

GENERAL INFORMATION

Applicant:	City of Bloomington																	
Location:	<div>1) Specific lots zoned B-2 along the West side of Lyndale Ave S between W 86th St and Halsey Lane (“86th Street Node”)</div> <div>2) Specific lots zoned B-2 near the intersection of W 98th St and Lyndale Ave S and those lot north of 98th to Progressive Rail line (“98th Street Node”)</div>																	
Request:	Consider Resolution to Initiate rezoning of multiple lots from General Commercial (B-2) to Commercial Center (B-4) around the Lyndale Ave intersections with W 86th St and W 98th St																	
Existing Land Use and Zoning:	<div>86th Street Node – Gas station, vehicle repair, pawn shop, currency exchange, restaurant, retail, office, pet services</div> <div>98th Street Node – Bank/credit union, restaurant, motor vehicle sales, retail, office, parking lot, daycare</div>																	
Surrounding Land Use and Zoning:	<div>86th Street Node</div> <table><tr><td>North</td><td>Townhomes and single-family dwellings; zoned R-1</td></tr><tr><td>West</td><td>Single and multiple-family dwellings; zoned R-1, R-4</td></tr><tr><td>South</td><td>Multiple-family dwelling; zoned RM-24</td></tr><tr><td>East</td><td>Restaurant, office, industrial, self-storage; zoned TI</td></tr></table> <div>98th Street Node</div> <table><tr><td>North</td><td>Rail corridor, multiple-family dwelling; zoned R-1, B-2, I-3</td></tr><tr><td>West</td><td>I-35W</td></tr><tr><td>South</td><td>Multiple-family dwelling, place of assembly, retail, restaurant; zoned R-1, B-4</td></tr><tr><td>East</td><td>Multiple-family dwellings, clinic, auto repair; zoned RM-24, B-2, RM-50</td></tr></table>		North	Townhomes and single-family dwellings; zoned R-1	West	Single and multiple-family dwellings; zoned R-1, R-4	South	Multiple-family dwelling; zoned RM-24	East	Restaurant, office, industrial, self-storage; zoned TI	North	Rail corridor, multiple-family dwelling; zoned R-1, B-2, I-3	West	I-35W	South	Multiple-family dwelling, place of assembly, retail, restaurant; zoned R-1, B-4	East	Multiple-family dwellings, clinic, auto repair; zoned RM-24, B-2, RM-50
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Comprehensive Plan Designation:	86 th Street Node	General Business (GB)																
	98 th Street Node	Community Commercial (CC), Public (PUB)																

CHRONOLOGY

Planning Commission:	06/22/2023	Study session held
City Council:	07/10/2023	Discussion scheduled

STAFF CONTACT

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PROPOSAL

As recommended in the Lyndale Avenue Suburban Retrofit Plan (adopted April 5, 2021) and included in the 2023 Planning Commission Work Plan, this item will discuss a potential amendment to the City's zoning map to rezone a total of 28 parcels located near the Lyndale Avenue intersections with W 86th St and W 98th St from the B-2 Zoning District to B-4. A map of the parcels under consideration is shown on **Exhibit A**. This proposal does not include changes to existing overlay districts within the area under consideration.

BACKGROUND

The proposal advances the vision of prior City-led initiatives focused on Lyndale Ave. 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 Retrofit Plan is to guide and shape the future of the Lyndale Avenue corridor. It identifies two nodes at major intersections that are best positioned to catalyze improvements along the corridor: W 86th Street and W 98th Street. Images of both nodes are shown in **Exhibit B**. The Retrofit Plan offers redevelopment concept plans for each node and the actions that the City must take to realize their implementation. For both node areas, the Retrofit Plan identified the B-2 Zoning District as inconsistent with the vision for Lyndale Ave as multi-modal and pedestrian friendly. As such, it recommended that the City rezone properties zoned B-2 to B-4, which supports a form of development and an urban design more conducive to the Retrofit Plan's vision.

The proposal also aligns with earlier actions. Prior to the Retrofit Plan, the City adopted the 98th Street Station Area Plan and Comprehensive Plan in 2019. Both plans envision more transit supportive development, mixed uses, and higher densities on parcels around the Lyndale-98th Street intersection. In line with these plans, the City rezoned eight parcels around the intersection in March 2019 from B-2 to B-4. Those specific parcels are identified in **Exhibit C**.

ANALYSIS

Land Use

Land uses vary across the parcels under consideration in this proposal. Parcels within the area are listed in **Exhibit D** along with their existing land use and land use guidance per the Bloomington 2040 Comprehensive Plan. Existing land uses are color coded based on the conformity with B-4 standards, **GREEN** indicating conformity and **ORANGE** nonconformity. Nonconformity is discussed later in this staff report.

From **Exhibits D and E**, parcels under consideration are either guided General Business (GB), Community Commercial (CC), or Public (PUB). Per the 2040 Comprehensive Plan, “General Business” includes retail and service uses such as neighborhood supermarkets, small shopping centers, drug stores, restaurants, gas stations, and office. “Community Commercial” allows all General Business activities plus additional, larger scale service and retail uses. “Public” applies to areas set aside for public uses, which includes parks, schools, fire stations, municipal buildings, libraries, and open space.

