

## GENERAL INFORMATION

Applicant:	City of Bloomington		
Location:	East side of Lyndale Avenue S. between 86 <sup>th</sup> and 92 <sup>nd</sup> Streets		
Request:	Study Item - Transitional Industrial Zoning District		
Existing Land Use and Zoning:	Industrial; zoned I-3 General Industrial		
Surrounding Land Use and Zoning:	North	Retail and industrial uses; zoned B-2 and I-3 (PD), I-3	
	South	General commercial uses; zoned B-2	
	East	Industrial uses; zoned I-3	
	West	Multiple-family residential and general commercial uses; zoned R-4, RM-24, and B-2	
Comprehensive Plan Designation:	Industrial		

## CHRONOLOGY

Planning Commission:	10/27/2022	Study session scheduled
Council (projected):	11/14/2022	Study session anticipated

## STAFF CONTACT

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## PROPOSAL

As recommended in the Lyndale Avenue Suburban Retrofit Plan (adopted April 5, 2021), staff is considering a new transitional industrial zoning district to replace General Industry (I-3) zoning on parcels located between W 86<sup>th</sup> and W 92<sup>nd</sup> Streets along the east side of Lyndale Avenue. A map of the parcels within the proposed new district is shown on the following page and attached as Exhibit 1. Working from the list of uses currently allowed in the I-3 District, staff is considering modifications that will expand opportunities for building reuse and new buildings within the new

district by adding retail, limited residential, indoor recreation and entertainment and other uses. Working from the list of uses allowed in the I-3 zoning district, staff is also considering the extent to which uses that are less compatible with the Lyndale Avenue Suburban Retrofit Vision, such as warehousing, truck rental, and self-storage, should be restricted or modified.

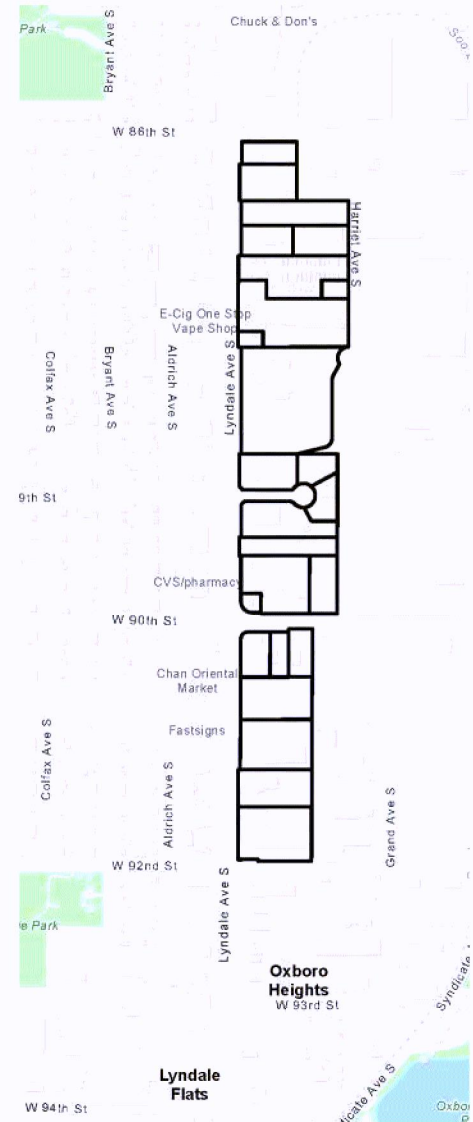
In addition to the use list for the new district, staff is considering new standards for building form and site design to guide development within the new district that reflects the urban design envisioned in the Lyndale Avenue Suburban Retrofit Plan. Examples of these new standards could include window requirements adjacent to Lyndale Avenue, reduced setbacks, and limiting parking to the side and rear of a new building.

Should the proposed uses described above be incorporated into the new district, the City must amend the 2040 Comprehensive Plan. Currently, the industrial land use category does not allow unrelated retail and residential.

## BACKGROUND

On April 5, 2021, the City adopted the Lyndale Avenue Suburban Retrofit Plan. Recognizing Lyndale Avenue as Bloomington's "main street," the purpose of the Plan is to guide and shape the future of the Lyndale Avenue corridor. The Plan articulates a vision for the corridor, informed by core principles and achieved through a set of strategic actions. Those actions emerged from a year-long community engagement process and analysis of the corridor's opportunities and challenges.

The Lyndale Avenue Suburban Retrofit Plan identifies two nodes at major intersections that are best positioned to catalyze improvements along the corridor: W 86<sup>th</sup> Street and W 98<sup>th</sup> Street. It offers redevelopment concept plans for each and the actions that the City must take to realize their implementation. The Retrofit Plan recognizes that its redevelopment concept plan for the 86<sup>th</sup> Street node is complicated by regulations that would prohibit certain types of uses that are integral to the Plan's vision, specifically retail and residential. It also identifies potential conflicts between some of the existing industrial uses within and near the study area and any possible residential use. To reconcile these issues and advance the Retrofit Plan's vision, new zoning, whether a new base district or overlay, is identified as a priority action for the 86<sup>th</sup> Street node.



## DEFINING THE AREA OR SUB-DISTRICT

### Zoning

The study area is primarily located along the east side of Lyndale Avenue between W 86<sup>th</sup> Street and W 92<sup>nd</sup> Street. It includes 25 properties, all zoned I-3 as shown in Exhibit 2 attached to the staff report. Per §21.206.03(a) of the Bloomington City Code, the General Industry (I-3) District is intended to “provide for areas of intense industrial development with potentially significant off-site impacts on a variety of site sizes, including manufacturing, processing, and assembly; warehouse and distribution; and large equipment supply and sales.” It goes on to warn that “such uses may require heavy truck and/or rail access.”

The Lyndale Avenue Suburban Retrofit Plan examined the I-3 District and identified the following challenges to the implementation of the Retrofit Plan’s vision:

- Residential uses are not allowed in I-3, except for the live-work use.
- Retail is significantly limited, leaving only incidental retail and wholesaling as the only options.
- Floor area ratio (FAR) is capped at 1.0, which complicates the type of multi-story development envisioned for Lyndale Avenue.
- The front yard setback for buildings is 30 feet, conflicting with the dense, urban character envisioned for Lyndale Avenue.

### Land Use

Land use within the study area is guided Industrial per the 2040 Comprehensive Plan. The Comprehensive Plan defines the Industrial land use category as follows:

**Industrial (IND):** This designation allows industrial uses including manufacturing and warehousing. Industrial uses are heavy generators of employment and truck traffic and should have locations that are served by arterial and collector streets and close to freeways. Office uses play an important support role in industrial areas and are allowed within this designation when integrated with an industrial use or as a stand-alone use. Unrelated commercial and residential uses, including auto sales, are not allowed in industrial areas so that they do not interfere with industrial activities.

Parcels in the study area are further categorized in the Comprehensive Plan as Transitional Industrial, as opposed to Protected Industrial. These two categories originate from an Industrial Obsolescence Study completed by staff that examined all industrially zoned or guided sites in the City against factors that contribute to industrial obsolescence. A map showing these designations in relation to the study area is shown in Exhibit 3 attached to the staff report. From that evaluation came the two industrial policy designations, Protected and Transitional. Their definitions are below:

*Protected industrial area* – These areas include properties where existing industrial uses remain viable. Properties in this area should remain zoned for industrial use and rezoning to non-industrial districts should be avoided.

