

ZONING CODE TEXT AMENDMENT SUMMARY

<i>Initiator:</i>	Council Member Palmisano
<i>Introduction Date:</i>	August 17, 2015
<i>Prepared By:</i>	<u>Chris Vrchota</u> , Senior City Planner, (612) 673-5467
<i>Specific Site:</i>	N/A
<i>Ward:</i>	Citywide
<i>Neighborhood:</i>	Citywide
<i>Intent:</i>	Amend regulations for restaurants to reflect recent changes to the City Charter

APPLICABLE SECTION(S) OF THE ZONING CODE

- Chapter 536, Specific Development Standards

BACKGROUND

In 2014, changes were made both by the City Council and through a ballot initiative to eliminate provisions of the Code of Ordinances and City Charter that required restaurants with a liquor license to maintain a minimum ratio between the sale of food and alcohol.

The Zoning Code still contains one reference to the 60/40 requirement, in the specific development standards for restaurants. This standard needs to be amended to bring Zoning requirements in line with City licensing requirements. Staff is recommending that Chapter 536 be amended to fully strike the first of two specific development standards for *restaurant, sit down*.

PURPOSE

What is the reason for the amendment?

The amendment will update the Zoning Code to be in alignment with current licensing requirements. Striking the first half of the standard removes the reference to the 60/40 requirement. The second half of the standard is redundant with Business Licensing requirements and not needed in the Zoning Code.

What problem is the amendment designed to solve?

The text amendment will remove a discrepancy between the City's zoning and licensing requirements for restaurants serving alcohol.

What public purpose will be served by the amendment?

Removing this standard will remove an inconsistency between zoning and licensing requirements, as well as redundant language in the code. This will help avoid confusion and conflicting regulations for business owners in navigating City processes as well as simplify the code.

What problems might the amendment create?

Without a specified requirement for food sales, Licensing and Zoning staff will need to monitor establishments to ensure that they continue to function as restaurants and do not become bars/nightclubs, which remain a separate use in the Zoning Code with their own specific development standards, including spacing requirements. The City's licensing code includes a definition for a restaurant that requires them to derive a "substantial amount" of their revenue from food sales without requiring a set ratio. It also has guidelines for how restaurants are expected to be operated that owners must follow to maintain their licenses. Staff believes that existing Licensing and Zoning regulations are sufficient for addressing any issues that may arise.

TIMELINESS

Is the amendment timely?

Changes to the licensing code and charter went into effect on January 1, 2015. It is appropriate to amend the Zoning Code to reflect those changes at this time.

Is the amendment consistent with practices in surrounding areas?

Other cities regulate restaurants in a wide variety of ways. Staff did not find other cities that have a set ratio requirement for food and alcohol sales.

Are there consequences in denying this amendment?

If the amendment is denied, City licensing and zoning requirements will continue to differ from one another, potentially causing confusion for business owners and enforcement staff.

COMPREHENSIVE PLAN

The amendment will implement the following applicable policies of *The Minneapolis Plan for Sustainable Growth*:

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.

- 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.

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.

- I.4.1 Support a variety of commercial districts and corridors of varying size, intensity of development, mix of uses, and market served.
- I.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.

Land Use Policy 1.6: Recognize that market conditions and neighborhood traditions significantly influence the viability of businesses in areas of the city not designated as commercial corridors and districts.

- 1.6.1 Allow for retention of existing commercial uses and zoning districts in designated Urban Neighborhood areas, to the extent they are consistent with other city goals and do not adversely impact surrounding areas.

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.

The intent of the ballot initiative to remove the ratio requirement from the City Charter was to make it easier for restaurateurs- most of whom are small business owners- to understand, navigate and comply with City regulations. Amending the text of the Zoning Code to align with the changes to the City Charter will clarify that the 60/40 requirement no longer applies and remove any potential for confusion or conflict over inconsistent licensing and zoning requirements.

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 to Chapter 536 related to the Zoning Code: Specific Development Standards.

ATTACHMENTS

- I. Ordinance amending Chapter 536, Specific Development Standards.

2015-Or-___

AN ORDINANCE
OF THE
CITY OF MINNEAPOLIS

By Palmisano

Amending Title 20, Chapter 536 of the Minneapolis Code of Ordinances relating to Zoning Code: Specific Development Standards.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That the definition for "Restaurant" contained in Section 536.20 of the above-entitled ordinance be amended to read as follows:

536.20. - Specific development standards. The uses listed below are subject to the following specific development standards, in addition to all other applicable regulations:

Restaurant, sit down.

~~(1) Where alcoholic beverages are served, not less than sixty (60) percent of total gross sales revenue shall be from the sale of food and beverages not containing alcohol, and the use shall comply with the requirements of Title 14, Liquor and Beer, of the Minneapolis Code of Ordinances and Chapter 4 of the Minneapolis City Charter.~~

~~(2)~~ (1)-The premises, all adjacent streets, sidewalks and alleys, and all sidewalks and alleys within one hundred (100) feet shall be inspected regularly for purposes of removing any litter found thereon.