

Community Development Committee

Meeting date: September 17, 2018

For the Metropolitan Council meeting of September 26, 2018

Subject: City of Minneapolis The Redwell Comprehensive Plan Amendment, Review File No. 20348-15

District(s), Member(s): District 8, Cara Letofsky

Policy/Legal Reference: Metropolitan Land Planning Act (Minn. Stat. § 473.175)

Staff Prepared/Presented: Eric Wojchik, AICP, Senior Planner, Local Planning Assistance (651-602-1330)

Division/Department: Community Development / Regional Planning

Proposed Action

That the Metropolitan Council:

1. Adopt the attached Review Record and allow the City of Minneapolis to place The Redwell Comprehensive Plan Amendment into effect.
2. Advise the City to work with the Council to determine an updated forecast for its 2040 Comprehensive Plan that incorporates stronger than forecasted market demand and changes in guiding land use.
3. Advise the City that the Council requires the incorporation of density ranges into its land use policy to determine conformance and consistency with *Thrive MSP 2040*, the *2040 Transportation Policy Plan*, and the *2040 Housing Policy Plan*.
4. Advise the City to implement the additional advisory comments in the Review Record for Transportation, Forecasts, Land Use, and Housing.

Background

The amendment proposes to remove 2.6 acres of land from the City's Industrial Employment District and to reguide the location from Industrial to Transitional Industrial land use. A developer has proposed construction of a new 6-story mixed use building with 129 multifamily dwelling units and 10,000 square feet of commercial space on 0.6 acres at 1000 North 3rd Street. Property at 1001 Washington Avenue North (the current site of the Minneapolis Public Housing Authority headquarters) is also part of this re-guiding, but no project is currently proposed for this site.

Rationale

The proposed amendment conforms to regional system plans, is consistent with Council policies, and is compatible with the plans of other local communities and school districts.

Thrive Lens Analysis

The proposed amendment is reviewed against the land use policies in *Thrive MSP 2040*. To achieve the outcomes identified in *Thrive*, the metropolitan development guide defines the Land Use Policy for the region and includes strategies for local governments and the Council to implement. These policies and strategies are interrelated and, taken together, serve to achieve the outcomes identified in *Thrive*.

Funding

None.

Known Support / Opposition

There is no known local resident or local government opposition to this proposal.

Review Record

City of Minneapolis The Redwell Comprehensive Plan Amendment

Review File No. 20348-15, Council Business Item No. 2018-245

BACKGROUND

The City of Minneapolis is approximately 57.4 square miles, located in Hennepin County. It is bordered by the cities of St. Paul, Lauderdale, and St. Anthony Village to the east; Robbinsdale, Golden Valley, St. Louis Park, and Edina to the west; Brooklyn Center, Fridley, and Columbia Heights to the north; and Richfield and Fort Snelling to the south.

Consistent with the policies adopted by the Council in June 2014 ([Business Item 2014-143](#)) regarding review of local comprehensive plans, this amendment is being reviewed under *Thrive MSP 2040* and its policy plans.

Thrive MSP 2040 identifies the City as an Urban Center community. The Metropolitan Council forecasts that between its estimate for 2017 and 2040, the City will grow from 423,990 to 459,200 people, and from 180,340 to 204,000 households. The Metropolitan Council also forecasts that between 2017 and 2040, the City's employment will increase from 324,014 to 350,000 jobs.

The Council reviewed the City's Update ([Business Item 2009-244](#), Review File No. 20348-1) on July 22, 2009. This is the 14th amendment since the review of the Update.

REQUEST SUMMARY

The amendment proposes to remove 2.6 acres of land from the City's Industrial Employment District and to reguide the location from Industrial to Transitional Industrial land use. A developer has proposed construction of a new 6-story mixed use building with 129 multifamily dwelling units and 10,000 square feet of commercial space on 0.6 acres at 1000 North 3rd Street. Property at 1001 Washington Avenue North (the current site of the Minneapolis Public Housing Authority headquarters) is also part of this re-guiding, but no project is currently proposed for this site.

OVERVIEW

Conformance with Regional Systems

The amendment conforms to the Regional System Plans for Parks, Transportation (including Aviation), and Wastewater, with no substantial impact on, or departure from, these plans.

Consistency with Council Policies

The amendment is consistent with *Thrive MSP 2040*, the *2040 Housing Policy Plan*, and water resources management. The amendment underscores the need to develop a revised forecast for the City's comprehensive plan as Council staff believe the City is exceeding its 2020 forecasts for population and households.