*Transitional area* – These areas include an existing mix of uses and should remain zoned and guided industrial. However, the City would be open to considering a market driven guide plan and zoning changes, depending on the proposed land use, relationship to the surrounding land uses, and consistency with the comprehensive plan.

The study area currently features a mix of uses, some more industrial compared to others. For instance, there is manufacturing, warehousing, and auto-oriented services such as vehicle repair/maintenance, gas station, and carwash. Other uses include office, medical clinic, restaurant, and self-storage.

There are also retail activities occurring within the study area in several forms. § 19.03 defines “Retail Sales and Services” thusly:

*RETAIL SALES AND SERVICES.* An establishment primarily engaged in the sale or rental of goods and the provision of services directly to the consumer, excluding those uses defined more specifically in this code.

Uses that are strictly retail are not allowed in the I-3 District. Incidental retail, wherein the retail activity consumes only up to ten (10) percent of the floor area, is allowed as an accessory use. Also allowed are two other retail-related uses, wholesaling, and showrooms. Wholesaling is a permitted use in the I-3 district, whereas showrooms are allowed as an accessory use. They are defined as follows:

*SHOWROOM.* The display only of merchandise and equipment samples where a sales agreement with a consumer is conducted and delivery of purchased merchandise is made from an off-site warehouse. Merchandise or equipment which is displayed is typically large bulky items and includes, but is not limited to, furniture, appliances, plumbing fixtures, lighting, and carpeting.

*WHOLESALE.* An establishment primarily engaged in the sale of goods to retailers or other business users, or to other wholesalers and related subordinated services.

An issue with these uses and their definitions is enforcement. The distinction between retail and wholesaling is necessary regarding parking capacity and traffic. Because of the number of customers visiting daily, retail services generate more traffic and therefore require more parking to control that impact. Wholesaling, on the other hand, does not experience this level of traffic and therefore its impacts are comparably minimal. However, in practice, the distinction between the two uses can be difficult to enforce. Staff cannot monitor wholesaling operations that occasionally sell directly to consumers unless traffic and parking issues warrant staff’s attention. Including “Retail

Sales and Services” as a permitted use within the new district would address the conflict between retail and wholesaling.

Historically, the fact that retail was allowed on the west side of Lyndale Avenue between 86<sup>th</sup> Street and 92<sup>nd</sup> Street but was not allowed on the east side has led to confusion among property owners and tenants. Causing further confusion is the fact that there are instances of retail as a primary use within the study area despite it not being allowed in the I-3 District. Some of those retail establishments are legal, as they were approved by the City through a Conditional Use Permit (CUP) process when that option was available. Many years back, the I-3 District previously included a catch-all provision allowing any use as a conditional use. The need for these CUPs would be unnecessary with the inclusion of retail as an allowed use within the new district.

### **Physical Characteristics**

#### **Site Design and Building Form**

The following describes the current standards for the physical form of development for sites within the study area and subject to the I-3 district standards:

- No minimum lot area
- Minimum lot width – 100 feet
- Front setback – 30 feet
- Rear setback – 25 feet
- Side setback – 10 feet
- Maximum floor area ratio – 1.0
- Maximum building height – 4 stories/60 feet
- Minimum floor area – 3,000 square feet

The predominant development pattern in the area is large buildings surrounded by traffic lanes and/or parking. Most structures are single-story, but some are multi-story. Most of the buildings have a single occupant, but some have more than one tenant. The majority of structures are over 50 years old. Almost all buildings are fronted by parking.

#### **Access and Circulation**

Lyndale Avenue is the major road for vehicular traffic in the study area. Its functional classification is “A” Minor Arterial – Reliever. A vast majority of businesses in the study area are accessible only via Lyndale Avenue. Some of the sites have a secondary access from Harriet Avenue. Businesses located at the intersections of W 86<sup>th</sup> Street, W 90<sup>th</sup> Street, and W 92<sup>nd</sup> Street can rely on those streets for secondary access. In addition to regular vehicle traffic, many businesses, including those with access only from Lyndale Avenue, rely on semitrucks for pick-ups, supplies and delivery.

As for other modes of transportation, there are accommodations for transit and limited pedestrian infrastructure. Metro Transit operates Route 534, which makes three stops along Lyndale Avenue within the study area with a headway time of 60 minutes between each bus. Route 534 connects the study area with Normandale Community College and multiple other transit connections. A sidewalk lines both sides of Lyndale Avenue, but is substandard in spots with respect to width and lack of a

boulevard between the sidewalk and Lyndale Avenue. There is no formal infrastructure for bicycle use in the study area or anywhere along Lyndale Avenue.

#### Open spaces

No publicly accessible open spaces exist within the study area. Nearby open spaces include Bryant Park at W 85<sup>th</sup> Street and Bryant Avenue and Vanderbie Park at W 92<sup>nd</sup> Street and Bryant Avenue.

#### Urban Design

The study area can be described as auto-oriented by its current physical form and uses. Within its boundaries, there are six auto-related establishments with uses such as gas stations, vehicle repair, parking lots, and truck rental. Six other properties immediately about the study area that are also auto-related. There are 15 curb cuts along the Lyndale Avenue side of the study area, many of which lead to large parking lots fronting buildings and all of which represent points of conflict between automobiles and pedestrians or other users of the sidewalk. Along several stretches of Lyndale Avenue within the study area, the sidewalk immediately abuts the road providing no boulevard buffer, which compromises pedestrian safety and comfort. There are no boulevard trees, vegetation, or features to shade and cool pedestrians. Lyndale Avenue is a four-lane road that is heavily trafficked and therefore very loud for pedestrians. There are only two crosswalks within the study area that cross Lyndale Avenue and the distance between each is one half mile or 2,600 feet. And finally, many buildings are set very far back from the sidewalk behind traffic circulation lanes and parking, posing a barrier to the establishment of a pedestrian-friendly environment envisioned in the Lyndale Avenue Suburban Retrofit Plan.

#### Environmental Quality

The Lyndale Avenue Superfund Corridor is partially located within the study area on the block between W 90<sup>th</sup> Street and W 92<sup>nd</sup> Street, according to the Minnesota Pollution Control Agency (MPCA). The source of the contamination is the history of industrial activities that leached pollutants into the groundwater and soil within that part of Lyndale Avenue. Mitigation measures were installed in the year 2000 and groundwater and soil testing occur regularly. Contaminant vapors have been detected in the area, which may impact redevelopment. There are best practices recommended by MPCA to mitigate the impacts of contaminant vapors and mobilization of contaminants through stormwater infiltration. Those best practices were put to use in the case of Lyndale Flats, approved in 2019 and constructed in 2021.

## **RESEARCH**

#### **IL Industrial Living Overlay District – Minneapolis, MN**

The City of Minneapolis has an Industrial Living Overlay District (IL). According to the City's ordinance for that overlay district, it was established to "encourage the rehabilitation and reuse of existing industrial structures and to provide for limited residential and retail uses" in their light and medium industrial districts "where such uses are compatible with other uses in the area." Because it is an overlay district, it includes standards within the base zoning district. The bulk of its standards

are specific to permitted and conditional uses and there is minimal reference to building form or site design, opting for those standards within the base zoning district. It allows residential as a conditional use, but only where vibration, excessive dust, noise, light, glare, smoke, odor, truck traffic or other substance or condition does not compromise the residential use.

