. Approximately half the Midtown Greenway is below grade and the other half is not. Portions of the trench and the trench wall vary in width. Thus, the current practice of evaluating shadowing on a project-by-project basis is most effective.

A blanket overlay could be established, but given that no base zoning allowing more than four stories is recommended, the overlay would have to limit height to some level below four stories in order to influence shadowing. Staff analysis is that it was not the intention of the Midtown Greenway Land Use and Development Plan to limit building height to a lower level than four stories.

*Consideration of density variances where private land is dedicated for the purpose of providing one of the identified public realm features in the plan*

The plan text recommended a density credit for the dedication of land for promenades, greenway access points, and transit stations. Recent amendments to the Planned Unit Development chapter of the zoning code provide further incentive for dedicating public space as part of a larger development. In addition, a density variance of up to 30% is available in the current zoning code. The variance application requires the demonstration of a hardship. While the response to all variance applications can not be predicted, it has been staff practice to interpret that the dedication of land for public purpose can be used to support an applicant’s demonstration of a hardship.

### **Comments Received:**

Public comments received to date are attached to this staff report. Following is a summary of major themes gleaned from the comments and discussions with concerned parties. The most frequently comments are organized by geographic area, with staff responses to some of the comments in italics. Staff have communicated to stakeholders that the most helpful comments are those that are aimed at interpretation of the adopted land use policy as it relates to zoning recommendations, which is the issue currently before the City Planning Commission and City Council. Many of the comments resulted in changes to the staff recommendation, as noted below.

Several neighborhoods have expressed concern about the public involvement and adoption process. See the “Public Process” section above for details about the outreach process.

### **Cedar –Isles Dean**

- While not submitted into the public record at the time of this writing, staff are aware of concerns about the recommended rezoning of the Cedar Lake Townhomes on St. Louis Avenue from R1 to R5.

*The future land use designation for this parcel in the Midtown Minneapolis Land Use and Development Plan is high density housing and the development intensity map indicates that future development should be urban oriented. A recommendation other than R5 would be inconsistent with the adopted land use guidance.*

### **Soo Line Gardens**

- A number of comments were received requesting that the City adopt a zoning district for open space.

*The creation of such a district is out of the scope of this project. Staff has changed the recommended zoning from R3 to R1A making it consistent with many of the other publicly-owned open spaces in the city.*

### **Whittier**

- Concerns about the density levels in the approved small area plans
- Concerns that proposed zoning will bring about new larger scale development and the loss of single family homes.
- Concerns about R6 being recommended for the western side of Garfield Avenue South. Concerns focus on the lack of transition from R6 to R3 across the street.

*After re-examining the policies of the Lyn-Lake Small Area Plan and the Midtown Greenway Land Use and Development Plan, staff concurs and has changed the recommendation to R5 so that six stories will not be allowed by right.*

- One concern about the creation of an industrial non-conformity.

### **Midtown and East Phillips**

- Some general concerns about the density levels approved in the small area plans
- Suggestion that a lot-by-lot analysis of existing conditions (not just adopted policy) be performed and that such an analysis inform the rezoning study.

*Such an exercise would be new policymaking. The policy guidance provided in the plans is applicable to each individual parcel with a particular land use designation, and each parcel with a particular land use designation is entitled to the same rights as another with the same designation. To make zoning decisions that deviate from this principle would be arbitrary and capricious. Please see above section entitled “Decision Making Process for Recommended Zoning.”*

- Suggestion that rezonings to R3 will work against neighborhood efforts aimed at increasing home ownership.

*Please see the above section entitled “Summary and implications of proposed changes to primary zoning districts” for a detailed discussion of the implications of the R3 zoning district.*

### **Central**

- A general suggestion that zoning changes will preclude future reinvestment in the area
- While not submitted into the public record at the time of this writing, staff are aware of concerns regarding R3 zoning in the Central Neighborhood.

*Please see the above section entitled “Summary and implications of proposed changes to primary zoning districts” for a detailed discussion of the implications of the R3 zoning district.*

### **Seward**

- Concerns from industrial property owners and businesses regarding nonconformity.

*Please see above section entitled “Nonconformities.”*

- Concerns about the plan policy guidance regarding density and building bulk
- Pointing out a staff error in interpretation of the adopted land use policy east of 34<sup>th</sup> Avenue.

*Staff appreciates the assistance from those who pointed out this error. The zoning recommendations east of 34<sup>th</sup> Avenue have been changed to reflect the correct future land use map as adopted by the City Council.*

- Suggestion that the rezoning recommendations do not accommodate the text of the plan related to “live-work”.