Compatibility with Plans of Adjacent Jurisdictions The amendment will not have an impact on adjacent communities, school districts, or watershed districts, and is compatible with the plans of those districts.

PREVIOUS COUNCIL ACTIONS

- The Council acted on the City's Update on May 26, 2010 (Review File No. 20348-1, [Business Item 2009-244](#)).
- The Council administratively approved the City's North Loop Small Area Plan amendment on April 13, 2011 (Review File No. 20348-2). The amendment incorporated the North Loop Small Area Plan into the comprehensive plan, expanded the Glenwood Commercial Corridor, and made changes in guiding land use.
- The Council administratively approved the City's Lowry Avenue Strategic Plan amendment on April 13, 2011 (Review File No. 20348-3). The amendment incorporated the Lowry Avenue Strategic Plan into the comprehensive plan, eliminated the Neighborhood Commercial Node at Lowry & Lyndale Avenues, modified the Neighborhood Commercial Node designations at Lowry & Emerson and at Lowry & Penn, and made changes in guiding land use.
- The Council administratively approved the City's Central Corridor LRT Transit Station Areas amendment on August 16, 2011 (Review File No. 20348-4). The amendment incorporated into the comprehensive plan the Transit Station Area land use feature at METRO Green Line stations at Prospect Park/29th Avenue, Stadium Village, East Bank, East Bank and Target Field.
- The Council approved the City's Nicollet Island East Bank Neighborhood Small Area Plan amendment on June 10, 2015 (Review File No. 20348-5, [Business Item 2015-119](#)). The amendment incorporated the Nicollet Island East Bank Neighborhood Small Area Plan into the City's comprehensive plan, and made adjustments in guiding land use.
- The Council administratively approved the City's Linden Hills Small Area Plan amendment on May 22, 2015 (Review File No. 20348-6). The amendment incorporated the Linden Hills Small Area Plan into the comprehensive plan and made adjustments in guiding land use.
- The Council administratively approved the City's Loring Park Neighborhood Master Plan amendment on May 22, 2015 (Review File No. 20348-7). The amendment incorporated the Loring Park Neighborhood Master Plan into the comprehensive plan and made adjustments in guiding land use.
- The Council approved the City's Marcy-Holmes Neighborhood Master Plan amendment on October 14, 2015 (Review File No. 20348-8, [Business Item 2015-234](#)). The amendment incorporated the Marcy-Holmes Neighborhood Master Plan into the comprehensive plan, expanded the boundary of the Dinkytown Activity Center, created three new Neighborhood Commercial Nodes, increased the amount of land guided as Mixed Use, and made other changes in guiding land use.
- The Council approved the City's Stadium Village / University Avenue Station Area Plan amendment on October 14, 2015 (Review File No. 20348-9, [Business Item 2015-235](#)). The amendment incorporated the Stadium Village / University Avenue Station Area Plan into the comprehensive plan, and made significant changes in guiding land use.
- The Council approved the City's Very High Density amendment on June 8, 2016 (Review File No. 20348-10, [Business Item 2016-99](#)). The amendment amended the allowable maximum residential density in the City's Growth Centers and adjacent Activity Centers from 200 dwelling units per acre (units/acre) to 800 units/acre, provided that projects at these higher densities are consistent with adopted small area plans.

- The Council administratively approved the City’s Sheridan Neighborhood Small Area Plan amendment on June 22, 2016 (Review File No. 20348-11). The amendment incorporated the Sheridan Neighborhood Small Area Plan into the comprehensive plan, expanded the Grain Belt Activity Center, reguידed land along the Marshall Street Community Corridor, and made other adjustments in guiding land use.
- The Council administratively approved the City’s St. Anthony East Neighborhood Small Area Plan amendment on June 22, 2016 (Review File No. 20348-12). The amendment incorporated the St. Anthony East Neighborhood Small Area Plan into the comprehensive plan, established a new Neighborhood Commercial Node, and made adjustments in guiding land use.
- The Council administratively approved the City’s East Side Storage and Maintenance Facility amendment on October 9, 2017 (Review File No. 20348-14). The amendment reguידed 1.27 acres from Urban Neighborhood and unguided right-of-way to Transitional Industrial to support a new City street and equipment maintenance facility.
- The Council approved the City’s Malcolm Yards amendment on August, 8, 2018 (Review File No. 20348-13, [Business Item 2018-206](#)). The amendment reguידed 9.44 acres from Industrial to Transitional Industrial land use and changed the boundary of the Southeast Minneapolis (SEMI) Industrial Employment District. The proposal consisted of a two-phase mixed-use redevelopment project.

