

GENERAL INFORMATION

Applicant: City of Bloomington

Request: Rezone the primary zoning district for two sites (five parcels) from I-3 to C-1

CHRONOLOGY

Planning Commission	11/29/2018	Public Hearing on rezoning multiple industrially zoned parcels – the commission indefinitely continued consideration of rezoning two auto dealer sites on a 5-2 vote while advancing the other rezonings to the City Council
Planning Commission	02/06/2020	Second Public Hearing scheduled
City Council (Tentative)	03/02/2020	Public Hearing anticipated

DEADLINE FOR AGENCY ACTION

Application Date: 12/30/2019

Applicable Deadline: Agency Action Deadline Waived

Newspaper Notification: Confirmed – (01/23/2020 Sun Current – 10 day notice)

Direct Mail Notification: Confirmed – (500 foot buffer – 10 day notice)

STAFF CONTACT

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PROPOSAL

Consistent with the guidance of the Bloomington Comprehensive Plan, the City proposes to rezone two auto dealership sites (Luther Subaru/Acura and Lincoln of Bloomington) from General Industrial I-3 to Freeway Office and Service C-1.

BACKGROUND

The properties subject to rezoning in this item were first proposed to be rezoned as part of the Industrial Zoning Update in late 2018. As requested at earlier study sessions, the City initiated rezoning the Luther Subaru/Acura and Lincoln of Bloomington auto dealerships from industrial to commercial districts as part of a larger effort to reexamine all industrially zoned land and to improve consistency between the Comprehensive Plan and the Zoning Map at the November 29, 2018 public hearing before the Planning Commission,. The accompanying industrial zoning text amendment proposed to remove auto dealers as an allowed use in the I-3 Zoning District.

Luther representatives spoke in opposition to the proposed rezoning. They preferred the existing I-3 zoning as it does not include a minimum floor area ratio (FAR) requirement. They had recently purchased the adjacent Key Collision site at 500 American Boulevard West (also zoned I-3). Unknown to the City, they had plans to consolidate it into their larger Subaru/Acura campus and remove the Key Collision building. Removal of the building would result in an overall reduction of FAR on the site, which would not have been allowed in the C-1 District unless development was proposed in conjunction with the demolition that would have resulted in a FAR that met or exceeded the FAR of the site at the time of rezoning.

Given the objections, the Planning Commission, on a 5-2 vote, indefinitely continued the Luther Subaru/Acura and Lincoln of Bloomington rezonings while advancing all other rezonings. The Planning Commission also recommended modifying the accompanying text amendment for industrial districts to continue to allow existing auto dealerships in the I-3 District. In October of 2019, the Planning Commission approved Luther's plans for a new Subaru dealership along with removal of two existing buildings.

ANALYSIS

Comprehensive Plan Consistency

Bloomington's Comprehensive Plan guides the land adjacent to I-494 in this vicinity as "Regional Commercial", which is intended for commercial service and retail uses with easy access to freeways. Bloomington's Zoning Map, however, zones these two auto dealership parcels for industrial use. Many of the uses allowed in the industrial zoning are not allowed by the Comprehensive Plan. Rezoning these sites to Freeway Office and Service (C-1) would better align Bloomington's zoning with its Comprehensive Plan land use guidance. Creating a higher

level of Comprehensive Plan and Zoning consistency was a major goal of the recent industrial update project and these rezonings were suggested by that project. The existing auto dealership uses are compatible with the land use guidance even though the existing zoning is not.

Land Use Vision along I-494

Bloomington's land use vision along the I-494 Corridor, as expressed in the Comprehensive Plan, the Zoning Ordinance and multiple District Plans, calls for encouraging redevelopment that expands employment, amenities, and services while avoiding underutilization of land. To implement this vision, the City created new zoning districts that reduced setbacks, expanded allowed uses and established minimum requirements for development intensity (expressed through FAR). These districts have been applied throughout the I-494 Corridor. Applying the C-1 District in these areas is one more step in implementing the City's land use vision for the I-494 Corridor.

The existing I-3 Zoning District is not compatible with the City's vision. If these two sites were to redevelop, the existing I-3 zoning would allow low intensity uses such as warehouses with no minimum FAR requirement. The I-3 District allows uses and site characteristics that are out of character with the commercial nature of I-494 and the Lyndale Avenue/American Boulevard node. Lower quality exterior materials would also be allowed with any future development. Properties to the west and immediately adjacent to the east are zoned commercial and are subject to higher FAR and exterior building material standards.

Impacts to I-3 District

Land zoned I-3 is generally not compatible with auto dealer uses. Auto dealer uses are regionally oriented and benefit from easy access from freeways. Most I-3 land is far from freeways. These two sites proposed to be rezoned are the only auto dealers citywide in the I-3 District. Rezoning these two sites would allow the City to remove auto dealers as an allowed use in the I-3 District as recommended by the industrial update project. The zoning ordinance currently allows auto dealers in existence prior to 1/17/19 as a conditional use, which would block additional auto dealers elsewhere in the I-3 District. Nevertheless, removing the use from the district altogether would help avoid confusion among I-3 District property owners, potential buyers and other interested parties.