The value of the IL Overlay District in Minneapolis to the preparation of the transitional industrial zoning district contemplated in this staff report is limited but could be useful when formulating an appropriate list of uses. However, the IL Overlay is only applied in those areas of Minneapolis where heavy industrial uses are absent. For the IL Overlay to be applicable to informing the regulations of the transitional industrial zoning district, heavy industrial and other noncompatible uses could not be in proximity to the study area.

**Transit Oriented Development (TOD) District – Burnsville, MN**

The city of Burnsville adopted a Transit Oriented Development (TOD) District for an area southwest of State Highway 13 and Interstate 35. Of the uses allowed with the TOD District, it lists “light industrial,” which is considered to be small-scale assembly, disassembly, fabrication, manufacturing, cleaning, servicing, and packaging. This use may be located within a mixed-use building that also house residential.

Similar to the IL Overlay District in Minneapolis, this example envisions that some industrial uses may be compatible with residential provided activities from those industrial uses do not disrupt residential uses.

**NEW ZONING DISTRICT**

The Lyndale Retrofit Plan recommends a transitional industrial zoning district within the identified study area. This district is considered an intermediate district between the heavy industrial uses east of the study area and the general businesses along the west side of Lyndale. Staff is considering the following standards.

**Use Considerations**

The study area boasts an eclectic mix of uses that strengthen the Lyndale Avenue corridor. The new zoning district should maintain this attribute and build upon it with a list of uses appropriate for the corridor’s vision. The list of uses allowed in the I-3 Zoning District will form the basis of what is allowed in the new district. A majority of the I-3 uses are still compatible with the vision from the Lyndale Avenue Suburban Retrofit Plan. Staff is also contemplating whether to recommend restrictions or specific performance or structure standards on certain uses that are less compatible with the Retrofit Plan, such as warehousing, truck rental, and self-storage. Preliminary recommendations of uses to include in the new transitional industrial zoning district are found at the conclusion of the staff report in three groups: 1) new uses, 2) modified uses, and 3) prohibited uses. Under state law governing non-conformities, any existing use that is prohibited in the new zoning

district may continue indefinitely under new zoning unless they cease operation for at least 365 days.

As described above, the Retrofit Plan recommends uses that are necessary for achieving its vision, such as retail, residential, and cultural amenities like libraries, theaters, art galleries, etc. In addition to those uses, staff has identified indoor recreation and entertainment as another use that will help advance the vision for the area.

The inclusion of residential poses the most significant challenge to implementing the proposed zoning district. Conflicts between residential and industrial uses are easy to recognize due to the possibility of residential being compromised by industrial activities and the byproducts they generate, such as noise, odors, glare, and heavy truck traffic. Per §21.301.02(e), a standard for the I-3 District already requires a 100-foot setback from industrial buildings to the edge of properties with residential uses. This setback could create conflicts for existing industrial properties in proximity to the new zoning district if new residential uses were to be established. Further impacting industrial uses, Fire Codes limit the use of certain hazardous substances based on proximity to residential uses.

While not as challenging, another consideration for adding residential is how it would impact the land use guidance for the study area. As explained above, the area is guided Industrial, which does not allow “unrelated commercial and residential uses.” So, if both residential and retail were allowed uses in the study area, the City of Bloomington would need to amend the 2040 Comprehensive Plan. Staff plans to submit a Comprehensive Plan text amendment as part of future consideration of the transitional zoning district, or as part of another upcoming effort in advance of the district’s creation.

### **Site Design Standards**

As discussed above, all buildings in the I-3 District must be set back 30 feet from the front property line. For those structures that front along Lyndale Avenue, this negatively impacts the establishment of a “mixed-use, walkable main street” envisioned for the corridor in the Lyndale Avenue Suburban Retrofit Plan. It creates too much distance between pedestrians and buildings. As recognized in the Retrofit Plan, a shallower front setback paired with active ground floors could help establish a more pedestrian friendly character along the corridor and consequently lead to more foot traffic.

When contemplating the most appropriate site design standards, the City has many examples that can serve as templates to craft the new transitional industrial district. For instance, refer to Table 1 for structure setback standards in the B-4 and C-5 zoning districts.

Presently, parking and drive aisles surround structures in the study area. As the properties within the study area evolve to meet the mixed-use, walkable character envisioned for Lyndale Avenue, the location of parking will need to be reconsidered. § 21.301.02(f)(2) describes parking location standards for mixed-use development and prohibits its location between the building and front property line unless parking is located underground as well as other exceptions. These districts also



include restrictions or standards on the location of drive-through facilities that may be considered for the transitional industrial district.

**Table 1 – B-4 and C-5 Setback Standards**

<b><i>Zoning District</i></b>	<b><i>Along Public Street</i></b>		<b><i>Rear</i></b>	<b><i>Side</i></b>	<b><i>Abutting Property Used and Zoned Residential</i></b>
	<b><i>Minimum</i></b>	<b><i>Maximum</i></b>	<b><i>Minimum</i></b>	<b><i>Minimum</i></b>	<b><i>Minimum</i></b>
B-4	10 ft. (or width of required public easement)	40 ft.	15 ft: 30 ft. for buildings over 4 stories in height	10 ft.; 20 ft. for buildings over 4 stories in height	50 ft.
C-5	10 ft. (or width of required public easement)	20 ft.	20 ft.	20 ft.; 30 ft. for buildings over 4 stories in height	NA

Other mixed-use site design standards from § 21.301.02(f) should also be considered for the new district, such as the required amount of building frontage for interior and corner sites.

### **Structure Design Standards**

As mentioned above, most structures within the study area are over 50 years old. If any of them have outlived their utility and are considered for redevelopment, the new zoning district should have standards to cultivate the character and density of development described in the Lyndale Avenue Suburban Retrofit Plan.

The presence of buildings and how they interface with the pedestrian realm along Lyndale Avenue is important to the design vision of the area. Blank façades are adverse to a walkable street frontage. One consideration for establishing and reinforcing a walkable character is façade transparency and articulation. § 21.301.03 describes the structure design standards for buildings in the B-1, B-2, B-4, C-1, C-2, C-3, C-4, C-5, and LX Zoning Districts. That section is worth consulting for the new district as it provides standards related to window requirements for street-facing facades, building massing, entry design, pedestrian-related features, and exterior materials.

## **ENGAGEMENT**

The planning process for this project built off the engagement conducted for the Lyndale Avenue Suburban Retrofit Plan and augmented it through several engagement activities. To craft the engagement strategy, staff determined the correct level of participation to be “Consult” based on the engagement spectrum developed by the International Association of Public Participation. “Consult” means that the city acknowledges concerns about the planning process and its associated activities. It also establishes a promise to the public to inform them of the process and provide feedback about how public input was incorporated into the final product.

In line with that level of participation, staff employed several engagement strategies. One was the establishment of a Let's Talk Bloomington page that would serve as the primary vehicle for updating interested residents on the progress of the project and acting as an online repository of project-related information. On October 3, Staff also went door knocking within the study area to introduce the project to building tenants and owners within the area. To ensure that everyone was reached, staff also mailed information to property owners that could be shared with tenants. Staff then held two open house events, one in-person and the other virtual. Information for both events was made available online and mailed to businesses within the study area.