Only one parcel in the project area is guided Public, which is located at 9830 Aldrich Ave S and currently hosts a transit station and park-and-ride lot for several bus services and lines. While there are no firm plans for redeveloping that property, ideas for the property’s redevelopment explored by Metro Transit include vertical residential development above park-and-ride facilities and some ground floor retail. Once redevelopment plans are proposed, the City of Bloomington should consider regarding this parcel accordingly.

Other than the Public land use category, Community Commercial and General Business allow residential uses, but only when allowed in the underlying zoning district. Both also have high access requirements for residential, which means it is most appropriate on land adjacent to arterials or collectors. Lyndale Ave and 98th Street are classified as arterial roadways and 86th Street is a collector roadway.

Zoning

All parcels under consideration for this proposal are currently zoned General Commercial (B-2), as shown in **Exhibit F**. Per § 21.204.01 of the Bloomington City Code, the B-2 District is designed to provide for a wide variety of retail and other commercial uses essential to support surrounding neighborhoods. The B-2 District provisions are intended to accomplish two goals: (1) ensure that locations distributed throughout the city are available for needed retail and commercial uses, including auto-oriented uses; and (2) provide flexible building and parking placement standards to serve a variety of use types and parcel sizes.

The proposal considers rezoning those parcels to Neighborhood Commercial Center (B-4). The B-4 District is defined in § 21.204.03, which describes it as designed to provide for neighborhood-scale

commercial and residential mixed uses configured in a pedestrian-friendly manner. Its provisions are intended to do the following:

- Promote an attractive streetscape through building placement and design;
- Restrict incompatible uses including gas stations, auto repair and car washes;
- Ensure development is easily accessible by foot or bicycle;
- Reduce the visual impact of parked vehicles by requiring the placement of vehicle parking areas to the side or rear of buildings;
- Create opportunities for residential uses when mixed with commercial uses; and
- Promote a balance of retail, service, dining, medical office and residential uses which serve and complement surrounding neighborhoods.

Comparing these two zoning districts, the B-4 District exhibits characteristics that better align with the vision of the Retrofit Plan than the B-2 District, such as a higher floor area ratio, parking restricted to the side or rear of buildings, prohibition of drive lanes fronting buildings, allowance for residential uses when mixed with commercial, and a maximum streetside setback. These and other standards for the two districts are compared in Table 1 below. If the properties were rezoned to the B-4 District, future expansions or redevelopment would be subject to these standards that are better aligned with the vision of the Retrofit Plan.

Table 1: Comparison of standards for zoning districts B-2 and B-4

Standard	B-2 General Commercial	B-4 Neighborhood Commercial
FAR	Min: N/A Max: 0.5	Min: 0.2 Max: 0.5; 2.0 with residential
Building Floor Area	Min: 3,000 sf (2,000 sf for restaurants)	Min: 4,000 sf
Impervious Surface Area	Max: 90%	Max: 95%
Parking Placement Relative to Building	NA	Parking to side or rear of the building
Window Requirements Along Streets	No	Yes
Site Width	Min: 100 ft; 150 ft for corner sites	Min: 150 ft; 200 ft for corner sites
Site Area	Min: 25,000 sf	Min: 40,000 sf
Setbacks Along		
Public Street	Min: 35 ft Max: N/A	Min: 10 ft (or width of public easement)

Standard	B-2 General Commercial	B-4 Neighborhood Commercial
		Max: 40 ft
Rear	Min: 15 ft	Min: 15 ft; 30 ft for buildings over 4 stories
Side	Max: 10 ft	Max: 10 ft; 20 ft for buildings over 4 stories
Abutting Residential	Min: 50 ft	Min: 50 ft

Plan Development (PD) Overlay

Five of the 28 parcels under consideration were rezoned to the Planned Development (PD) overlay district when they were developed. The proposed rezoning to B-4 would not remove or alter the PD overlay district. However, if any site redevelops or changes its current building footprint, the new structure would be required to conform to the new B-4 District standards or seek flexibility through the PD amendment process.

Nonconformity

The conformity of lots within the subject area is relevant to this proposal. Some lots under consideration will become nonconforming by reason of their use, lot characteristics, and/or building design. Nonconformity is established on a lot when it does not meet the standards of its zoning district or other standards described in City Code. Per § 21.504, if that characteristic was established and received all required approvals, then it is deemed a legal nonconformity. According to Minnesota Statute § 462.357, subd. 1e, a legal nonconformity may be continued with any necessary approvals, including through repair, replacement, restoration, maintenance or improvement, but not including expansion. Therefore, if the proposed rezoning were adopted, the uses would be allowed to continue indefinitely but not expand. It should be added that status of legal nonconformity runs with the land and is not tied to any specific property owner. For example, a legally nonconforming use may continue when transferred from one property owner or operator to another.

Exhibit D shows lots with nonconforming uses highlighted in **ORANGE**; those conforming are highlighted in **GREEN**. The status of uses within the area under consideration for the B-2 and B-4 Districts is compared in Table 2.

