



CPED STAFF REPORT

Prepared for the City Planning Commission

CPC Agenda Item #
August 15, 2016

REZONING STUDY AND ZONING CODE TEXT AMENDMENT SUMMARY

<i>Project Name:</i>	Central Avenue Northeast Pedestrian Oriented Overlay District Rezoning Study
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<i>Ward:</i>	I
<i>Neighborhoods:</i>	Holland, Audubon Park, Windom Park, Logan Park, Northeast Park
<i>Existing Land Use Features:</i>	<i>Activity Center: Central and Lowry</i> <i>Commercial Corridor: Central Avenue NE</i> <i>Community Corridor: Lowry Avenue NE</i>
<i>Zoning Plate Numbers:</i>	6, 10
<i>Zoning Code Section:</i>	Chapter 551, Overlay Districts

BACKGROUND

[The Central Avenue Small Area Plan](#) was adopted by the City Council in 2008 after several years of community engagement. Key recommendations from the plan include expanding the commercial corridor on the future land use map, adoption of built form and land use guidance for the corridor, and suggesting that the Pedestrian Oriented Overlay zoning district be expanded to encompass a larger portion of the commercial properties along the avenue.

The existing extent of the Pedestrian Oriented Overlay is focused on the Activity Center at the intersection of Central Avenue and Lowry Avenue. It was initially put in place before the small area plan process started, and includes a unique provision for [allowing drive-through banking facilities](#) under certain circumstances.

Council Member Reich submitted ordinance introduction for “expanding and amending the Pedestrian Oriented Overlay District along Central Avenue Northeast” on [January 11, 2013](#). Generally speaking, the intent of expanding the PO Overlay is to prevent proliferation of auto oriented uses and support the walkable nature of the existing and future planned commercial areas on Central Avenue.

CPED Long Range Planning has conducted a rezoning study with scope limited to implement the Pedestrian Oriented Overlay District. A rezoning study is a key tool that allows the City to implement land use policy adopted by the City Council. Studies usually take place shortly after the completion of a planning process and result in a recommendation to change the zoning of multiple parcels so that zoning is consistent with adopted future land use plans. The goal of this rezoning study is to encourage the type of development envisioned in the *Central Avenue Small Area Plan*.

REZONING STUDY PROCESS

In early 2016, staff explored a series of options for expanding the boundary of the Pedestrian Oriented Overlay district and amending text that applies specifically to the Central and Lowry area. Several north-south and east-west extents were explored and evaluated against policies in the *Central Avenue Small*

Area Plan and the *Holland Neighborhood Small Area Plan*. Considerations taken into account when drafting recommendations include future land use, built form, and text from the plans. In addition to analyzing various boundary extents, staff evaluated the potential non-conforming uses created by a potential zoning change.

Staff recommends expanding the boundary of the Pedestrian Oriented Overlay to all commercially zoned property and property identified as mixed-use in the Central Avenue Small Area Plan between 27th Avenue Northeast and 18th Avenue Northeast (inclusive of the property on all corners). If adopted these expanded boundaries would create eight non-conforming uses; seven auto related uses and one property with a drive-through.

Staff also recommends an amendment to the Central and Lowry area Pedestrian Oriented Overlay zoning ordinance text. The changes include eliminating the existing two provisions related to drive-through banking facilities and building alteration, and adding a provision for a minimum floor area ratio of 1.0 consistent with language found in other sections of the Pedestrian Oriented Overlay ordinance.

PUBLIC INPUT

Affected property owners, residents, and businesses were notified by mail of the beginning of the 45-day public review period on June 9th, 2016 and of the upcoming Planning Commission public hearing. During the review period, recommendations for amending the text and boundary of the Central Avenue PO district were made available on the [city's website](#). At the request of the Central Avenue Special Services District, staff attended their July meeting to discuss the recommendations. The 45-day public review period ended on July 25th, 2016. During the review period staff received a handful of inquiries from property owners interested in the proposal, but as of the writing of this staff report no public comment has been received.

PURPOSE OF TEXT AMENDMENT

What is the reason for the amendment?

To make the Central and Lowry area section of the Pedestrian Overlay ordinance more consistent with other geographically specific pedestrian oriented districts. This includes eliminating an exception for drive through facilities, and altering a building form and scale requirement.

What problem is the amendment designed to solve?

The intent is to require a minimum scale of development along the corridor by instituting a minimum floor area ratio of 1.0 in an attempt to maintain the walkable built form that already exists in the area.

What public purpose will be served by the amendment?

