Business Item

Community Development Committee



Committee Meeting Date: May 1, 2023

For the Metropolitan Council: May 10, 2023

Business Item: 2023-86

City of Bloomington Industrial Land Use Description Text Amendment Comprehensive Plan Amendment, Review File 21953-12

District(s), Member(s):	District 5, Anjuli Cameron
Policy/Legal Reference:	Metropolitan Land Planning Act (Minn. Stat. § 473.175), Minn. Stat. § 473.513
Staff Prepared/Presented:	Michael Larson, Planning Analyst (651-602-1407)
	Angela R. Torres, Senior Manager (651-602-1566)
Division/Department:	Community Development / Regional Planning

Proposed Action

That the Metropolitan Council adopt the attached Review Record and take the following actions:

- 1. Authorize the City of Bloomington to place its comprehensive plan amendment into effect.
- 2. Find that the amendment does not change the City of Bloomington's forecasts.
- 3. Advise the City of Bloomington to implement the advisory comments in the Review Record for Wastewater and Land Use.

Background

The City of Bloomington submitted the Industrial Land Use Description Text Amendment comprehensive plan amendment on February 24, 2023. The amendment proposes to allow a wider mix of uses in a 42-acre geographic subarea of its Industrial (IND) Guide Plan Designation along Lyndale Avenue. This wider mix includes commercial (excluding auto sales) and, in limited cases, uses and densities allowed in the High Density Residential guiding. The area affected by the amendment is located along the east side of Lyndale Avenue between 86th and 92nd Street. The amendment is associated with the Lyndale Avenue Suburban Retrofit Plan (Review File 21593-5) and the anticipated implementation of a new Transitional Industrial Zoning District. This is the City's eleventh amendment to its 2040 Comprehensive Plan.

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 opposition.

REVIEW RECORD

City of Bloomington

Industrial Land Use Description Text Comprehensive Plan Amendment

Review File No. 21953-12, Business Item No. 2023-86

BACKGROUND

The City of Bloomington (City) is located in southeastern Hennepin County, bordered by Richfield, Edina and Fort Snelling to the north, Eden Prairie to the west, Shakopee to the southwest, Savage and Burnsville to the south, and Eagan to the east.

Thrive MSP 2040 (Thrive) designates Bloomington with an "Urban" community designation. The Council forecasts from 2020 to 2040 that the City will grow from 88,978 to 95,900 population and 38,080 to 42,500 households. The Council also forecasts that between 2020 and 2040, the City's employment will increase from 95,250 to 112,500 jobs.

The Metropolitan Council reviewed the City of Bloomington 2040 Comprehensive Plan (<u>Business</u> <u>Item 2019-150 JT</u>, Review File No. 21953-1) on July 10, 2019. This is the eleventh comprehensive plan amendment since the 2040 Plan was reviewed.

REQUEST SUMMARY

The City of Bloomington submitted the Industrial Land Use Description Text Amendment comprehensive plan amendment on February 24, 2023. The amendment proposes to allow a wider mix of uses in a 42-acre geographic subarea of its Industrial (IND) Guide Plan Designation along Lyndale Avenue. This wider mix includes commercial (excluding auto sales) and, in limited cases, High Density Residential. The area affected by the amendment is located along the east side of Lyndale Avenue between 86th and 92nd Street. The amendment is associated with the Lyndale Avenue Suburban Retrofit Plan (Review File 21593-5) and the anticipated implementation of a new Transitional Industrial Zoning District. This is the City's eleventh amendment to its 2040 Comprehensive Plan

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 the <i>Thrive MSP 2040</i> , with the <i>Housing Policy Plan</i> , with water resources management, and is consistent with Council forecasts.
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 2040 Plan on July 10, 2019 (<u>Business Item 2019-150 JT</u>, Review File No. 21953-1).
- The Council administratively reviewed the Lyndale Flats amendments on November 18, 2019 (Review File No. 20153-2). The amendment reguided 1.75 acres from General Business to High Density Residential to allow an 81-unit apartment building.
- The Council administratively reviewed the Penn Lake CityHomes amendment on November 17, 2020 (Review File No. 21953-3). The amendment reguided 1.88 acres from

Low Density Residential to Medium Density Residential to allow 15-unit townhome development.