Table 2: Comparison of uses for the B-2 and B-4 Districts

Uses	B-2 General Commercial	B-4 Neighborhood Commercial
Office, general, medical, or dental	Permitted	Permitted
Retail	Permitted	Permitted
Residential	No	Accessory (min non-residential)

Uses	B-2 General Commercial	B-4 Neighborhood Commercial
		of 0.1 FAR required on site)
Restaurant with drive-though	Conditional	Conditional (single lane drive-through, not street side)
Restaurant without drive-though	Permitted	Permitted
Bank/credit union with or without drive-through	Permitted	Permitted
Daycare	Conditional	Conditional
Vet Clinic	Conditional	Conditional
Car Wash	Conditional	Prohibited
Gas Station	Permitted	Prohibited
Pawn Shop	Conditional	Prohibited
Currency Exchange	Permitted	Prohibited
Auto Repair	Conditional	Prohibited
Auto Dealers (Class I and II)	Prohibited	Prohibited
Auto Dealers in existence prior to January 1, 2010	Permitted	Prohibited

ENGAGEMENT SUMMARY

Engagement for the project kicked off in early May. Prior to that, 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 the City acknowledges concerns about the planning process and its associated activities. It also promises to inform the public 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 establishing a Let’s Talk Bloomington page that would provide updates on the progress of the project and host project-related information. In early May, staff sent mailers to property owners within the subject area to notify them of the proposal and advertise upcoming engagement events. On May 11, staff visited each property under consideration to hand out more information and speak with available property owners or representatives.

Following mailed notification and in-person site visits, two open house events were held later in May. On May 23, staff hosted a virtual open house, but there were zero attendees. On the following day, staff held an in-person open house at City Plaza with three attendees. Each attendee requested more information about the project, but did not provide any additional commentary at that time. Staff will continue to engage with property owners, businesses, tenants, and other interested parties to answer their questions and provide additional information.

Staff received emails from several property owners or their representatives. Each had questions about the proposal, but none expressed support or opposition.

PLANNING COMMISSION STUDY SESSION

Staff presented the proposal as a study item at the Planning Commission's June 22 meeting. After presenting the proposal, Planning Commission members had several questions for staff. One question asked about the parameters of nonconformity using a hypothetical of a legal nonconforming business whose structure was rebuilt as the first floor of a multistory structure with a conforming use above. In that instance, as long as the legal nonconformity did not expand and its structure was substantially equivalent to the original, then that use would be compliant with nonconformity standards and could continue. There was another question related to the level of response from affected properties to the proposed rezoning. Staff received questions from three properties, but none opposed the proposal. Staff was asked, if there is a strong majority of properties against the proposal, how would that impact the decision to pursue the rezoning. The proposed rezonings are a key task described in the Retrofit Plan and are therefore a policy decision that should be considered by the City Council. A final set of questions related to the vision of Lyndale Ave S, specifically asking what the plans are for restriping/rebuilding Lyndale and how does the proposal fit within the implementation of the Retrofit Plan. Staff responded that, while there are no firm plans for restriping or rebuilding Lyndale Ave, staff is meeting regularly to discuss next steps to implement the Retrofit Plan. The B-2 to B-4 rezoning proposal is the last rezoning project for the Retrofit Plan. The next step to consider is a corridor study of Lyndale Ave to develop more detailed plans for reconstructing or repurposing the right-of-way. Outside of the right-of-way, the City may want to consider studying "brownfields" on private properties to address contaminated sites and identify limitations to redevelopment.