Ensuring that minimum standards for scale of development are met will support the existing physical framework for corridor businesses and encourage pedestrian comfort and safety.

What problems might the amendment create?

It is intended that this ordinance amendment will effectively eliminate the potential for single-story development in the corridor. If development pressure for multi-story development remains low, investment in new buildings may be slowed as a result. This potential result being perceived as a problem is one of perspective – as it is the intended outcome for long-term investment in the corridor that is consistent with city adopted policy.

TIMELINESS OF TEXT AMENDMENT

Is the amendment timely?

The amendment is intended to implement policies from the *Central Avenue Small Area Plan* and *The Minneapolis Plan for Sustainable Growth*, adopted in 2008 and 2009 respectively. Adopting ordinance changes at this time is appropriate given those adopted policies and the market conditions present in the area.

Is the amendment consistent with practices in surrounding areas?

The ordinance amendment is partly intended to create greater language consistency between various geographically specific pedestrian oriented overlay regulations.

Are there consequences in denying this amendment?

Denying this amendment will result in unique language pertaining to the Central and Lowry area remaining in the zoning code. This inconsistency can contribute to confusion among developers that seek to do work in the area. Leaving the opportunity for expansion of some drive through facilities in the pedestrian oriented overlay at this location would be inconsistent with city policy, as allowing for such an expansion would likely degrade the pedestrian experience along the corridor.

FINDINGS AS REQUIRED BY THE MINNEAPOLIS ZONING CODE

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

The rezoning recommendations are consistent with and directly implement the land use and built form recommendations found in the *Central Avenue Small Area Plan* and *The Minneapolis Plan for Sustainable Growth*.

Designated land use features found in the study area include:

- Activity Center: Central and Lowry
- Commercial Corridor: Central Avenue
- Community Corridor: Lowry Avenue

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

Policy I.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.

I.1.5 Ensure that land use regulations continue to promote development that is compatible with nearby properties, neighborhood character, and natural features; minimizes pedestrian and vehicular conflict; promotes street life and activity; reinforces public spaces; and visually enhances development.

Policy I.2: Ensure appropriate transitions between uses with different size, scale, and intensity.

I.2.1 Promote quality design in new development, as well as building orientation, scale, massing, buffering, and setbacks that are appropriate with the context of the surrounding area.

Policy I.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.

I.10.4 Encourage a height of at least two stories for new buildings along Commercial Corridors, in keeping with neighborhood character.

I.10.5 Encourage the development of high-density housing on Commercial Corridors.

Policy I.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.

I.12.3 Encourage active uses on the ground floor of buildings in Activity Centers.

I.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.

I.12.5 Encourage a height of at least two stories for new buildings in Activity Centers, in keeping with neighborhood character.

The following policies from the *Central Avenue Small Area Plan* apply:

- Reinforce Central Avenue from 31st Avenue NE to 18th Avenue NE as Northeast's commercial core and its downtown.
- Extend Pedestrian-Oriented Overlay District from 31st Avenue NE to 18th Avenue NE.
- Establish an area of concentrated development at 18th Avenue NE and Central Avenue. Work with property owners to redevelop properties with multi-use buildings containing active ground floor uses.
- Encourage infill development on parking lots that face Central Avenue. New development should be multi-story with active ground floor uses.

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 70 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 overlay zoning designations are guided by the adopted small area plan and the Comprehensive Plan. 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. Existing base zoning districts are not proposed to change, so changes to the uses allowed are limited to those additionally regulated in the proposed overlay district.

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.**

There has not been an appreciable level of change in the character or trend to development in the area since the Pedestrian Oriented Overlay was last evaluated for implementation in this area. Moderate levels of redevelopment have occurred in the affected area since the adoption of the *Central Avenue Small Area Plan* and *The Minneapolis Plan for Sustainable Growth*. The expansion of the overlay ensures that future development continues to occur in a manner that is compatible with the area and is consistent with the aforementioned plans.

RECOMMENDATIONS

Recommendation of the Department of Community Planning and Economic Development:

The Community Planning and Economic Development 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. Staff further recommends that the City Planning Commission and City Council adopt the above findings and **approve** the zoning code text amendment, amending Chapter 551.

ATTACHMENTS

1. Proposed Zoning Ordinance
2. Proposed Pedestrian Oriented Overlay Zoning Map
3. Proposed Zoning Code Text Amendment
4. Existing Base Zoning
5. Policy Maps
 - a) Future Land Use
 - b) Built Form Plan
6. Comments received