FAR

Among the new commercial districts, C-1 has one of the lower minimum FAR requirements at 0.4. The minimum in some districts is much higher. C-5 requires a 1.0 minimum FAR, whereas HX-R requires a 1.5 minimum FAR. To put FAR into context, the existing BMW dealership along I-494 between I-35W and Lyndale Avenue has an FAR over 0.6. The building has the appearance of having an FAR above 1.0, however most of the parking structure is not counted as it is not fully enclosed. The three most recently constructed auto dealerships in this vicinity are

the Honda, Audi and Jaguar dealerships along I-494, all in Richfield. All three of these dealerships used a more intense, two-story approach, similar to the BMW dealership in Bloomington. The 0.4 minimum FAR is feasible for auto dealerships. Still, it's important to note that auto dealerships have been granted an important exception to the minimum requirement in the City Code. Auto dealerships are allowed to expand without meeting the minimum FAR requirement provided they do not decrease the FAR on site. In the case of the Luther site, once rezoned to C-1, the starting point for FAR calculation would be from the currently entitled final phase rather than from the existing higher FAR level before removal of the Key Collision building.

Nonconformities

Rezoning these parcels from General Industry (I-3) to Freeway Office and Service (C-1) would not create any use nonconformities, but would require that future redevelopment not decrease the FAR. Existing building sizes and setbacks meet the requirements of the proposed C-1 zoning. Rezoning to C-1 would also make auto dealerships on these sites a permitted use instead of conditional use going forward.

PROPOSED REZONINGS

All five parcels identified for proactive rezoning are currently zoned I-3 General Industry and are proposed to be C-1 Freeway Office and Service as shown in Table 1 and Map 1.

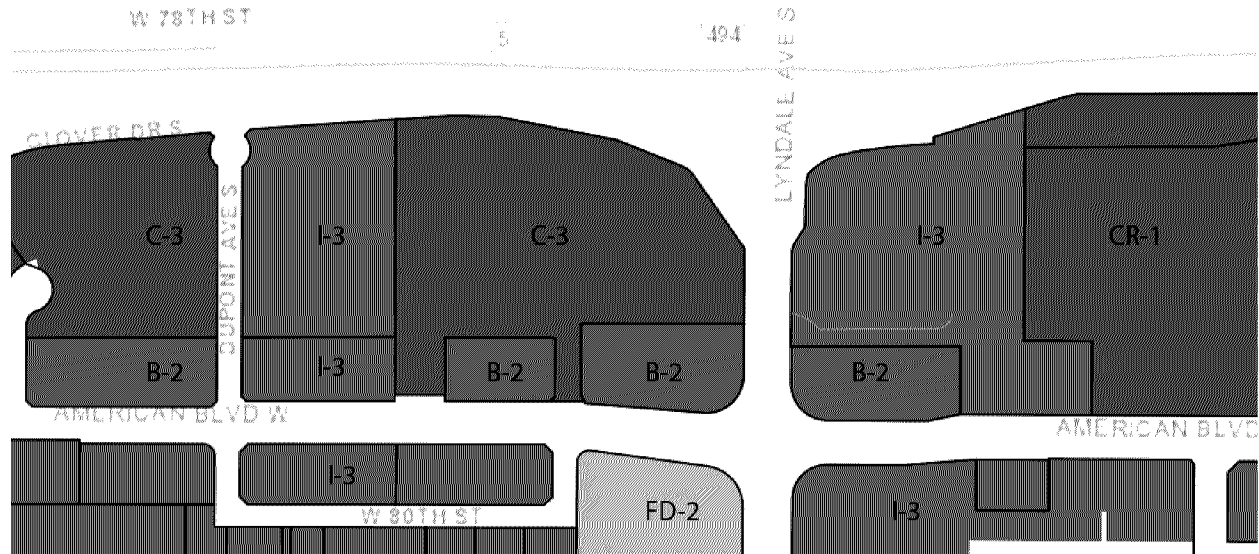
Table 1: Parcel Address, Existing and Proposed Zoning District, Existing Land Use, and Future Land Use Designation

Address	Rezone Primary District	Existing Land Use	Comprehensive Plan Land Use Guide
7801 LYNDAL AVENUE S*	From: I-3 General Industry To: C-1 Freeway Office and Service	Auto Dealership	Regional Commercial
511 W. 78TH STREET*	From: I-3 General Industry To: C-1 Freeway Office and Service	Auto Dealership	Regional Commercial
515 W. 78TH STREET*	From: I-3 General Industry To: C-1 Freeway Office and Service	Auto Dealership	Regional Commercial
500 AMERICAN BLVD W*	From: I-3 General Industry To: C-1 Freeway Office and Service	Auto Dealership	Regional Commercial
1001 CLOVER DR	From: I-3 General Industry To: C-1 Freeway Office and Service	Auto Dealership	Regional Commercial

