

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

**Date:** October 15, 2013

**Initiator Of Amendment:** Council Member Reich

**Date of Introduction at City Council:** June 28, 2013

**Ward:** All

**CPED Staff And Phone:** Becca Farrar-Hughes, Senior City Planner, (612) 673-3594

**Intent Of The Ordinance:** The purpose of the amendment is to revise regulations related to sports and health facilities.

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

- **Amending Chapter 520 related to Zoning Code: *Introductory Provisions;***
- **Amending Chapter 536 related to Zoning Code: *Specific Development Standards;***
- **Amending Chapter 547 related to Zoning Code: *Office Residence Districts;***
- **Amending Chapter 548 related to Zoning Code: *Commercial Districts;***
- **Amending Chapter 549 related to Zoning Code: *Downtown Districts;***
- **Amending Chapter 550 related to Zoning Code: *Industrial Districts;***
- **Amending Chapter 551 related to Zoning Code: *Overlay Districts.***

**Background:** Currently, the City regulates sports and health facilities by defining them as either major or minor, with the primary distinction between the two being that minor facilities are not allowed to have showers/locker room facilities. The current definitions are as follows:

- Sports and health facility, major. A facility, for profit or nonprofit, where members or nonmembers pay a fee to use equipment or space for the purpose of physical exercise. A major sports and health facility may include all activities conducted in a minor sports and health facility, and swimming, court games, jogging, and which includes locker rooms. A major sports and health facility may include as an accessory use personal services to patrons, including but not limited to therapeutic massage, tanning, saunas and whirlpools.
- Sports and health facility, minor. A facility, for profit or nonprofit, where members or nonmembers pay a fee to use equipment or space for the purpose of physical exercise. A minor sports and health facility may include aerobics, weight training, muscular exercise programs, yoga, pilates or other similar activities. A minor sports and health facility shall not include shower facilities.

It has become apparent that the inclusion of showers should no longer be a distinguishing factor for these uses. Increasingly, small-scale health clubs and yoga studios have sought to incorporate

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shower and locker facilities. In spite of the low-impact nature of these uses, such uses are currently classified as major sports and health facilities, which are not generally allowed in neighborhood-serving commercial districts.” As such, Staff is proposing to combine the two separately defined uses into one category to be defined as follows:

- Sports and health facility. An establishment primarily for the conduct of exercise activities, which may include related locker and shower rooms, offices and classrooms.

In addition, Staff is proposing to allow sports and health facilities in a wider range of zoning districts. As a result of the proposed modifications, two additional chapters were introduced at the City Council meeting on September 20, 2013, and referred to the Zoning and Planning Committee on October 1, 2013, that were not originally introduced; Chapter 547, Office Residence Districts and Chapter 549, Downtown Districts. As a result, the item was continued at the City Planning Commission meeting on September 30, 2013, to the Planning Commission on October 15, 2013.

**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 primary purpose of this text amendment is to eliminate the distinction between minor and major sports and health facilities by providing both a simplified and unified definition of a sports and health facility, as well as to allow the use within a broader range of zoning classifications.

The amendment is intended to eliminate a distinction that is outdated and that overregulates the placement of sports and health facilities throughout the City. As part of this text amendment, Staff has also evaluated allowing the use in a broader range of zoning classifications. Essentially, by unifying the two separately defined categorical uses into one use and allowing sports and health facilities in a wider array of zoning districts as permitted uses, the City is adopting regulations that encourage, not hinder their establishment. As proposed, major and minor sports and health facilities would be merged into one use classification, as sports and health facilities and would be defined under Section 520.160 of the Zoning Code as follows:

- Sports and health facility. An establishment primarily for the conduct of exercise activities, which may include related locker and shower rooms, offices and classrooms.

Further, Staff is proposing to modify Chapter 547 to allow sports and health facilities as a permitted neighborhood serving retail sales and services use in the OR2 and OR3 District which is limited to 2,000 square feet in size unless a variance is attained. Currently, only minor sports and health facilities are allowed as permitted neighborhood serving retail sales and services uses in the OR2 and OR3 Districts.