ISSUES

- I. Does the amendment conform to the regional system plans?
- II. Is the amendment consistent with *Thrive MSP 2040* and other Council policies?
- III. Does the amendment change the City’s forecasts?
- IV. Is the amendment compatible with the plans of adjacent local governmental units and affected jurisdictions?

ISSUES ANALYSIS AND FINDINGS

Conformance with Regional Systems

The amendment conforms to the regional system plan for regional parks, transportation, and wastewater, with no substantial impact on, or departure from, these system plans. Additional review comments are included below.

Regional Parks

Reviewer: Eric Wojchik (651-602-1330)

The amendment conforms to the *2040 Regional Parks Policy Plan*. The site is approximately 0.32 miles west of the Central Mississippi Riverfront Regional Trail which links to the Cedar Lake Regional Trail approximately 0.8 miles to the south. Council staff do not anticipate that the proposed change in land use guiding from Industrial to Transitional Industrial will negatively impact the regional trails or the Mississippi River Corridor Critical Area to the east.

Transportation

Reviewers: Russ Owen (651-602-1724) and Steve Mahowald (612-349-7775)

The amendment conforms to the *2040 Transportation Policy Plan (TPP)*.

Advisory Comments

In the event that the property at 1001 Washington Avenue North is developed, Council staff encourages the City and developer to ensure that the current bus stop and shelter at that location are accommodated as part of any development.

Wastewater

Reviewer: Roger Janzig (651-602-1119)

The amendment conforms to the system elements of the *2040 Water Resources Policy Plan* (WRPP). The existing Metropolitan Disposal System has adequate capacity for the proposed change in guiding land use.

Consistency with Council Policy

The amendment is consistent with Council policies for land use, housing, sub-surface sewage treatment systems, and water supply. Additional review comments regarding consistency with forecasts, land use, and housing policies are detailed below.

Forecasts

Reviewer: Todd Graham (651-602-1322)

The amendment allows residential activity on 2.6 acres previously guided and forecasted to be entirely employment-related. A development associated with the amendment includes 129 dwelling units on 0.6 acres. Council staff find that this development, along with others in the City, are advancing Minneapolis's population and households estimates beyond what the Council has forecasted for the immediate area and for the community as a whole. Council staff made a similar finding with the previous Malcolm Yards Comprehensive Plan Amendment (Review File No. 20348-13).

The Council's standard procedure is to adjust forecasts with comprehensive plan amendments in cases where land use changes impact either housing or employment capacity. The City has neither proposed nor agreed to a forecast adjustment at this time. Instead, City staff will request forecast adjustments at the time of submission of its 2040 Comprehensive Plan, including an adjustment for TAZ #1323.

Advisory Comments

Minneapolis is surpassing its 2020 population forecast due to greater than expected market supply and absorption and changes in guiding land use that add new capacity for housing. Council staff have advised the City of the need to adjust forecasts in past reviews of comprehensive plan amendments and Environmental Assessment Worksheets (EAWs) for proposed development projects. Council staff have proposed a comprehensive adjustment of the Minneapolis forecasts for 2020, 2030, and 2040. The City has acknowledged the need to adjust forecasts as part of the 2040 Comprehensive Plan. City and Council staff will determine the needed adjustments prior to submission of its 2040 Comprehensive Plan.

Land Use

Reviewer: Eric Wojchik (651-602-1330)

The amendment is consistent with *Thrive MSP 2040* land use policies for Urban Center communities, which directs communities to accommodate forecasted growth at an overall residential density of at least 20 units/acre and to target higher densities in locations with convenient access to transportation corridors and with adequate sewer capacity.

The amendment proposes removing 2.6 acres from the Minneapolis Industrial Employment District, and regrading the land from Industrial to Transitional Industrial, as shown in Figure 3. The City's comprehensive plan states that industrial areas located outside of Industrial Employment Districts will be classified as "transitional," which supports an evolution to non-industrial uses that are compatible with surrounding development. The amendment area is located adjacent to a large area guided Mixed Use, which is associated with the North Washington Jobs Park of the Minneapolis Employment District. The proposed development of 129 multi-family dwelling units on 2.6 acres equates to a proposed

density of 49.6 units per acre, which is consistent with the land use policies for Urban Center communities.