NEXT STEPS

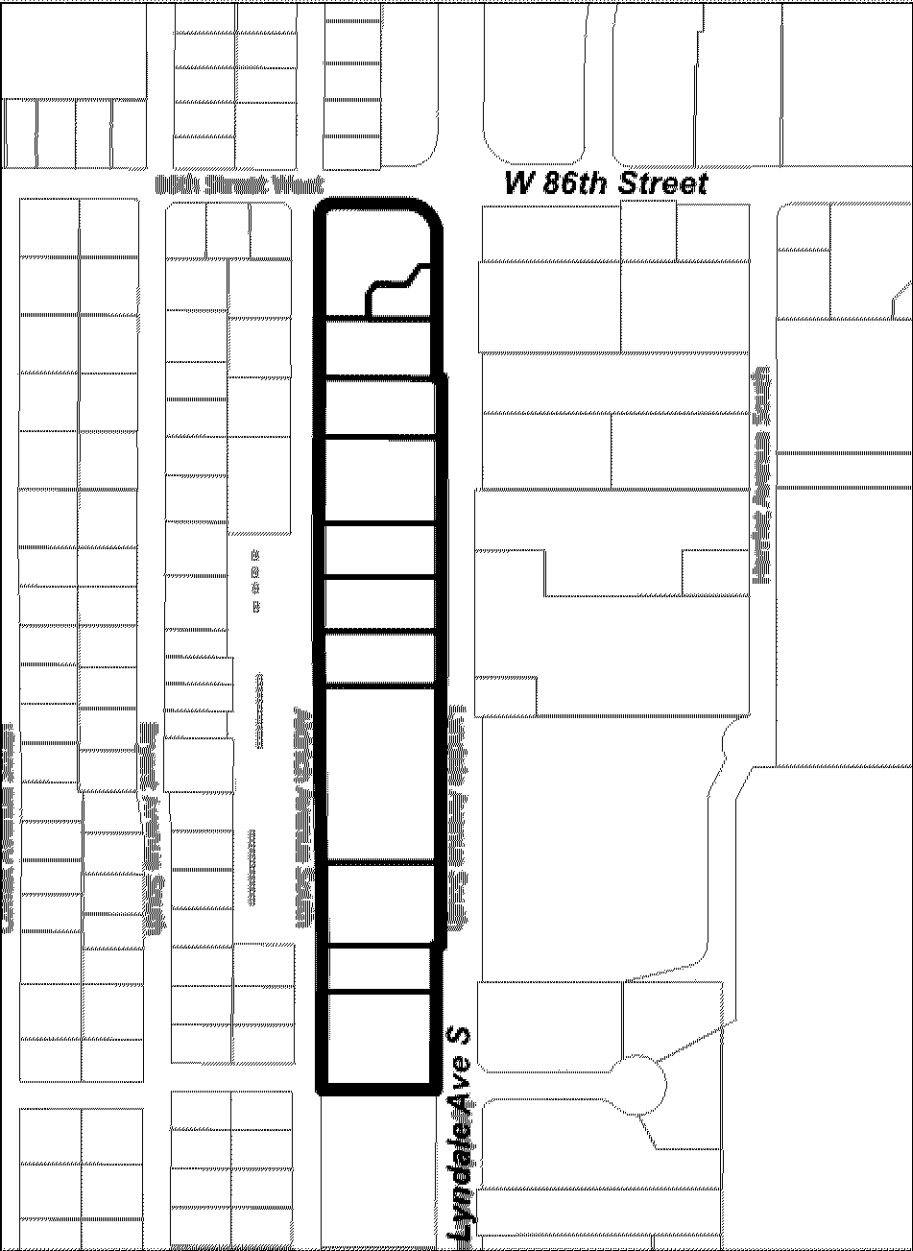
Staff is seeking feedback from the City Council on the proposed rezoning. Included in the Council meeting packet is a resolution to initiate rezoning the parcels described therein and shown in Exhibit A. Should the City Council adopt the resolution initiating rezoning, staff is planning to schedule public hearings in front of the Planning Commission and City Council to be held on August 17 and September 11, 2023 respectively.

Per § 19.13 of the City Code, the City Council has the authority to initiate rezoning, which can be completed through the following motion:

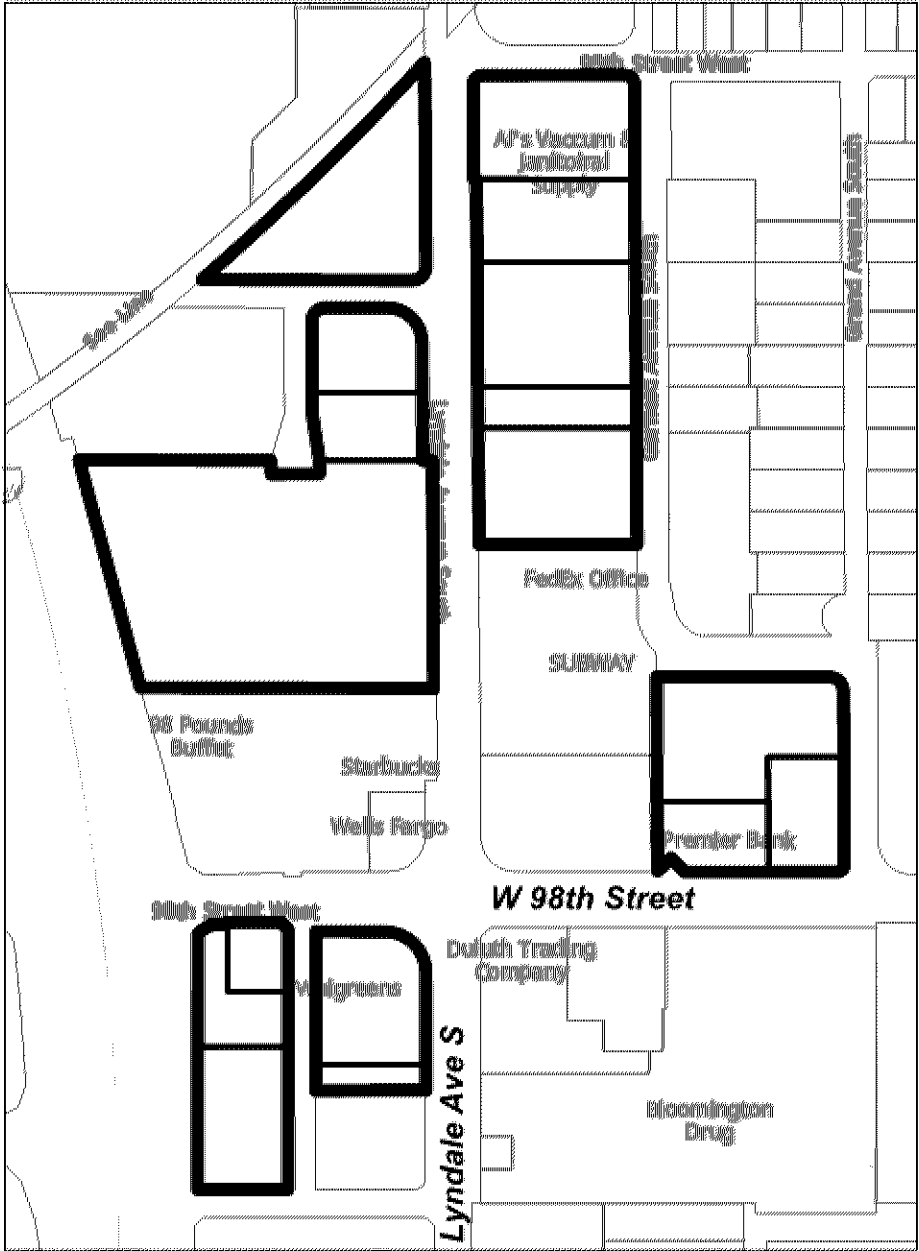
Motion made by _____, seconded by _____, in Case #PL2023-74, I move to adopt a resolution initiating a rezoning action of the parcels included in the project study area per the recommendations of the Lyndale Avenue Suburban Retrofit Plan.