- The Council administratively reviewed the Medium Density Residential Text amendment on April 1, 2021 (Review File No. 21953-4). The amendment added language to the Medium Density Residential land use guide description to allow the development of single-family homes if they meet certain criteria.
- The Council administratively reviewed the Lyndale Avenue Strategy Text amendment on April 28, 2021 (Review File No. 21953-5). The amendment modifies text in the Land Use chapter of the City's 2040 Comprehensive Plan to add a description related to the recently approved Lyndale Avenue Retrofit Strategy.
- The Council administratively reviewed the Old Cedar Apartments amendment on May 13, 2021 (Review File No. 21953-6). The amendment reguided 1.18 acres from Office to High Density Residential to allow a 68-unit affordable housing development.
- The Council administratively reviewed the Walser Toyota amendment on June 29, 2021 (Review File No. 21953-7). The amendment reguided 3.99 acres from Community Commercial to Regional Commercial to accommodate a 122,000 square foot auto dealership and office building.
- The Council administratively reviewed the 9201 Old Cedar Avenue amendment on September 21, 2021 (Review File No. 21953-8). The amendment reguided 1.03 acres from High Density Residential to Office to support re-use of an existing building for a medical office use.
- The Council administratively reviewed the United Properties: Motor Vehicle Sales amendment (Review File No. 21953-9). The amendment reguided 4.02 acres from Community Commercial to Regional Commercial to facilitate the development of a motor vehicle sales facility.
- The Council administratively reviewed the 8200 Humboldt Avenue South amendment on March 23, 2023 (Review File No. 21953-10). The amendment reguided 2.74 acres from Office to High Density Residential to allow the development of a four-story, 149-unit apartment building.
- The Council administratively reviewed the Oxboro Heights amendment on November 10, 2022 (Review File No. 21953-11). The amendment reguided 1.65 acres from Community Commercial to High Density Residential to accommodate development of a 5-story, 125-unit senior affordable apartment building.

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.

Wastewater Service

Reviewer: Roger Janzig, Environmental Services (ES) – Wastewater Planning and Community Programs (<u>roger.janzig@metc.state.mn.us</u>)

The proposed amendment conforms to the 2040 Water Resources Policy Plan (WRPP). The

amendment allows a wider mix of uses in a 42-acre geographic subarea of the City's Industrial (IND) Guide Plan Designation along the east side of Lyndale Avenue between 86th and 92nd Streets. This wider mix includes commercial (excluding auto sales) and, in limited cases, High Density Residential. The City estimates approximately 5% to 15% of this area could be redeveloped as High Density Residential. The City also anticipates a potential increase of 200 to 300 residential units by 2040 because of this change. The Metropolitan Disposal System has adequate capacity for this planned change.

Advisory Comments

Residential development beyond the planned and anticipated levels could have an adverse impact on the capacity of Metropolitan Disposal System. The City should track proposed and anticipated residential development at higher density ranges; and notify the Council if redevelopment levels could exceed the 15% anticipated higher density redevelopment. The Metropolitan Council suggests that the City limit residential development to 15%. The Metropolitan Council will also continue to monitor and perform a more comprehensive system capacity analysis using up to date information.

Consistency with Council Policy

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

Forecasts

Reviewer: Todd Graham, CD – Research (651-602-1322)

The City offers that the amendment does not affect the communitywide forecast (Table 1). Council staff find that while the amendment provides a greater variety of mixed uses in the subject area, and possibly more intense uses, Council staff agree that a forecast change is not currently needed. As was the case prior to the amendment, the City's Plan has more than sufficient capacity to accommodate the City's official forecasts. The Council, in its local forecast, has already assumed development and absorption in this area.

	Census	Current Approved Forecast			
Category	2020	2020	2030	2040	
Population	89,987	88,900	92,900	95,900	
Households	38,080	38,600	40,900	42,500	
Employment	73,489	95,250	105,750	112,050	

Table 1. Metropolitan Council City of Bloomington Forecasts

Thrive MSP 2040 and Land Use

Reviewer: Michael Larson, CD – Local Planning Assistance (651-602-1407)

Thrive MSP 2040 identifies the City as an Urban Community. The amendment is associated with the planning objectives of the Lyndale Avenue Suburban Retrofit Plan (Review File 21593-5). The purpose of the amendment is to allow a wider mix of uses in a 42-acre geographic subarea of the City's Industrial (IND) Guide Plan Designation along the east side of Lyndale Avenue between 86th and 92nd Streets. This wider mix includes commercial (excluding auto sales) and, in limited case s, High Density Residential uses and densities.

The amendment is described as a "text amendment" and modifies the description of the Industrial (IND) Guide Plan Designation. Despite its characterization as a text amendment, the amendment affects a specific geographic area, which is mapped in the City's resolution and modified planning documents (Figure 3). The City is also drafting a new Transitional Industrial Zoning District to support implementation of this modified land use policy.