Advisory Comments

Council staff recommend guiding the area to a designation that reflects greater certainty in land use policy (rather than a “transitional” one), concurrent with the 2040 Comprehensive Plan. The City should be aware that the 2040 Comprehensive Plan must include both minimum densities and residential density ranges that are associated with guided land uses. The Council includes minimum densities in its policy plans to evaluate conformance with regional systems and consistency with policies in the areas of wastewater, transit, land use, and affordable housing. The Council also uses density ranges to determine whether a community can accommodate its forecasted growth. Furthermore, guiding land uses that include a mix of uses should identify the percentage of land that the City estimates would develop as residential across all areas guided as such. The City is encouraged to contact their Sector Representative with any questions regarding the Council’s expectations for the 2040 Comprehensive Plan.

Housing

Reviewer: Tara Beard (651-602-1051)

The proposed amendment is consistent with the Council’s policies for housing. The City currently provides sufficient land to address its share of the region’s 2011-2020 need for affordable housing, which is 4,224 units. As of this amendment, the City is guiding more than 207 acres of medium- and high-density residential and mixed-use land such that at least 5,409 units could be built.

Minneapolis is a participant in the Livable Communities Act programs and has received numerous awards through the Livable Communities Demonstration Account, the Local Housing Incentives Account, and the Tax Base Revitalization Account. Complete data on production for the year 2017 is not yet available, but 254 affordable units were constructed in 2016.

Advisory Comments

Though the City has utilized the inventory of land guided as Transitional Industrial for housing development, the Council did not originally consider this guiding land use category as part of the City’s inventory of land to support affordable housing. In preparing the 2040 Comprehensive Plan, the City should note that the minimum density of land guided to address this need is 8 units/acre. As a reminder, the Council will require density ranges to determine consistency with regional housing policy. Please see related comments above under Land Use, including those related to estimates on the percentage of land developing as residential in mixed use districts.

The City should be aware that its share of the region’s 2021-2030 need for affordable housing is 3,499 units. Please note that this number will increase with the forecast adjustment that is recommended above. The City is encouraged to contact their Sector Representative or Council housing staff with any questions regarding the Council’s housing policy for the 2040 Comprehensive Plan.

Compatibility with Plans of Adjacent Governmental Units and Plans of Affected Special Districts and School Districts

The proposed amendment is compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

ATTACHMENTS

Figure 1: Location Map Showing Community Designations

Figure 2: Location Map showing Regional Systems
Figure 3: Current and Proposed Land Use Guiding

