

**Community Planning and Economic Development Planning Division Report
Zoning Code Text Amendment**

Date: August 1, 2011

Initiator of Amendment: Council Member Schiff

Date of Introduction at City Council: July 1, 2011

Specific Site: Citywide

Ward: Citywide **Neighborhood Organization:** Citywide

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Intent of the Ordinance: To allow catering as an accessory use to a board and care home, nursing home or assisted living use, child care center, food and beverage use, hospital or institutional and public use.

Appropriate Section(s) of the Zoning Code: Chapter 537, Accessory Uses and Structures

Background: On July 1, 2011, an ordinance amendment was introduced at the City Council to amend Chapter 537 of the zoning code relating to accessory uses and structures. The purpose of the amendment is to expand the list of uses for which catering is a permitted accessory use. Currently, catering is allowed as a principal use in all commercial and downtown districts, as well as the I1 and I2 Districts. Catering is only allowed as an accessory use to restaurants and food and beverage products uses. The proposed amendment would make the zoning code consistent with current Licenses and Consumer Services practices, which currently allow catering accessory to uses with Food Manufacturing licenses and Institutional Food Licenses.

Uses eligible for an Institutional Food license are food establishments that serve food primarily to a defined population in a congregate dining fashion and may include commercial child care centers, hospital cafeterias, public, private and charter schools, senior independent living facilities, charitable dining halls, community food service or similar facilities. This type of license is not applicable for home-based daycare businesses, establishments that operate with a City Board and Lodging License or food service operations at group homes, nursing homes, and veteran homes, etc. that are licensed at the County, State or Federal level. Food Manufacturing licenses are issued to Community Kitchens. Examples of current licensed Community Kitchens include those located in churches, recreation centers and schools. License conditions for Community Kitchens in residential zoning districts include the following:

1. Loading and unloading must occur to minimize adverse impacts on adjacent residential properties. A site plan will be evaluated.
2. All food production must be for consumption off premises.
3. No onsite customer seating is permitted.

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4. Number of employees must not exceed applicable code limits.
5. Hours of operation must not exceed applicable code limits.
6. The use of the facility shall not result in any exterior alterations to the existing building, unless otherwise required to meet applicable codes.
7. Operations and production must occur in an enclosed building.
8. No outdoor storage is allowed.
9. Signage is limited to 1 square foot.
10. No excessive customer traffic.
11. Shipment and delivery of products or supplies shall be limited to between 9:00 a.m. and 6:00 p.m. in vehicles permitted to serve residential neighborhoods.

The proposed zoning code text amendment would contain performance standards that apply to accessory catering uses in addition to those listed above.

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 modify the zoning code in a manner that would make it consistent with current Licenses and Consumer Services practices in regard to catering. The amendment would expand the list of uses for which catering is a permitted accessory use. In March of 2011 the Minnesota Department of Health mandated all facilities that provide dining services to be licensed and inspected for food safety. Facilities that were required to obtain a food license as a result of that mandate include charitable food services, uses with congregate dining, commercial child care centers (not home-based), private schools, charter schools and other similar facilities where food is regularly served. As a result, many commercial kitchens in the City were updated to comply with code requirements and had excess capacity available for accessory functions, such as catering.

The amendment is intended to address the issue of consistency between the zoning code and current Licenses and Consumer Services practices. Updating the zoning code to allow catering accessory to uses that are eligible for an Institutional Food or Food Manufacturing license will establish consistency between departments as it relates to catering uses. The amendment would also simplify and streamline the process for license applicants by creating consistency.

The amendment will serve a public purpose by increasing opportunities for small catering businesses. The amendment will also allow for increased activity in commercial kitchens that may be underutilized or have excess capacity. Finally, the amendment will serve a public purpose by creating consistency between the zoning code and Title 10 of the Minneapolis Code of Ordinance relating to the Food Code and give the city better oversight when it comes to accessory catering uses.

Staff does not anticipate that the amendment will create significant problems. All uses for which catering will be allowed as an accessory use will be required to have a current Institutional Food or Food Manufacturing license and will be required to meet three performance standards. The performance

standards are intended to reduce off-site impacts, particularly in residential areas. In addition, Community Kitchens with Food Manufacturing licenses in residential districts will be required to meet the 11 license conditions noted above.

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 given that Licenses and Consumer services adopted changes on March 1, 2011 that require the following types of facilities to obtain a food license: charitable food service, congregate dining, commercial child care centers, private schools, charter schools and other similar facilities where food is regularly served. As part of the required license, these uses are allowed to have accessory catering functions. These types of facilities are now required to be licensed per a mandate issued by the Minnesota Department of Health that requires all facilities that provide dining services to be licensed and inspected for food safety. The zoning code text amendment will make the zoning code consistent with current Business Licensing practices.

Staff researched a number of metro area cities to determine how accessory catering handled. The City of Bloomington allows catering as an accessory use beginning in their R1 residential district. The City of Saint Louis Park allows catering as an accessory use beginning in their Office district. The City of Saint Paul does not list catering as a permitted accessory use. However, catering is allowed as a principal use beginning in the Traditional Neighborhood district.

Staff also researched a number of peer cities nationwide. The City of Milwaukee allows catering as a principal use beginning in the residence districts provided said use is located in a building originally constructed for non-residential purposes. The City of Detroit considers catering a manufacturing and production and first allows it as a principal use in the business districts. The City of Chicago also considers catering a manufacturing use and does not address in terms of accessory uses. As a principal use it is first allowed in commercial districts.

If the proposed amendment is denied, the zoning code would remain inconsistent with current Business Licensing practices. Denying the amendment could also diminish opportunities for small businesses to utilize excess commercial kitchen capacity within the City.

Comprehensive Plan:

How will this amendment implement the Comprehensive Plan?

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

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.

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- 1.1.1 Ensure that the City's zoning code is consistent with The Minneapolis Plan and provides clear, understandable guidance that can readily be administered.

Policy 1.2: Ensure appropriate transitions between uses with different size, scale, and intensity.

- 1.2.3 Lessen the negative impacts of non-residential uses on residential areas through controls on noise, odors, and hours open to the public.

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.

Policy 5.8: Make city government more responsive to the needs of people who use its services.

- 5.8.3 Effectively engage the public when making decisions that create, remove, or change a city service, project, or policy.

Adopting the proposed amendment would be consistent with the above policies of the *Minneapolis Plan for Sustainable Growth* by supporting private sector growth and creating additional opportunities for small businesses. The proposed performance standards would ensure appropriate transitions between different uses and mitigate negative impacts of non-residential uses on residential areas. The proposed amendment would also streamline the license process by making the zoning code consistent with current Licensing and Consumer Services practices.

Recommendation of the Community Planning and Economic Development--Planning Division:

The Community Planning and Economic Development Planning Division recommends that the City Planning Commission and City Council adopt the above findings and **approve** the zoning code text amendment.

Attachments:

1. Amendment to Chapter 537 relating to Zoning Code: Accessory Uses and Structures.