Exhibit A: Parcels under consideration

 Parcels under consideration



86th Street Node



98th Street Node

Key Nodes

Two nodes along the corridor offer the most opportunity to concentrate new housing, create livability and vitality through a premier public realm, and make walking and biking accessible and safe. Revitalization surrounding 86th and 98th will require proactive City investment and supportive policy and regulatory direction to fully realize the symbiotic relationship between market-based development and public realm investments.

Strategic public investments in the two nodes can leverage projected market demand for housing, focus redevelopment efforts, and demonstrate public realm improvements that create livable, thriving places. It is recognized that redevelopment will require investment of resources and careful attention must be paid to the impacts of adjacent land uses and the inclusion of sensitive transitions into adjacent residential and industrial areas.

 **Key nodes** - high priority areas for public-realm improvements and redevelopment potential

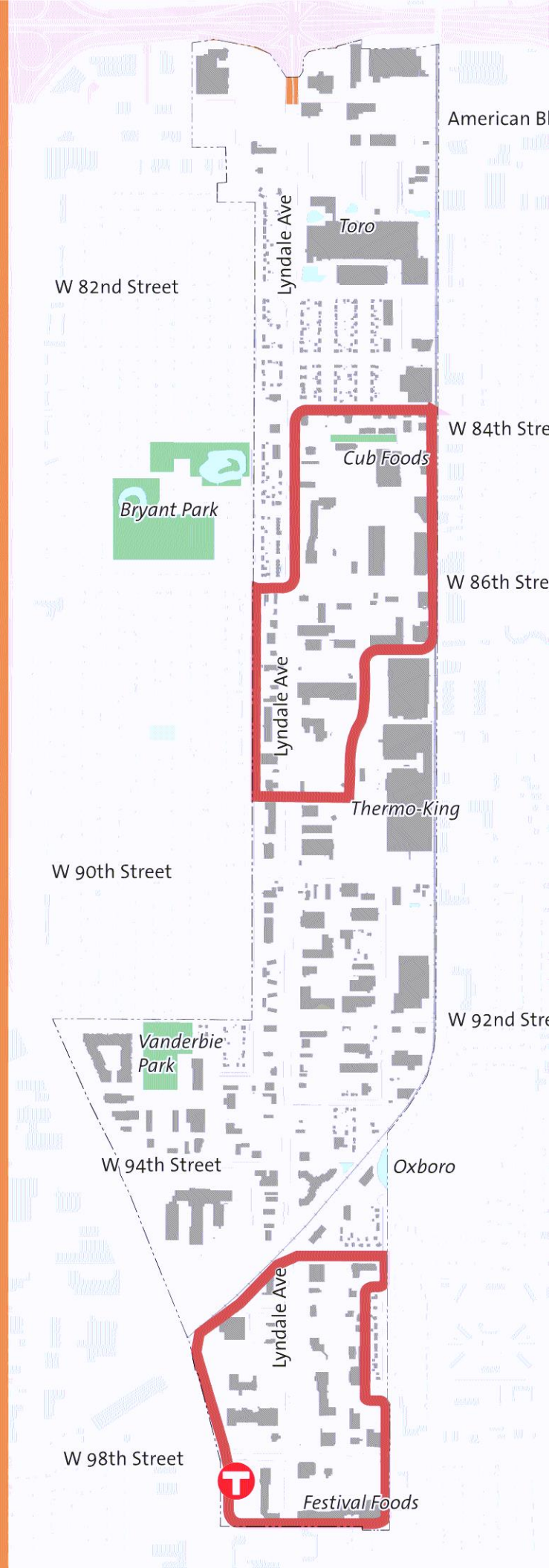


Exhibit C: 98th St Station Area Plan Rezoning




Rezoned parcels

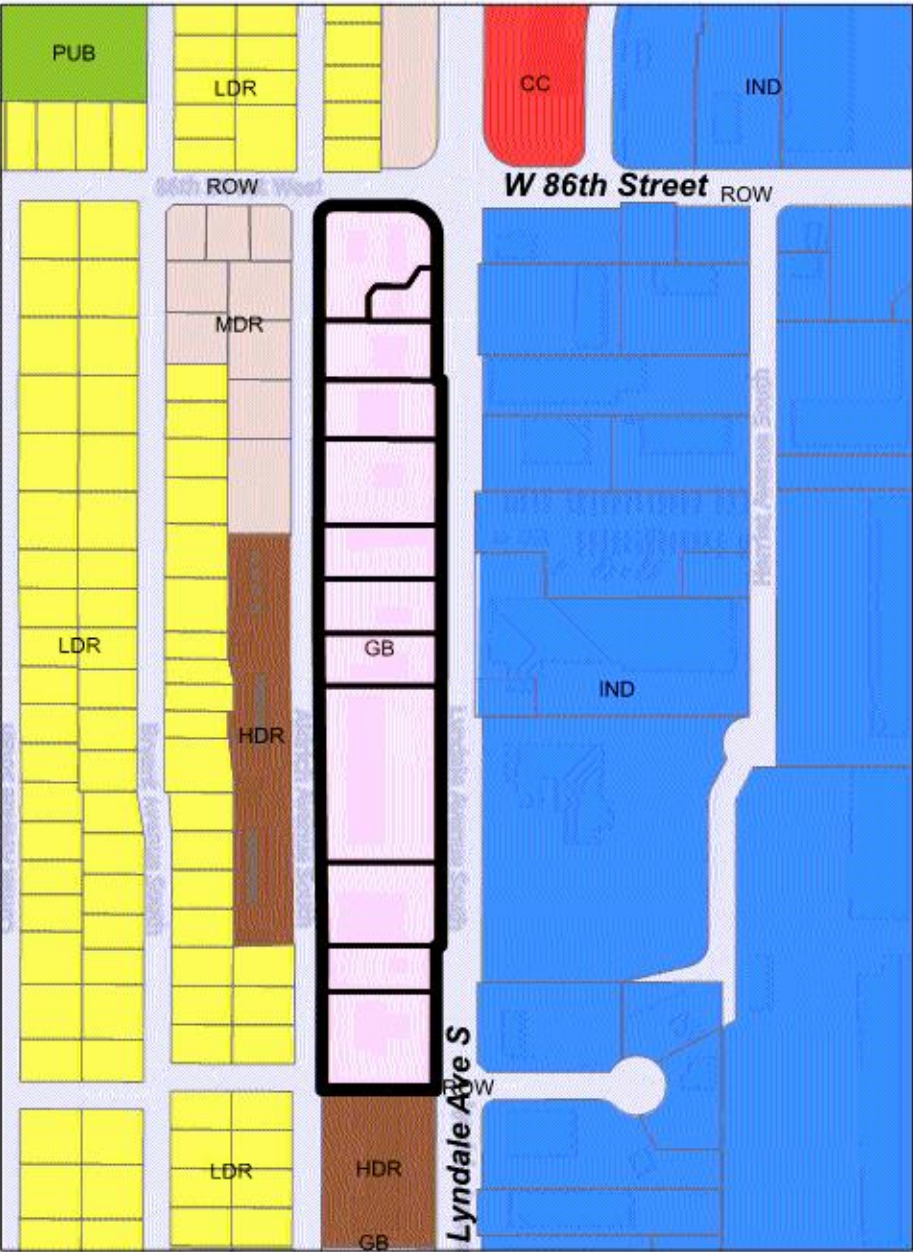


Parcels not rezoned



Exhibit E: Land Use Guidance

 Parcels under consideration



86th Street Node



98th Street Node

Exhibit D: Land Use of Parcels Under Consideration

 Allowed

 Prohibited

ID #	Address	Current Tenant(s)	Existing Land Use(s)	Land Use Guidance
1	8600 Lyndale Ave S	Speedway	Convenience facility with fuel sales	General Business
2	8602 Lyndale Ave S	Valvoline	Vehicle repair, minor	General Business
3	8640 Lyndale Ave S	Car-X Tire and Auto	Vehicle repair, major	General Business