The amendment is not associated with any specific development proposals nor is the City proposing any changes to its 2040 forecasts. However, the amendment does add additional capacity for residential development. The modified policy language describes the potential for High Density Residential uses "in limited cases", estimating that between 5-15% of the 42 acres of reguiding land along Lyndale Avenue could be developed as residential. The City submittal further

estimates that between 200-300 residential units could be developed through 2040. Table 2 below shows the City's updated overall minimum planned density, which decreases only very slightly from 11.13 to 11.10 units per acre. The Plan remains consistent with regional land use policy.

Advisory Comments

The Council supports the development of local land use policy to provide flexibility; and to support the evolution and integration of land use over time. Should the City consider residential development that exceeds the City's planning assumptions, the Council strongly encourages subsequent amendments that either 1) modify the guiding land use (e.g., from Industrial to High Density Residential); or 2) change the parameters of the land use policy (e.g., by increasing the estimated residential mix and forecasted households in the area). This will help ensure that the Council can adequately plan for and serve the area with regional wastewater services.

	2018-2040 Change				
	Density				
				Min	Max
Category	Min	Max	Net Acres	Units	Units
Low Density Residential	0.1	5	47.8	5	239
Medium Density Residential	5	10	2.8	14	28
High Density Residential	10	150	49.0	490	7,346
High Intensity Mixed Use ⁽¹⁾	10	60	8.8	88	527
South Loop Mixed Use ⁽²⁾	30	130	35.9	1,078	4,770
Office ⁽³⁾	10	80	14.2	142	1,138
Community Commercial ⁽⁴⁾	8	80	8.6	69	688
Regional Commercial ⁽⁵⁾	8	80	8.4	67	673
Industrial – Lyndale (6)	<u>10</u>	<u>150</u>	<u>4.2</u>	<u>42</u>	<u>630</u>
(1) 11% residential	TOTALS		179.6	1,994	15,938
(2) 54% residential(3) 20% residential					
(4) 41% residential		Overa	II Density	11.1	88.7
(5) 23% residential					••••
(6) 5-15% residential					

Table 2. Planned Residential Density, City of Bloomington

Housing

Reviewer: Hilary Lovelace, CD – Housing (651-602-1555)

The amendment is consistent with the Council's Housing Policy Plan. The Plan currently provides sufficient land to address its share of the region's 2021-2030 need for affordable housing, which is 842 units. The proposed amendment increases the City's inventory of land guided to support the development of low- and moderate-income housing. As of this amendment, the Plan will be guiding approximately 154 acres of higher density residential land such that at least 1,059 units could be built. (Figure 4.)

The proposed amendment will allow for possible multifamily construction along Lyndale Avenue. This amendment allows the City to implement the housing element of their 2040 Plan but does not directly contribute to their efforts to address its share of the region's need for affordable housing in the 2021-2030 decade.

Bloomington is a frequent participant in Livable Communities Act (LCA) programs, and in 2022 was awarded funds from the LHIA Homeownership program for four homes affordable for households earning at or below 80% of Area Median Income.

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: Figure 2:
- Location Map Showing Regional Systems Location Map Showing Community Designations Current and Proposed Land Use Guiding Land Guided for Affordable Housing
- Figure 3:
- Figure 4:

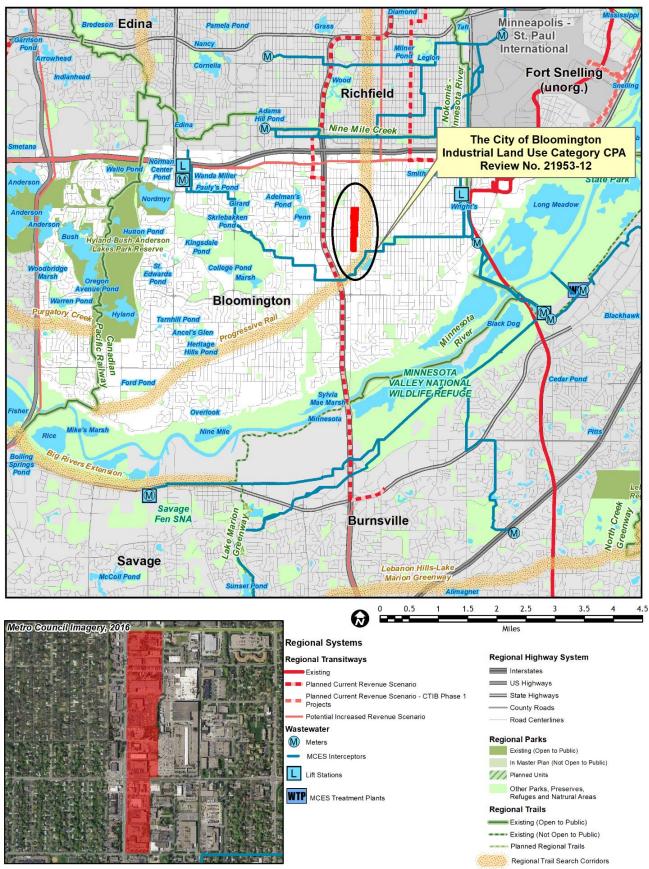


Figure 1. Location Map Showing Regional Systems

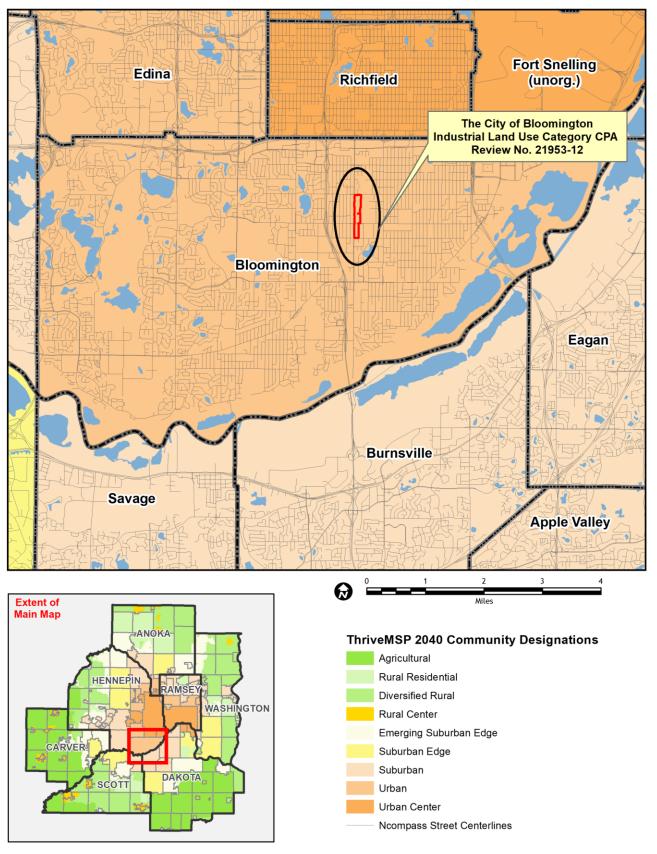


Figure 2. Location Map Showing Community Designations

Metropolitan Council

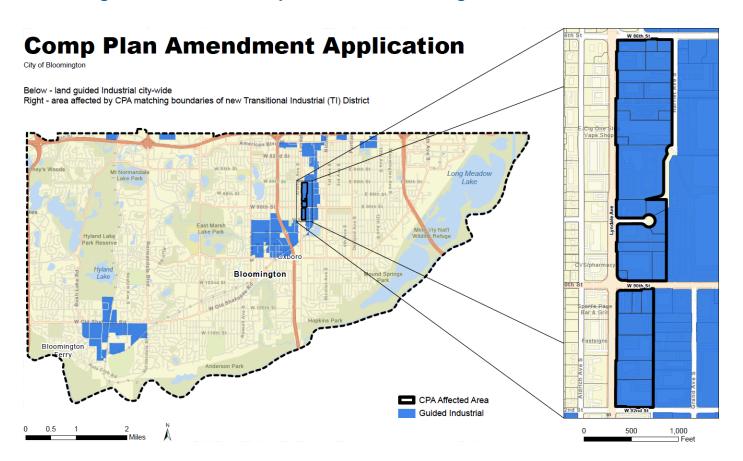


Figure 4. Land Guided for Affordable Housing

842 units 2021-2030 share of regional need for Affordable Housing: 2021-2030 total regional need for Affordable Housing: **37,900 units**

	Available Acres	Minimum Density (units per acre)	Expected % Residential	Minimum = Units Possible
High Density Residential	38.57	10	100%	386
South Loop Mixed Use	29.42	30	54%	474
Office	62.58	10	20%	126
Community Commercial	0.00	8	40%	0
Community Commercial	6.25	8	40%	20
Regional Commercial	17.39	8	23%	32
Transitional Industrial Lyndale Sub Area	42.00	10	5%	21
Total	154			1,059

Sufficient/(insufficient) units possible against share of regional need: 217 Affordable units built since 2021: 0



Sufficient/(insufficient) units possible adjusted for affordable units built: 217