The in-person open house meeting was held on October 12 and attended by seven individuals affiliated with the buildings and businesses within the study area. Discussion focused on the purpose of the new zoning district and how its implementation would impact existing uses. Concern was expressed about businesses whose use would be made non-conforming should that use not be part of the new zoning district. Staff was present to engage these individuals, address their concerns, and discuss the rights of non-conformities considering zoning changes.

The virtual open house meeting was held the following day, October 13, and was attended by one person. Discussion focused on introducing the project to the attendee so they could pass that information onto the business they were representing.

Most attendees from these engagement events acknowledged and appreciated the work done for the Lyndale Avenue Suburban Retrofit Plan and its recommendations for a dense, walkable Lyndale Avenue that would include shopping and housing opportunities. Some expressed concerns about the pace of change and its disruption to their business. Staff communicated that plans described in the Retrofit Plan are a multi-year endeavor and that change would most likely be gradual and market driven.

## PRELIMINARY RECOMMENDATIONS

### Uses

Staff recommends that the list of uses for the new transitional industrial district mirror that of the I-3 District with several exceptions. The following list, some with additional explanation, shows which uses staff recommends adding, modifying, or removing:

#### 1) Added Uses

- a. **Multiple-family dwelling**, as a Conditional (C) use – Recommended as a conditional use to evaluate locational specific criteria to evaluate conflict with adjacent industrial uses.
- b. **State reviewed (licensed, registered, etc.) residential care facility**, as a Conditional (C) use for reasons similar to multiple-family residential use.

- c. **Cultural campus**, as a Conditional (C) use – The use mix of a cultural campus per its definition is consistent with the intent of the transitional industrial district in staff's judgment
- d. **Home business, Type I**, as a Permitted (P) use – Type I home business are allowed in multi-family districts and uses. Should multi-family residential be developed in the study area, it makes sense that they have the same allowance for Type I home businesses otherwise granted in other multi-family residential settings.
- e. **Community education or arts center**, as a Permitted (P) use – The Retrofit Plan supports additional community and cultural assets.
- f. **Library**, as a Permitted (P) use
- g. **Museum**, as a Permitted (P) use
- h. **Health club**, as a Conditional (C) use – Designation as such similar to B-2 zoning district.
- i. **Recreation and entertainment, indoor**, as a Permitted (P) use
- j. **Recreation and entertainment, outdoor**, as a Conditional (C) use
- k. **Restaurant, with drive-through (including drive-in)**, as a Conditional (C) use – While the Retrofit Plan calls for a more walkable and mixed-use development pattern, if drive-through can be accommodated within the rear of sites, it is possible that they be integrated without broader inconsistency with the Plan. As such, drive-throughs would be subject to site design standards, similar to the B-4 and C-5 zoning districts.
- l. **Artisan shop**, as a Permitted (P) use
- m. **Bank or financial institution**, as a Permitted (P) use – Banks are similar to an office or retail use.
- n. **Currency exchange**, as a Permitted (P) use
- o. **Retail sales and services**, as a Permitted (P) use
- p. **Showroom**, as a Permitted (P) use
- q. **Seasonal sales, outdoor**, as an Accessory (A) use – Adding greater opportunities for retail uses in the study area warrants consideration for outdoor seasonal sales as an accessory use.

## 2) Modified Uses

- a. **Convenience facility with fuel sales in existence prior to "(insert ordinance adoption date)"**, as a Conditional (C) use – Staff recommends that existing facilities as of the adoption date remain legal, but no new facilities be allowed in the study area. From staff's perspective, while the use is not a perfect fit for a mixed-use and walkable development area, it is permitted in the B-2 zoning district. As such, staff recommends that the existing facilities remain legal.

- b. **Service and/or fuel station in existence prior to "(insert ordinance adoption date)"**, as a Conditional (C) use – Staff recommends that existing facilities as of the adoption date remain legal, but no new service or fuel stations be allowed in the study area.
- c. **Truck or trailer rental in existence in existence prior to "(insert ordinance adoption date)"**, as a Conditional (C) use – Staff recommends that existing truck and trailer operations remain legal as of the adoption date, but no new facilities be allowed in the study area.
- d. **Vehicle repair, major in existence prior to "(insert ordinance adoption date)"**, as a Permitted (P) use – Staff recommends that existing vehicle repair facilities as of the adoption date remain legal, but no new repair facilities be allowed in the study area.
- e. **Vehicle repair, minor in existence prior to "(insert ordinance adoption date)"**, as a Permitted (P) use – Staff recommends this designation similar to major vehicle repair.
- f. **Auto body shop in existence prior to "(insert ordinance adoption date)"**, as a Permitted (P) use – Staff recommends this designation similar to major and minor vehicle repair.
- g. **Machinery & equipment repair, heavy in existence prior to "(insert ordinance adoption date)"**, as a Permitted (P) use – Staff recommends that existing heavy machinery repair facilities in existence as of the adoption date remain legal, but no new machinery repair facilities be allowed in the study area.
- h. **Manufacturing**, as a Permitted (P) use – Staff recommend that transitional industrial zoning district standards be developed for new manufacturing uses require that a certain proportion of ground floor area fronting along Lyndale Avenue be dedicated to office or other active uses.
- i. **Makerspace**, as a Permitted (P) use – Similar to manufacturing, staff recommends that new makerspace facilities or occupancies be permitted but dedicate a certain percentage to ground floor area along Lyndale Avenue. to uses that will better activate the streetscape.
- j. **Warehouse**, as a Permitted (P) use – Staff recommend that new warehouses be permitted, but subject to similar standards as manufacturing and makerspace facilities.

### 3) **Prohibited or Removed Uses**

- a. **Crematories** – Staff does not believe this use is consistent with the Retrofit Plan vision.
- b. **Place of assembly in existence prior to January 17, 2019 not to exceed 50% of building floor area** – There are no existing places of assembly in the study area. As such staff does not view this use as relevant to the new transitional industrial district.