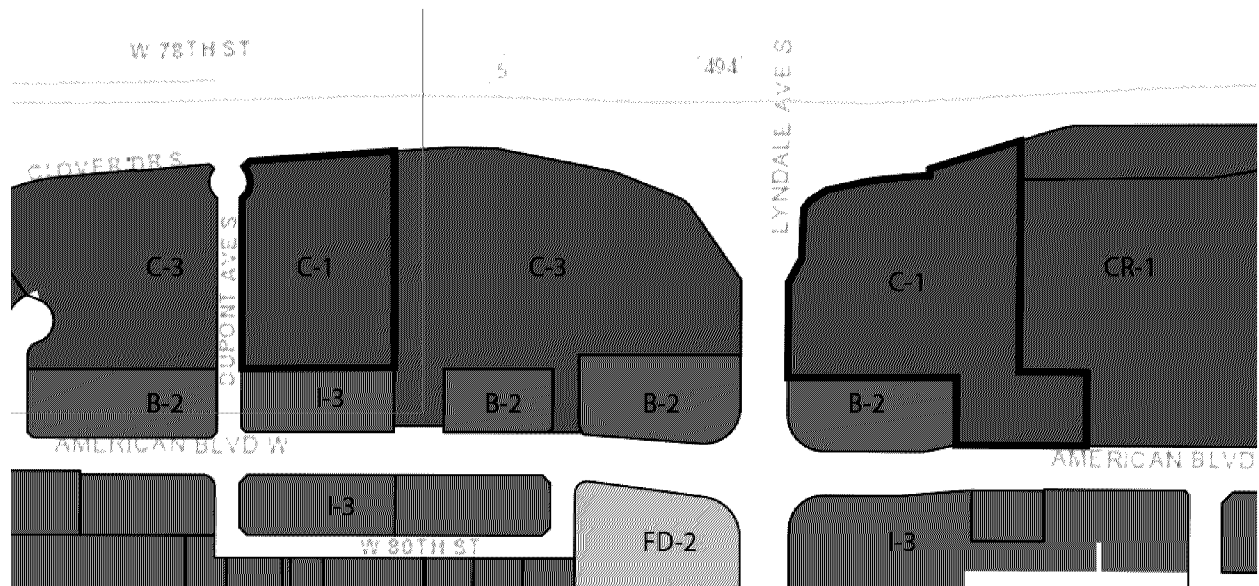
*Four parcels are in process of a tax parcel combination that was approved in October 2019.

MAP 1: PROPOSED REZONINGS

Existing Zoning



Proposed Map Amendment



ZONING COMPARISON TABLE

	Existing I-3 (General Industry)	Proposed C-1 (Freeway Office and Service)
Uses		
Manufacturing	Permitted	Not permitted
Offices	Permitted	Permitted
Residential	Not permitted	Not permitted
Restaurant	Conditional (no drive-through)	Conditional (with or without drive-through)
Indoor Recreation & Entertainment	Not permitted	Conditional
Retail	Not permitted	Hotels permitted Retail stores – limited (25% of building area)
Auto Dealers	Auto dealers in existence prior to January 2019 allowed as Conditional Use	Permitted (no Conditional Use Permit required)
Standards		
Floor Area Ratio (FAR)	Min: N/A Max: 1.0	Min: 0.4* Max: 1.0 * Exception allowed for auto dealers with FAR below 0.4. Auto dealers can maintain their existing FAR. When the auto dealer makes modifications to its structure or expands its site, the FAR on the site cannot be decreased.
Minimum Building Floor Area	3,000 sq. ft.	20,000 sq. ft.
Maximum Impervious Surface Area	NA	90%
Minimum Site Width	100 ft	200 ft; 250 ft for corner sites
Minimum Site Area	NA	120,000 sq. ft.
Minimum Setbacks Along Public Street	30 ft	35 ft
Minimum Rear Setbacks	25 ft	30 ft
Minimum Side Setbacks	10 ft	20 ft
Minimum Setbacks Abutting Residential	100 ft	50 ft
Exterior Building Materials	Architectural concrete masonry units allowed	Architectural concrete masonry units <u>not</u> permitted

OUTREACH

Notice of the public hearing was published in the Sun Current, mailed to property owners within 500 feet of the parcels subject to the proposed rezoning, and sent via e-mail to registered users of the “Planning Commission” e-subscribe groups. Staff also mailed letters to property owners of the parcels subject to the proposed rezoning and has spoken with representatives of both sites. To date, no correspondence has been received from either owner, although staff is aware that Luther has concerns about not being able to reduce the amount of floor area on their campus in the future, outside of the PD flexibility or variance processes, in the event that the proposed rezoning is approved.

RECOMMENDATION

Staff recommends approval of the rezoning using the following motion:

In Case PL2020-7, I move to recommend the City Council adopt an ordinance to rezone the primary zoning district of five parcels on two sites within the City of Bloomington as set forth in the ordinance attached to the staff report.