*In the area along the Midtown Greenway near 29<sup>th</sup> Avenue, the Seward Longfellow Greenway Area Land Use and Predevelopment study envisions “higher-density residential uses, with the option for residents’ ground level studios, offices, or workshops (P. II-12).” Use of private homes by residents for studios, offices, or workshops is allowed under the home occupation standards of the zoning code. The plan does not suggest that these uses be open to the public or that they be independent of resident-occupied housing units. On the same page, the plan uses the Ivy Building east of 27<sup>th</sup> Avenue as an example of a building that “could be used as a live/work complex that would permit industrial uses, workshops and offices at street level and a mix of offices and residential uses on the second floor.” The staff recommendation to apply the Industrial Living Overlay District to this and other properties labeled as “Transitional Industrial” would accommodate this idea.*

- Suggestion that having low-density zoning immediately adjacent to R4 zoning does not allow for appropriate scale transitions as envisioned in the plan, specifically in the area where 29<sup>th</sup> Avenue intersects the Midtown Greenway.

*The parcels in this area recommended for R4 zoning are designated for medium-density housing with an urban-oriented development intensity in the Seward Longfellow Greenway Area Land Use and Predevelopment Study. Throughout the study area, this policy combination merits R4 zoning. If the designated development intensity were neighborhood-oriented rather than urban oriented, R3 would be the appropriate district. The language in the plan about transitions could suggest that R3 is more appropriate, but the transition envisioned is from four stories, which is not allowed in R3. That is likely the rationale for the adopted land use map showing urban-oriented for this area. Appropriate transitions of height and bulk are regularly achieved through the development review process.*

- Suggestion that the market analysis is outdated, and the focus should be on jobs rather than housing.

*The market analyses conducted for the various small area plans would likely look different in terms of immediate market potential for housing if they were conducted today. However, the comprehensive plan and small area plans are multi-decade policy documents designed to withstand the ebb and flow of the market. The zoning changes implementing these policies are intended to guide development for many years to come and through several market cycles. The comprehensive plan includes strong policy statements and strategies for job growth, and the zoning changes do not preclude job retention and growth in the study area.*

- Suggestion that medium-density zoning is not sufficient to allow a market-feasible transition from industrial to residential land uses.

*Changing the policy guidance for a particular parcel from medium to high-density housing would be outside the scope of this rezoning study. It is important to note that to the extent to which this concern proves to be valid in the future, the City will need to carefully consider the granting of changes and expansions of nonconforming use so as to preclude any cause for takings claims.*

- Suggestion that the rezoning study does not do anything to accommodate future green space.

*Zoning cannot be used as a tool to compel private property owners to use their property as a public green space.*

- Concern about eminent domain.

*Rezoning by the City does not in any way imply an intent to acquire land from unwilling sellers.*

- Suggestion that public infrastructure changes shown in the plan be completed.

*Infrastructure changes are outside the scope of a rezoning study.*

**Findings as required by the Minneapolis Zoning Code:**

1. **Whether the amendment is consistent with the applicable policies of the comprehensive plan.**

The Midtown Minneapolis Land Use and Development Plan, the Industrial Land Use and Employment Policy Plan, the Midtown Greenway Land Use and Development Plan, the Seward Longfellow Area Land Use and Predevelopment Study, the Uptown Small Area Plan, and the Lyn-Lake Small Area Plan are all incorporated into The Minneapolis Plan for Sustainable Growth, the City’s comprehensive plan. The rezoning recommendations are therefore consistent with the comprehensive plan because they directly implement land use recommendations found within the small area plans and the Minneapolis Plan for Sustainable Growth.

In the 2000 comprehensive plan, the Midtown Greenway was identified as a “Major Housing Site”. In the Minneapolis Plan for Sustainable Growth, the term “Major Housing Site” was dropped but other policies supporting the proposed zoning in the areas surrounding the Midtown Greenway were reiterated. The Midtown Greenway connects five Activity Centers (Uptown, Lyn-Lake, Nicollet and Lake, Chicago and Lake, and the Lake Street LRT Station area. The following Activity Center policies apply:

Policy 1.12: Support Activity Centers by preserving the mix and intensity of land uses and by enhancing the design features that give each center its unique urban character.

1.12.4 Discourage uses that diminish the transit and pedestrian character of Activity Centers, such as automobile services, surface parking lots, and drive-through facilities.

1.12.5 Encourage a height of at least two stories for new buildings in Activity Centers, in keeping with neighborhood character.

1.12.6 Encourage the development of high- to very-high density housing within the boundaries of Activity Centers.

1.12.7 Encourage the development of medium- to high-density housing immediately adjacent to Activity Centers to serve as a transition to surrounding residential areas.