4	8650 Lyndale Ave S	<ul style="list-style-type: none"> • Pawn America • Payday America 	<ul style="list-style-type: none"> • Pawn shop • Currency exchange 	General Business
5	8700 Lyndale Ave S	Dosa	Restaurant, without drive through and without outdoor or rooftop seating	General Business
6	8708 Lyndale Ave S	NAPA	Retail sales and services	General Business
7	8714 Lyndale Ave S	State Farm	Office, general	General Business
8	8722 Lyndale Ave S	<ul style="list-style-type: none"> • E-Cig • Three Mad Poppers • CPA 	Retail sales and services	General Business
9	8800 Lyndale Ave S	<ul style="list-style-type: none"> • HireQuest Direct • Hair Shoppes • Minuteman Press • African Market • Mandarin Kitchen • Pink Teas • Three Stars Sports Cards 	Retail sales and services	General Business
10	8810 Lyndale Ave S	AutoPlus	Retail sales and services	General Business
11	8820 Lyndale Ave S	Luna Di Luna	Restaurant, without drive through and without outdoor or rooftop seating	General Business
12	8830 Lyndale Ave S	VCA Bloomington Animal Hospital	Pet services facility	General Business
13	9500 Lyndale Ave S	My Credit Union	Bank or financial institution with drive-through	Community Commercial
14	9600 Lyndale Ave S	White Castle	Restaurant, with drive through (including drive-in)	Community Commercial
15	9624 Lyndale Ave S	Wendy's	Restaurant, with drive through (including drive-in)	Community Commercial
16	9700 Lyndale Ave S	Freeway Ford	Motor vehicle sales, Class I	Community Commercial
17	9800 Lyndale Ave S	<ul style="list-style-type: none"> • Walgreens • Oxboro Cleaners • Batteries + Bulbs • Oxboro Family Dental 	<ul style="list-style-type: none"> • Retail sales and services • Office, medical or dental 	General Business
18	801 W 98th St	Park-and-ride lot	Motor vehicle parking lot	General Business