- c. **Car wash adjacent to collector or arterial streets** – To staff's knowledge, there are no existing freestanding car washes in the study area. There are incidental car washes associated with other permitted uses. Staff recommends not allowing new freestanding cash wash facilities, as it is inconsistent with the Retrofit Plan.
- d. **Junk car disposal business (within the building and next to railroad tracks)** – Staff is not aware of existing junk car disposal businesses in the study area and does not recommend this use in the transitional industrial district.
- e. **Motor vehicle sales, Class I, Class II, and enclosed in existence prior to January 17, 2019** - Staff is not aware of any existing sales facilities in the study area and does not recommend this use for the new transitional industrial district.
- f. **Towing service** – Staff is not aware of towing operations in the study area and does not recommend inclusion in the new zoning district.
- g. **Vehicle rental facility** – Staff is not aware of vehicle rental facilities in the study area and does not recommend inclusion in the new zoning district.
- h. **Retail sales, heavy equipment** – Staff is not aware of heavy equipment sales in the study area and does not recommend inclusion in the new zoning district.
- i. **Data center** – There are no data centers in the transitional industrial study area, and the use is not consistent with the Retrofit Plan in staff's judgment.
- j. **Exterior storage as a primary use legally in existence prior to January 17, 2019** – Staff is not aware of existing exterior storage as a primary use in the study area and does not recommend inclusion in the new zoning district.
- k. **Firing Range** – Staff is not aware of an existing firing range in the study area. In addition, the study area is located within 1,000 feet of residential zoning districts in the area. As a result, the study area is not eligible for a firing range use. As such, staff does not recommend inclusion in the district.
- l. **Household hazardous waste** – There are no hazardous waste facilities in the study area to staff's knowledge. Staff does not recommend including of this use in the new district.
- m. **Recycling collection facilities** – There are no recycling collection facilities in the study area to staff's knowledge. Staff does not recommend including this use in the new district.
- n. **Self-storage facilities** – The performance standards for self-storage facilities do not allow them in the Lyndale Avenue Suburban Retrofit planning area boundary (see Sec. 21.302.16(f)(A)(iii) of the City Code). As such, staff does not recommend this use be included in the new zoning district.
- o. **Sexually-oriented businesses** – These businesses are not permitted to be located closer than 500 feet to residential use districts, a standard that would conflict with most locations within the study area. As such, staff does not recommend including this use in the new district.

- p. **Solid waste transfer facilities** – There are no transfer facilities in the study area to staff's knowledge. Staff does not recommend including this use in the new zoning district.

All uses are defined in Section 19.03 of the City Code. In addition to the numbered inventory of uses proposed to be added, modified, or removed to the new transitional industrial district based upon the uses allowed in the I-3 zoning district, staff has also prepared an exhibit showing a concept use table with relevant land uses in relation to the I-3 and transitional industrial district. The concept use table is attached to the staff report as Exhibit 4. Uses added to the transitional industrial district are highlighted in green, modified uses are highlighted in orange, and prohibited or removed uses are highlighted in red.

These use designations are intended to serve as a preliminary recommendation to stimulate discussion and guidance from the Planning Commission and City Council.

### **Site Design Standards**

In thinking through appropriate site design standards for the transitional industrial zoning district, there are multiple existing zoning districts and associated standards that could be modeled to achieve the goals of the Retrofit Plan. More specifically, the B-4, C-5, and LX zoning districts include relevant standards that may serve as a guide (see Sec. 21.302.02(f)). Relevant standards to encourage a more urban and walkable development pattern in the area include the following:

- **Structure Setbacks** – The mixed use zoning districts in the Bloomington Zoning Code typically include both a minimum and maximum structure setback along streets. All three mixed use districts have a minimum setback of ten feet, or the width of the required public easement. The minimum setback is established simply to ensure adequate areas for public infrastructure, including public sidewalks, which are typically located within the easement. The maximum structure setbacks of these districts are established to ensure the building is close to the street and are as follows: B-4: 40 feet, C-5: 20 feet, and LX: 20 feet. The standards for the B-4 district allow greater flexibility or variability, whereas the standards for the C-5 and LX districts are more rigid to ensure greater uniformity of urban design. In both cases, it would be unlikely or unfeasible to establish circulation or surface parking in front of a structure.

Given the variation of structure setbacks that currently exist along Lyndale Avenue., meeting the setback standards of the B-4 district are more achievable. In addition, establishing a maximum setback of 40 feet would result in some buildings within the study area that were established at the I-3 minimum setback of 30 feet remaining in a state of conformance. Finally, allowing for a 40-foot maximum setback may provide opportunities for street activation by creating space for patios, plazas, or landscaped entries. The downside of the B-4 approach is structures could be further away from the public sidewalk network, thereby creating a slightly less walkable or connected built pattern. Either

approach would represent an improvement over the existing I-3 standards to create a more walkable “main-street” environment.

- **Parking Placement** – The City’s mixed-use districts do not allow surface parking to be located between a building and a street. This standard aligns with the required structure setbacks. Most of the properties within the study area would not conform to this standard, as many sites have front-field parking. If such a standard were adopted for the Lyndale transitional industrial zoning district, staff would recommend that it be focused solely on Lyndale Avenue, as subjecting corner sites to this provision along their east-west frontages would create greater nonconformity. For reference, parking and drive aisles are considered site characteristics. Nonconforming site characteristics are allowed to remain unless they are destroyed/removed or there is redevelopment or expansion of floor area by 25% or greater. If sites were to be redeveloped or significantly expanded, it would be required that parking nonconformities be made conforming if said parking placement standard was adopted.
- **Street Enclosure** – The mixed use zoning district also includes a street enclosure standard, wherein primary and secondary street frontages must have a minimum amount of enclosure by buildings or other vertical elements. As the transitional industrial zoning district is focused on Lyndale Avenue., staff would recommend an enclosure rule be adopted solely towards Lyndale. The standard can match the primary frontage standard, but likely would reside in district specific standards due to the focus only being on one street frontage. Staff would not recommend an enclosure standard apply to secondary frontages in the study area.
- **Drive-Through Standards** – If uses are allowed that typically involve drive-through facilities, such as a restaurant or bank, staff recommends limitations on where a drive-through is allowed on a site. Drive-throughs in B-4 or C-5 are not allowed to be sited in between a building and a street. Staff recommends this standard be applied to Lyndale Avenue. In addition, staff recommends a maximum number of drive-through lanes be capped at one in the transitional industrial district, similar to the B-4, C-3, C-5, and LX zoning districts. Given that the area is intended to have a more walkable “main-street” development pattern, allowing drive-throughs along Lyndale, as well as multiple drive-through lanes, is not recommended.

Through the adoption of these standards, specific to structure placement and orientation towards Lyndale Avenue., future development in the study area would be more consistent with the vision of the Retrofit Plan. Development should be in close proximity to Lyndale Avenue., connected to the public sidewalk network, and ideally involve elements that further activate the public realm along the corridor.

### **Structure Design Standards**

There are multiple elements pertaining to structure standards, both bulk and design in nature, that must be considered for the new transitional industrial zoning district. City Code sections to

reference include both development intensity and site characteristics standards (Sec. 21.301.01) and structure design standards (Sec. 21.301.03). Discussion of these elements are as follows:

- **Floor Area Ratio (FAR)** – The I-3 zoning district does not have a minimum FAR, but does establish a maximum FAR of 1.0. While staff is comfortable without a minimum FAR for the new district given the varied mix of uses, Staff would recommend establishing a higher maximum FAR for development with residential uses like the B-4 zoning district. Staff recommends a maximum FAR of 2.0 in this scenario.
- **Minimum Building Floor Area** – Staff recommends a minimum building floor area for the new transitional industrial zoning district of 3,000 square feet except allowing 2,000 sq. ft. for restaurants. The minimum building floor area in the I-3 zoning district is 3,000 sq. ft. for reference.
- **Ground Level Window** – Staff recommends that the ground level (between two feet and ten feet) of building facades facing Lyndale Avenue. have a minimum of 50% transparent windows. This standard is modeled after requirements in the other mixed use zoning districts (B-4, C-5, and LX).
- **Blank Facades and Building Massing** – Staff recommends adding blank façade and building massing elements like those in the existing general structure design standards (see Sec. 21.301.03(a)(1) and (2)) to the new transitional industrial zoning district. These requirements would ensure that larger buildings fronting Lyndale Avenue. would include some architectural variation and avoid blank facades.