Lake Street (Abbott Ave. S to the Mississippi), Hennepin Avenue (north of 31<sup>st</sup> St.), Lyndale Avenue (north of 31<sup>st</sup> St.), are Nicollet Avenue (north of 31<sup>st</sup> St.) are designated as Commercial Corridors. The following Commercial Corridor policies apply:

Policy 1.10 Support development along Commercial Corridors that enhances the street’s character, fosters pedestrian movement, expands the range of goods and services available, and improves the ability to accommodate automobile traffic.

1.10.1 Support a mix of uses – such as retail sales, office, institutional, high-density residential and clean low-impact light industrial – where compatible with the existing and desired character.

1.10.2 Encourage commercial development, including active uses on the ground floor, where Commercial Corridors intersect with other designated corridors.

1.10.3 Discourage uses that diminish the transit and pedestrian character of Commercial Corridors, such as some automobile services and drive-through facilities, where Commercial Corridors intersect other designated corridors.

1.10.4 Encourage a height of at least two stories for new buildings along Commercial Corridors, in keeping with neighborhood character.

1.10.5 Encourage the development of high-density housing on Commercial Corridors.

1.10.6 Encourage the development of medium-density housing on properties adjacent to properties on Commercial Corridors.

Hennepin Avenue (South of 31<sup>st</sup> St.), Lyndale Avenue (South of 31<sup>st</sup> St.) Nicollet Avenue (South of 32<sup>nd</sup> St.), Chicago Avenue, Bloomington Avenue, and Cedar Avenue are Community Corridors. The following Community Corridor policies apply:

Policy 1.9 Through attention to the mix and intensity of land uses and transit service, the City will support development along Community Corridors that enhances residential livability and pedestrian access.

1.9.1 Support the continued presence of existing small-scale retail sales and commercial services along Community Corridors.

1.9.5 Encourage the development of low- to medium-density housing on Community Corridors to serve as a transition to surrounding low-density residential areas.

1.9.6 Promote more intensive residential development along Community Corridors near intersections with Neighborhood Commercial Nodes and other locations where it is compatible with existing character.

Several industrial properties are impacted by the proposed changes. An Industrial Employment District is located in the Seward/Hiawatha area. The following industrial land use policies apply:

Policy 1.14 Maintain Industrial Employment Districts to provide appropriate locations for industrial land uses.

1.14.2 Allow industrial uses outside of Industrial Employment Districts to transition over time to other uses.

1.14.3 Restrict the development and expansion of non-industrial uses within designated Industrial Employment Districts, limiting non-industrial uses to the types of uses and locations designated in the Industrial Land Use and Employment Plan.

1.14.4 Strongly discourage new residential uses in Industrial Employment Districts.

2. **Whether the amendment is in the public interest and is not solely for the interest of a single property owner.**

The recommended zoning changes affect 1,456 parcels, and thus are not in the interest of a single property owner. The recommendations implement plans that involved the participation of multiple stakeholders.

3. **Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of particular property.**

The proposed changes to primary and overlay zoning designations are guided by the adopted small area plans. These plans and policies consider the growth and evolution of the entire area, including integration with and transition between surrounding land uses.

4. **Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of particular property.**

The proposed zoning identifies reasonable changes to fulfill long-term land use objectives of adopted city plans. In some cases, uses become legally non-conforming so that future uses are consistent with the plans. In most cases, zoning changes increase development potential to realize the density and/or use objectives of the plans.

5. **Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of particular property.**

The last major rezoning to affect the study area took place when there was a city-wide rezoning in 1999. Since that time the Midtown Greenway has transitioned from a former railroad line to a renowned greenway. The Midtown Greenway itself has received \$36 million in investment, with substantial additional investment on adjacent properties. Approximately 1000 residential units have been built along the Greenway since 2004, and an additional 400 +/- have been approved.

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

The Planning Division of the Department of Community Planning and Economic Development recommends that the City Planning Commission and City Council find that obtaining consent signatures for the rezoning of properties from residential to commercial in the Midtown Greenway Rezoning Study Area would be impractical and further recommends that the City Planning Commission and City Council adopt the above findings and **approve** the zoning map amendment for the rezoning of parcels in the attached exhibits.

**Attachments Previously Forwarded:**

- **Proposed ordinance**
- **Proposed zoning maps**
- **Future land use and development intensity maps from adopted small area plans**
- **Comments received up until October 13, 2009**

**New Attachment:**

- **Comments received between October 13, 2009 and the printing of this report**