

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

Date: December 2, 2013

Initiator of Amendment: Councilmember Glidden

Date of Introduction at City Council: September 20, 2013

Specific Site: Citywide

Ward: Citywide **Neighborhood Organization:** Citywide

CPED Staff and Phone: Brad Ellis, (612) 673-3239

Intent of the Ordinance: To revise regulations pertaining to massage.

Appropriate Section(s) of the Zoning Code: Chapter 520: Introductory Provisions; Chapter 548, Commercial Districts; Chapter 549, Downtown Districts.

The following chapters were also introduced: Chapter 525: Administration and Enforcement; Chapter 535: Regulations of General Applicability; Chapter 536: Specific Development Standards; Chapter 541: Off-street Parking and Loading; Chapter 550: Industrial Districts; and Chapter 551: Overlay Districts. However, staff is not recommending changes to these chapters as part of this amendment and is therefore recommending returning them to the author.

Background: An ordinance amendment was introduced to the City Council on September 20, 2013, to revise the regulations pertaining to massage. Currently, any establishment that is primarily providing massage services as a principal use is considered a Massage Parlor per Chapter 549 of the zoning code. Massage Parlors are a sexually oriented use per Section 549.340, which severely restricts the locations where massage uses are allowed. The proposed ordinance would remove massage as a sexually oriented use, converting it to a general retail sales and services use, allowing massage uses to locate throughout the City in any commercial or downtown district.

The zoning code text amendment is proceeding along with an amendment to the City's Business Licensing regulations. Massage uses are proposed to be licensed and inspected regularly to ensure that no illegal activity is occurring and that a proper work environment is provided.

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 the amendment is to broaden the potential locations for massage locations in the City and create flexibility by making them a general retail sales and services use. Massage

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parlors are currently considered sexually oriented uses and as such are permitted only in the B4, B4S and B4C Districts with the following additional location restrictions: no sexually oriented use shall be permitted on any property with its main public entrance on Nicollet Avenue, on any property located north/northwest of the centerline of the Burlington Northern Railway right-of-way, nor on any property located east/southeast of the centerline of Fifth Avenue South. In addition, a massage parlor may be allowed as a conditional use in the C4 General Commercial District. The proposed amendment would allow massage uses in any commercial or downtown district. The amendment will allow recognition of legitimate massage as well as remove the stigma associated with being classified by the City's regulations as a sexually oriented use. The proposed changes to the licensing regulations will serve the original public purpose of the zoning ordinance, which was to prevent prostitution and human trafficking.

The amendment is not expected to create any problems due to the proposed changes to the licensing regulations, which will ensure oversight of the massage uses throughout the City. The license requirement will make it easier for police to investigate potential illegal uses while allowing legitimate massage providers to operate without undue zoning restrictions.

Timeliness:

Is the amendment timely?

Is the amendment consistent with practices in surrounding areas?

Are there consequences in denying this amendment?

This amendment is timely because it is part of a revision to the City ordinances to try to eliminate human trafficking and other criminal activities from the City. The current zoning ordinance is very restrictive to the massage industry without having much of an effect on the criminal activities it is intended to address. It is also part of an ongoing effort to improve City processes and streamline regulations.

Staff performed a search to obtain information on how other cities treat massage. Most peer cities around the country, as well as many cities in the state of Minnesota, require licenses for massage establishments and/or individual massage providers. Outside of Minnesota, each city that did not license massage establishments were in a state that licensed either the establishments and/or the individual massage providers. Treating massage as a general retail sales and services use but requiring a license is consistent with practices in surrounding areas and peer cities.

The main consequence of denying said amendment is that the City of Minneapolis would continue to be very restrictive in its regulation of legitimate massage uses.

Comprehensive Plan:

How will this amendment implement the Comprehensive Plan?

The following general land use policies of the *Minneapolis Plan for Sustainable Growth* apply:

Land Use Policy 1.1: Establish land use regulations 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.

Land Use Policy 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.

1.4.1 Support a variety of commercial districts and corridors of varying size, intensity of development, mix of uses, and market served.

Land Use Policy 1.5: Promote growth and encourage overall city vitality by directing new commercial and mixed use development to designated corridors and districts.

1.5.1 Support an appropriate mix of uses within a district or corridor with attention to surrounding uses, community needs and preferences, and availability of public facilities.

1.5.2 Facilitate the redevelopment of underutilized commercial areas by evaluating possible land use changes against potential impacts on the surrounding neighborhood.

Economic Development Policy 4.1: Support private sector growth to maintain a healthy, diverse economy.

4.1.5 Continue to streamline City development review, permitting and licensing to make it easier to develop property in the City of Minneapolis.

Economic Development Policy 4.2: Promote business start-ups, retention and expansion to bolster the existing economic base.

4.2.5 Encourage small business opportunities, such as appropriate home occupations and business incubators, in order to promote individual entrepreneurs and business formation.

This amendment will promote business growth and retention throughout the City and streamline approval processes while allowing licensing to eliminate potential impacts. The proposed amendment is consistent with the above policies of the comprehensive plan.

RECOMMENDATIONS:

Recommendation of the Department of Community Planning and Economic Development:

The Department of Community Planning and Economic Development recommends that the City Planning Commission and City Council adopt the above findings and **approve** the zoning code text amendment, amending chapters 520, 548, and 549. Staff further recommends that Chapters 525, 535, 536, 541, 550, and 551 be **returned** to the author.

Attachments:

1. Ordinance amending Chapter 520, Introductory Provisions to add a definition of massage establishment.

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2. Ordinance amending Chapter 548, Commercial Districts, to add massage establishment as a general retail sales and services use.
3. Ordinance amending Chapter 549, Downtown Districts, to add massage establishment as a general retail sales and services use as well as remove massage parlor from the sexually oriented uses section of the chapter.