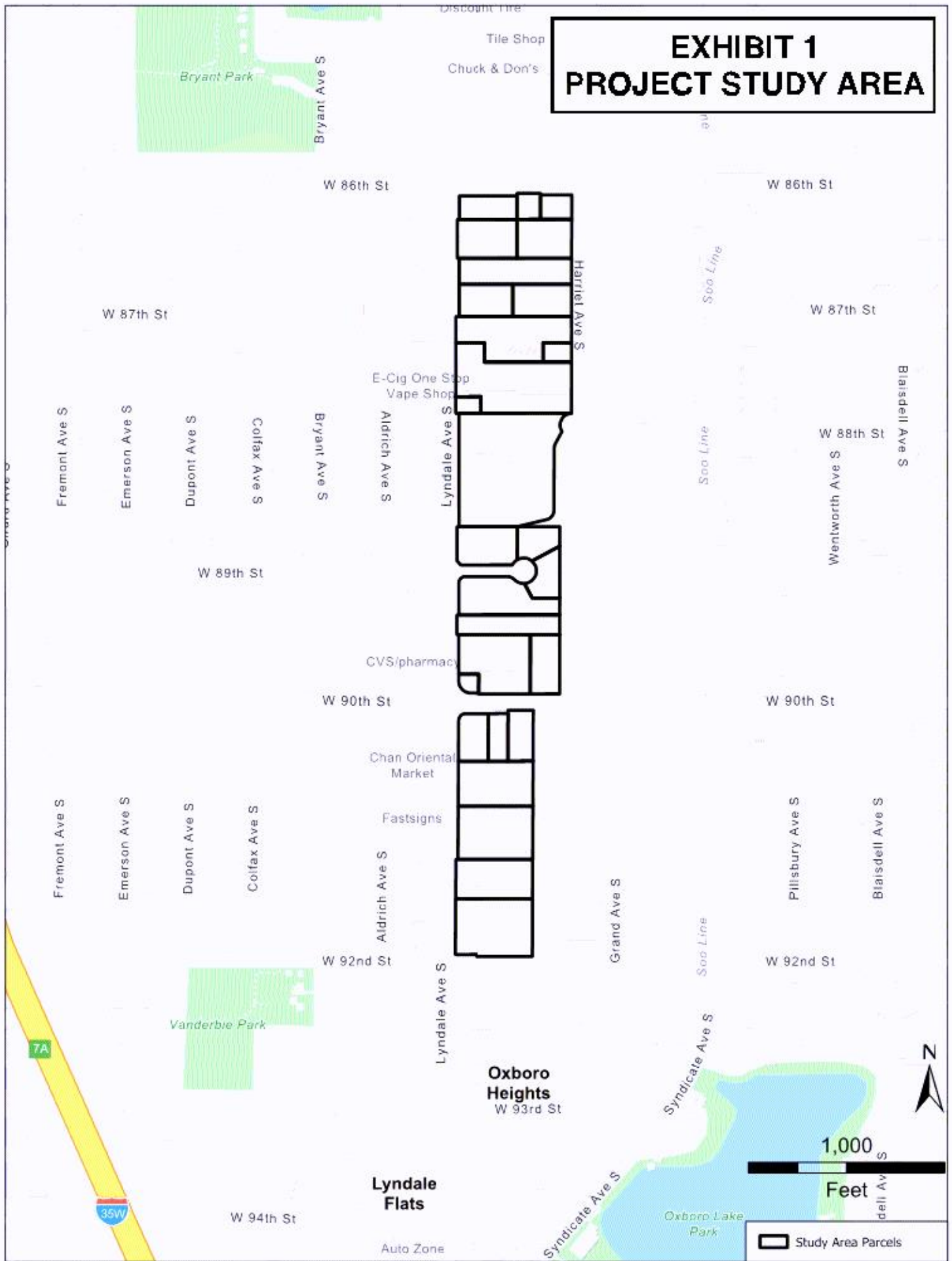
Staff recommends adding structure bulk and design standards that are in keeping with the intent of the Retrofit Plan. As opposed to other mixed use zoning districts where standards can be grouped under general development provisions, some of the design standards for the transitional industrial zoning district may need to be written as district specific standards given that the emphasis or focus of these provisions is centered on one primary street – Lyndale Avenue.

### Next Steps

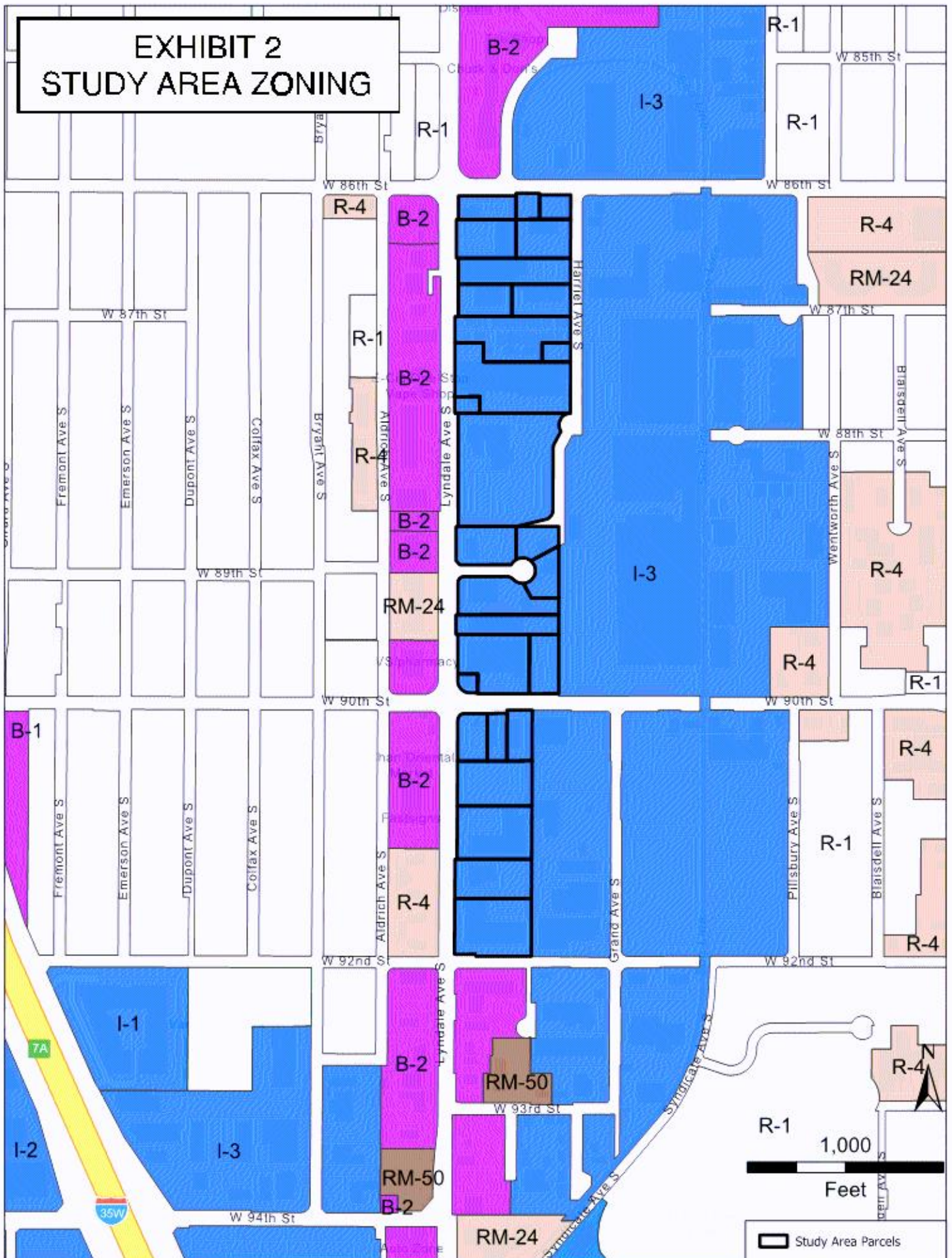
Staff is seeking feedback on the direction and structure of the new transitional industrial zoning district. Once the Planning Commission and City Council provide policy guidance on the key provisions of the new transitional zoning district, staff can embark on writing and developing the standards to create the new district. Staff would recommend rezoning the properties in the study area as part of a parallel track process to the development of the standards. As such, the required public hearing would be held at the Planning Commission and City Council meetings. Staff would anticipate that this process would unfold in December of 2022 through January or February of 2023. Staff will also continue to evaluate the best methods to engage with the property owners and tenants in the study area so they can continue to be consulted during the process.