Exhibit D: Land Use of Parcels Under Consideration

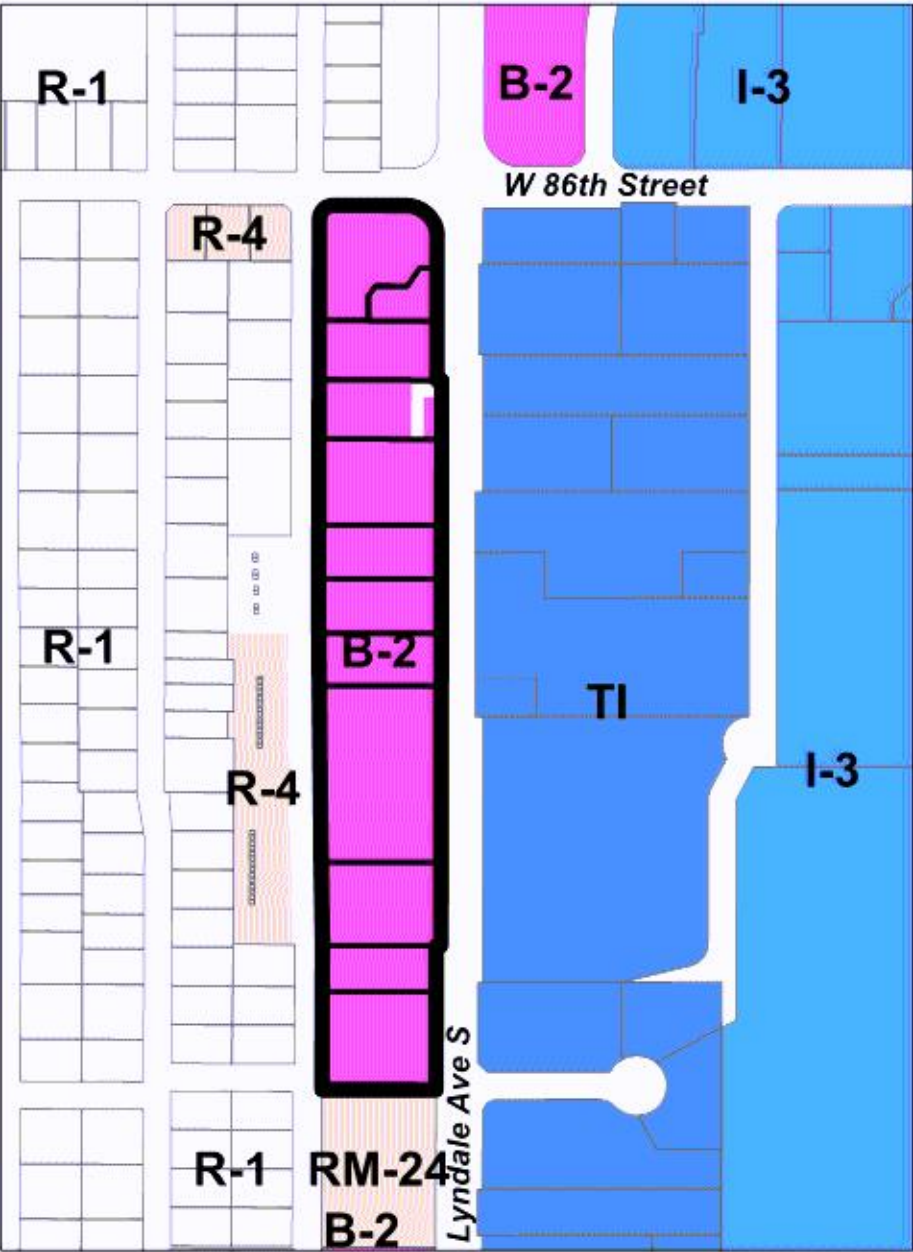
 Allowed

 Prohibited

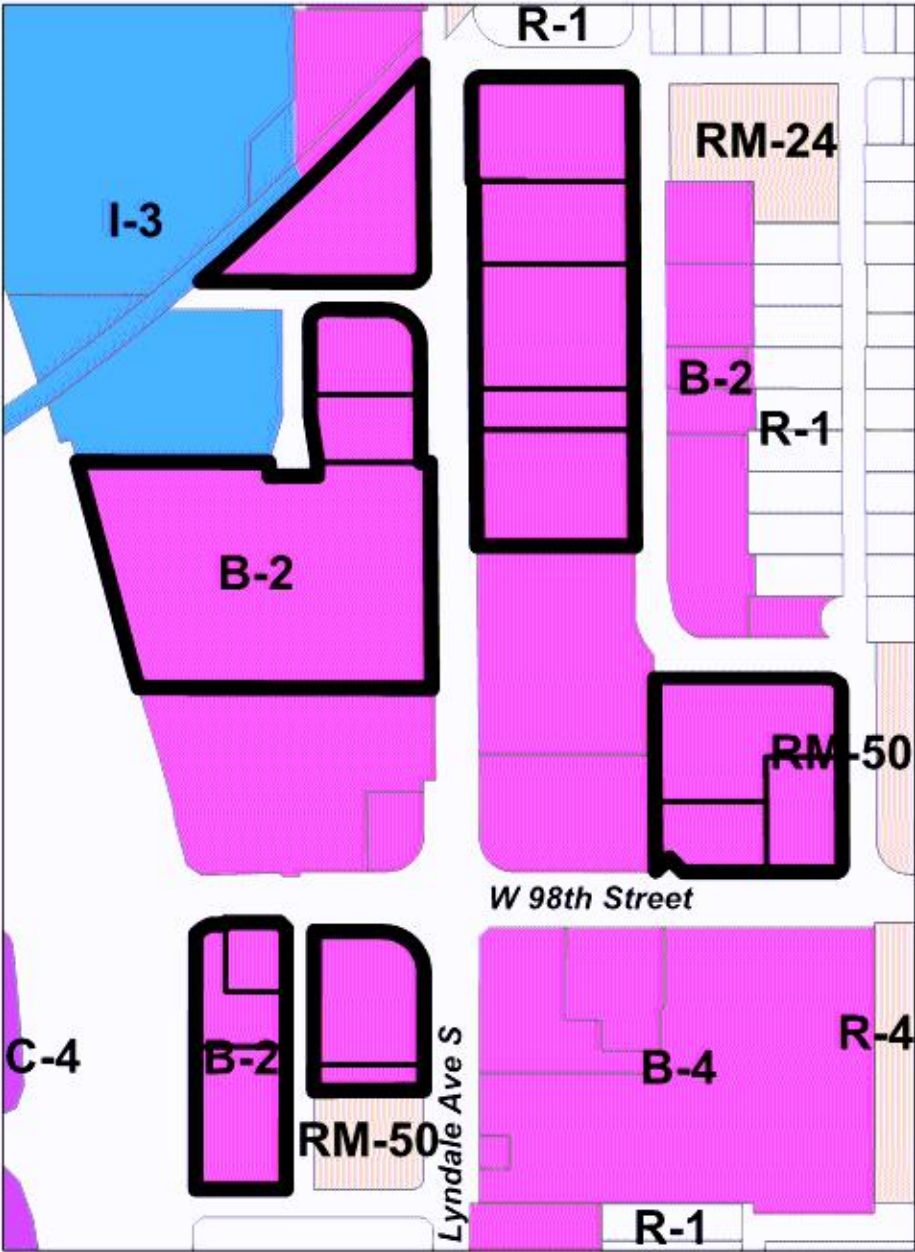
ID #	Address	Current Tenant(s)	Existing Land Use(s)	Land Use Guidance
19	9818 Aldrich Ave S	Park-and-ride lot	Motor vehicle parking lot	General Business
20	9830 Aldrich Ave S	Park-and-ride lot	Motor vehicle parking lot	Public
21	9501 Lyndale Ave S	<ul style="list-style-type: none"> • Sherwin Williams • Montessori Children's House • Nan's • Red Wing Shoes • Al's Vacuum 	<ul style="list-style-type: none"> • Retail sales and services • Daycare facility 	Community Commercial
22	9529 Lyndale Ave S	McDonald's	Restaurant, with drive through (including drive-in)	Community Commercial
23	9601 Lyndale Ave S	Applebee's	Restaurant, without drive through and without outdoor or rooftop seating	Community Commercial
24	9621 Lyndale Ave S	US Bank	Bank or financial institution with drive-through	Community Commercial
25	9633 Lyndale Ave S	US Bank	Bank or financial institution with drive-through	Community Commercial
26	9740 Grand Ave S	The Works	Office, general	Community Commercial
27	500 W 98th St	Premier Bank	Bank or financial institution with drive-through	Community Commercial
28	400 W 98th St	Century Link	Office, general	Community Commercial

Exhibit F: Current Zoning

 Parcels to be rezoned



86th Street Node



98th Street Node