Figure 1: Location Map Showing Community Designations

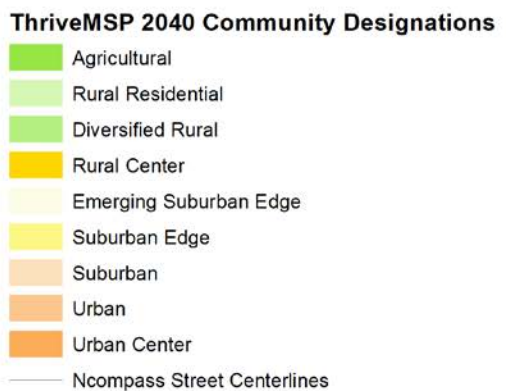
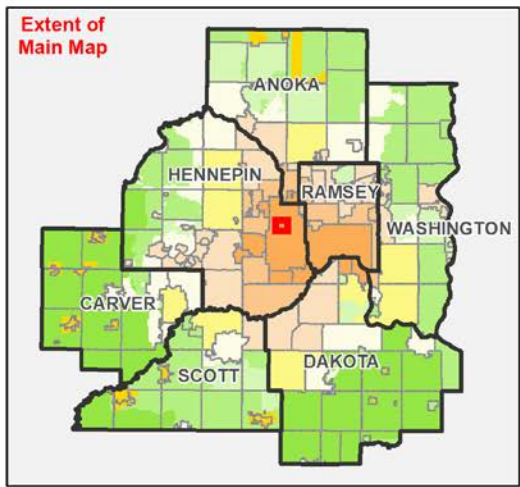
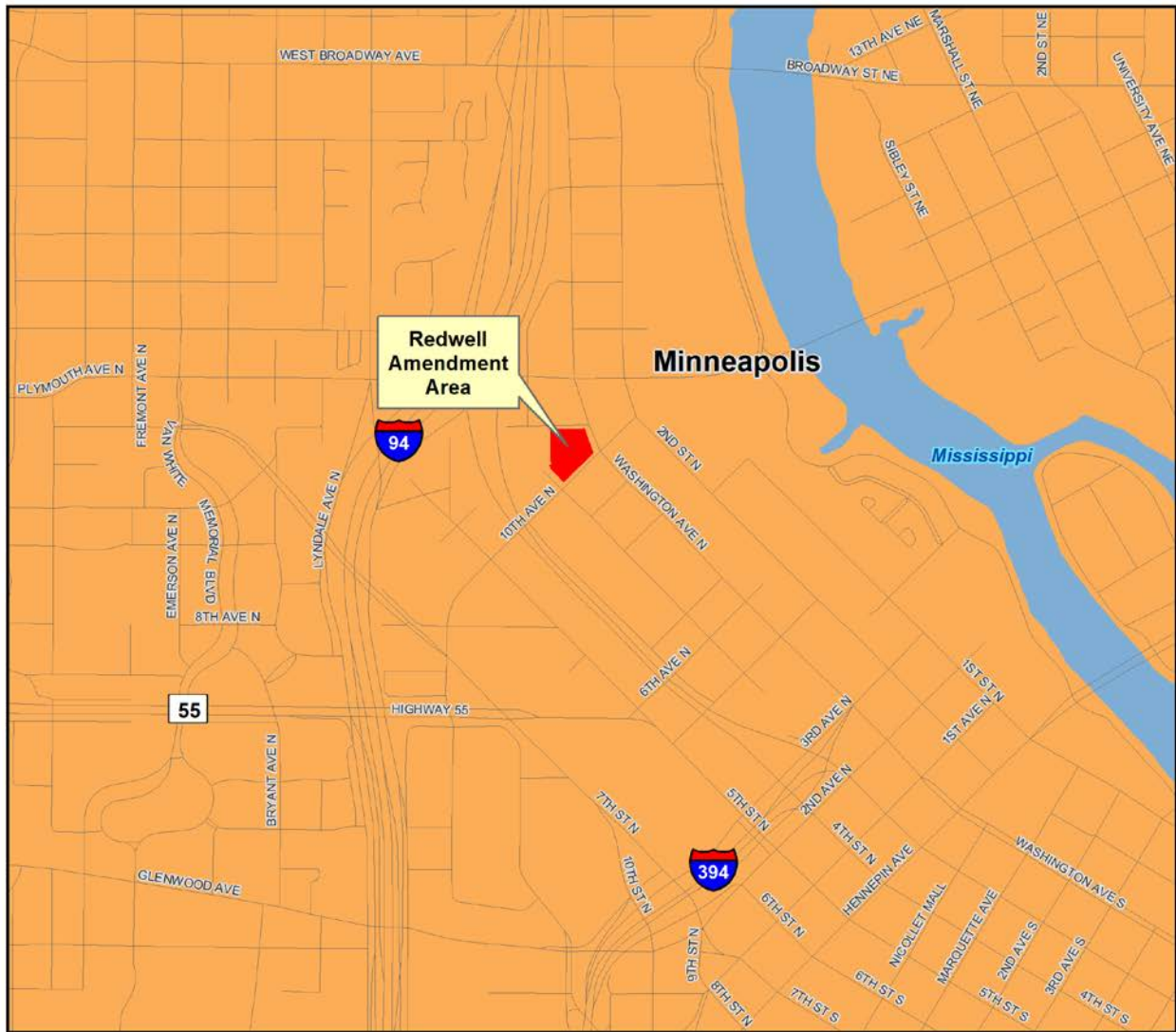


Figure 2: Location Map Showing Regional Systems

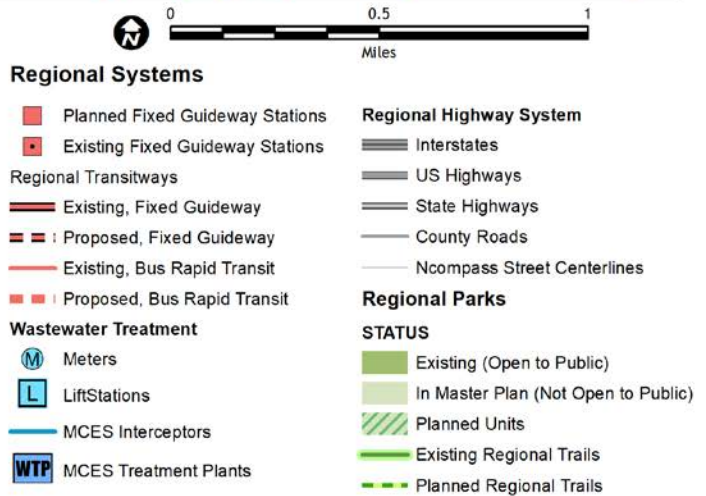


Figure 3: Current and Proposed Land Use Guiding