# EXHIBIT 1 PROJECT STUDY AREA






# EXHIBIT 2 STUDY AREA ZONING





# EXHIBIT 3 PROTECTED AND TRANSITIONAL INDUSTRIAL AREAS

## Industrial Strategies

-  Protected Industrial Area
-  Transitional Area - Reguiding and Rezoning Considered Case by Case
-  Study Area

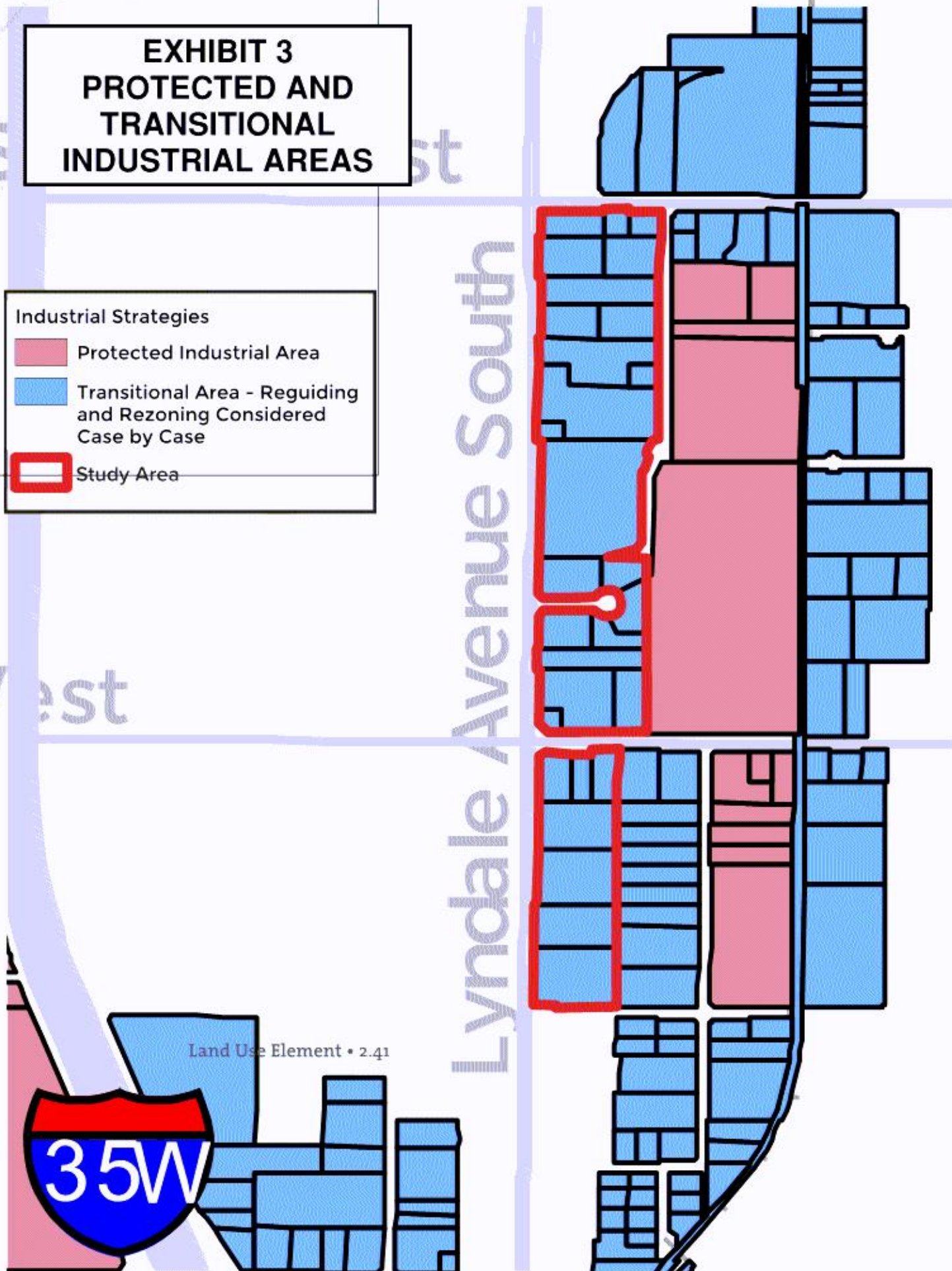


Exhibit 4 - Transitional Industrial Zoning District Use Analysis					
Use Type	Zoning District		References	Legend	
	I-3	TI			
RESIDENTIAL				I-3	General Industrial
Residences				TI	Transitional Industrial
Multiple-family dwelling		C	21.302.09		Added Use
Work/live unit	C	C	21.302.30		Modified Use
Dwelling for watchman	A	A			Prohibited Use
Congregate Living					
State reviewed (licensed, registered, etc.) residential care facility		C	21.302.23, M.S. 144G, 245A.11, 245D, 462.357		
City licensed congregate living facility serving five or more persons			21.302.06, 21.302.24		
Cultural Campus		C			
Dormitory			21.302.06		
Other Residential					
Home businesses, Type I		P	21.302.13		
Home businesses, Type II			21.302.13		
Customarily incidental feature	A	A			
GOVERNMENT, INSTITUTIONAL, OPEN SPACE					
Educational Facilities					
Day care facility (with no exterior signage)	A	A	21.302.06, 21.302.27		
College or university			21.302.06, 21.302.25		
Instructional center	C	C			
Schools (K-12)					
Sports training facility	C	C			
Parks and Open Space					
Community Garden	L	L			
Parks and Open Space	P	P			
Public Services and Utilities					
Government facility, general	P	P	21.302.06		
Government facility, limited	P	P	21.302.06		
Public utility facility, general	P	P	21.302.06		
Public utility facility, limited	P	P	21.302.06		