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Staff is also proposing to modify Tables 548-1, 549-1 and 550-1. Tables 548-1 and 549-1 would be modified to allow sports and health facilities as permitted uses in all commercial and downtown districts. Table 550-1 is being modified to allow sports and health facilities as a permitted use in the I1 district but subject to a provision that limits the size of each facility to 5,000 square feet. This size limitation ensures that large sports and health facilities do not establish in Industrial Employment Districts, thus maintaining the bulk of industrial land for industrial uses as intended by adopted policy. Allowing smaller facilities however, enables smaller sports and health facilities to locate in fringe areas to serve businesses in the immediate area if the market determines a need. Currently, neither major or minor sports and health facilities are allowed in the Industrial Districts unless the Industrial Living Overlay District (ILOD) is applied. When the ILOD is applied (which is only allowed to be applied to I1 or I2 zoned properties; not I3), currently only minor sports and health facilities would be allowed as permitted uses. Staff proposes to alter the language in the ILOD to allow sports and health facilities as a permitted use when applied in the I1 and I2 Districts.

The amendment would serve the public interest by allowing sports and health facilities within a wider range of zoning classifications while relaxing the stringent regulations pertaining to showers that the uses are currently subject to by definition.

CPED Staff does not anticipate that the amendment would result in any significant issues. Allowing sports and health facilities regardless of whether shower facilities are included or not as permitted uses in a wider range of zoning classifications is allowing for an easier method to establish these types of uses citywide.

**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 due to the City's emphasis on streamlining and business friendly operations. The purpose of this amendment is to eliminate the regulatory barriers that exist in this circumstance by combining two separate uses into one categorical use that eliminates restrictive language currently impacting their placement citywide. Further, these types of uses are generally considered to be positive neighborhood amenities that encourage physical activity.

It is standard practice among municipalities to ensure that zoning regulations are consistent with adopted land use policy. Though certainly not exhaustive, Staff's research has indicated that many large cities do not regulate sports and health facilities to the extent that the City has in the past. Research indicates that arenas and stadiums are a distinct category and sports and health facilities, whether large or small are categorized into their own distinct category and allowed in broad zoning categories allowing the market to dictate their placement. Staff believes that this is an opportunity for the City of Minneapolis to remove the overregulation of this use given its evolution over time. It is Staff's position that the text amendment will have more of an impact on enabling smaller sports and health facilities as opposed to larger facilities.

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The primary consequence of denying this amendment would be that the Zoning Code would continue to include overly restrictive regulations for sports and health facilities. Staff finds that maintaining the distinguishing element of shower and locker facilities is no longer necessary or applicable to the use. Further, the City's existing regulations would encumber, not encourage, their establishment.

**Comprehensive Plan:**

• **How will this amendment implement the Comprehensive Plan?**

The proposed amendment would allow CPED to continue to ensure that the goals and policies of *The Minneapolis Plan for Sustainable Growth* are implemented. The following policies and implementation steps of *The Minneapolis Plan for Sustainable Growth* are relevant to the proposed text amendment regarding sports and health facilities:

- Land Use Policy 1.1 states, "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." This policy includes the following applicable implementation step: (1.5.1) "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."
- Land Use Policy 1.4 states, "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." This policy includes the following applicable implementation step: (1.4.2) "Promote standards that help make commercial districts and corridors desirable, viable, and distinctly urban, including: diversity of activity, safety for pedestrians, access to desirable goods and amenities, attractive streetscape elements, density and variety of uses to encourage walking, and architectural elements to add interest at the pedestrian level."
- Economic Development Policy 4.1 states: "Support private sector growth to maintain a healthy, diverse economy. This policy includes the following applicable implementation step: (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 states, "Promote business start-ups, retention and expansion to bolster the existing economic base."

The proposed text amendment is in conformance with the above noted policies and implementation steps of the comprehensive plan.

Further, in 2013, Minneapolis was ranked number one out of fifty metropolitan cities by the American College of Sports Medicine (ACSM) American Fitness Index (AFI) which is a

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scientific analysis of personal and community health indicators. Given that the City of Minneapolis is nationally recognized on an annual basis as a leader in fitness, the proposed text amendment will continue to foster and encourage a fitness-friendly environment by allowing facilities to establish in an even broader capacity citywide.

**RECOMMENDATION:**

**Recommendation of the Community Planning and Economic Development for the text amendment:**

The 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, 547, 548, 549, 550 and 551. Staff further recommends that Chapter 536 **be returned** to the author.