Exhibit 4 - Transitional Industrial Zoning District Use Analysis					
Use Type	Zoning District		References	Legend	
	I-3	TI			
Social and Cultural Facilities				I-3	General Industrial
Community education or arts center		P		TI	Transitional Industrial
Conservatory					Added Use
Convention center					Modified Use
Crematories	P		21.302.20		Prohibited Use
Library		P			
Museum		P			
Place of assembly in existence prior to January 17, 2019 not to exceed 50% of building floor area	C		19.63, 21.302.06		
Social service distribution facility	P	P			
OFFICE AND RETAIL/SERVICES					
OFFICE					
Office, general, medical, or dental	P	P			
RETAIL					
Accommodations					
Hotel/motel					
Hotel/motel in existence prior to January 17, 2019.					
Bed and breakfast					
Transient lodging within a residential dwelling unit					
Medical Facilities					
Laboratory, medical or dental	P	P			
Hospital					
Motor Vehicle Services					
Car wash adjacent to collector or arterial streets	C				
Convenience facility with fuel sales	C		21.302.15		
Convenience facility with fuel sales in existence prior to "insert adoption date"		C			
Integrated fuel sales					
Service and or fuel station	C		21.302.15		

Exhibit 4 - Transitional Industrial Zoning District Use Analysis					
Use Type	Zoning District		References	Legend	
	I-3	TI			
Motor Vehicle Services Cont.				I-3	General Industrial
Service and or fuel station in existence prior to "insert adoption date"		C	21.302.15	TI	Transitional Industrial
Junk car disposal business (within building and next to railroad tracks)	C		21.302.31(e)		Added Use
Motor vehicle sales, Class I, Class II, and enclosed in existence prior to January 17, 2019	C				Modified Use
Motor vehicle sales, Class III	C	C			Prohibited Use
Motor vehicle sales, Class IV	P	P			
Motor vehicle parking lot	C	C			
Remote airport parking					
Truck or trailer rental	C				
Truck or trailer rental in existence prior to "insert adoption date"		C			
Towing service	C				
Towing service prior to "insert adoption date"		C			
Vehicle repair, major	P				
Vehicle repair, major in existence prior to "insert adoption date"		P			
Vehicle repair, minor	P				
Vehicle repair, minor in existence prior to "insert adoption date"		P			
Auto body shop	P				
Auto body shop in existence prior to "insert adoption date"		P			
Car care center in existence prior to January 17, 2019					
Vehicle rental facility (less than 35 vehicles)	C		19.63.07		
Recreation and Entertainment					
Health club		C			
Health club, adjacent to arterial or collector road and not exceeding 50% building floor area	C	C			
Recreation and entertainment, indoor		P			
Recreation and entertainment, outdoor		C			

Exhibit 4 - Transitional Industrial Zoning District Use Analysis					
Use Type	Zoning District		References	Legend	
	I-3	TI			
Recreation and Entertainment Cont.				I-3	General Industrial
Studio, audio or video	P	P		TI	Transitional Industrial
Restaurants and Food Service					Added Use
Catering business, major	P	P	21.302.19		Modified Use
Catering business, minor	P	P	21.302.19		Prohibited Use
Private food service	A	A			
Restaurant, with drive-through (including drive-in)		C	21.301.05, 21.302.19		
Restaurant, with outdoor or rooftop seating, or both	C	C	21.302.19		
Restaurant, without drive-through and without outdoor or rooftop seating	P	P	21.302.19		
Brewpub	C	C	Chapter 13 Article III, Chapter 14 Article I, 21.302.29		
Taproom/cocktail room	C	C	Chapter 13 Article III, Chapter 14 Article I, 21.302.29		
Self-brewing facility	C	C			
Retail Sales and Services					
Artisan shop		P			
Bank or financial institution		P			
Financial institution - limited	L	L			
Body art establishment			14.376 to 14.390.01		
Currency exchange		P	14.159 to 14.165		
Exterminating shop					
Firearm sales			21.302.11		
Pawn shops			14.287 to 14.295.08		
Pet services facility	C	C	21.302.28		
Retail sales, heavy equipment	C				
Retail sales, incidental up to 10% of floor area for products manufactured onsite	A	A			
Retail sales, incidental to hotel or office - general, medical or dental	A	A			
Retail Sales and Services		P			
Showroom	A	P	21.302.32		
Therapeutic massage enterprise			14.259 to 14.275		



Exhibit 4 - Transitional Industrial Zoning District Use Analysis					
Use Type	Zoning District		References	Legend	
	I-3	TI			
Technology and Manufacturing				I-3	General Industrial
Craft and micro-brewery/distillery/winery	P	P	Chapter 13 Article III, Chapter 14 Article I, 21.302.29	TI	Transitional Industrial
Brewery, regional/national	P	P	Chapter 13 Article III, Chapter 14 Article I, 21.302.29		Added Use
Data Center	C		21.302.35		Modified Use
Low impact, high-technology manufacturing	P	P			Prohibited Use
Machinery & equipment repair, heavy	P				
Machinery & equipment repair, heavy in existence prior to "insert adoption date"		P			
Machinery & equipment repair, light	P	P			
Manufacturing	P	P			
Makerspace	P	P			
Printing and Publishing	P	P			
Research laboratories	P	P			
Warehousing	P	P			
Wholesaling	P	P			
GENERAL					
Accessory					
Accessory building	A	A	21.301.19		
Antenna, outside the right-of-way	L	L	19.63.05		
Fuel pump, private	A	A			
Helistop	CA	CA			
Hotel airport parking					
Tower, outside the right-of-way	C	C	19.63.05		
Tower or antenna in the right-of-way	P	P	17.70(d)		
Other uses customarily incidental and clearly subordinate to a permitted principal or conditional use	A	A			
Agriculture					
Agriculture, limited					
Agriculture, indoor	C	C	21.302.05		
Beekeeping	L	L	12.116, 21.302.05		



Exhibit 4 - Transitional Industrial Zoning District Use Analysis				
Use Type	Zoning District		References	Legend
	I-3	TI		
Miscellaneous				I-3 General Industrial
Dry cleaning and laundry processing	C	C		TI Transitional Industrial
Excavation and removal of soil and mineral products				Added Use
Exterior storage as a primary use				Modified Use
Exterior storage as a primary use legally in existence prior to January 17, 2019	C			Prohibited Use
Exterior storage, incidental	P	P	21.301.16	
Firing range	C		14.82-14.84 21.302.11	
Gravel crushing and bituminous treatment plants				
Household hazardous waste	C		21.302.31	
Railroad lines and spurs	C	C		
Recycling collection facilities	C		21.302.31	
Self-storage facilities	C		21.302.16	
Sexually-oriented businesses	P		Chapter 19, Article VIII	
Solid waste transfer facilities	C		21.302.31	
<b>TEMPORARY/SEASONAL</b>				
<b>Seasonal Uses</b>				
Seasonal Sales, Outdoor		A		
<b>Special Events</b>				
Entertainment and recreation special events	P	P	14.61	
Farmers market	P	P	Chapter 14, Article IX	
<b>Temporary Uses</b>				
Mobile food unit	P	P	21.302.18, Chapter 14 Article V	
Temporary retail sales, donated items	P	P	14.61, 21.302.33	
Transient merchant sales (interior to hotels)			14.180 to 14.192	
Temporary Pandemic, Epidemic, or Emergency Service Facility	I	I	21.302.34	