

GENERAL INFORMATION

Applicant: City of Bloomington

Location: Citywide

Request:

- 1) City Code Amendment updating zoning and platting standards related to single- and two-family homes
- 2) Comprehensive Plan Text Amendment to revise land use category descriptions and density ranges to ensure consistency with the updated zoning standards

CHRONOLOGY

Planning Commission and HRA Board: 10/28/2021 – Study Item

Planning Commission and HRA Board: 01/06/2022 – Study Item

City Council: 02/14/2022 – Study Item

Planning Commission 12/08/2022 – Public Hearing – Recommended Approval

City Council (Scheduled) 01/09/2023 – Public Hearing Scheduled

DEADLINE FOR AGENCY ACTION

Applicable Deadline:	Agency Action Deadline Waived by Applicant
Newspaper Notification:	Confirmed (12/29/2022 Sun Current – 10-day notice)
Direct Mail Notification:	Not required

STAFF CONTACT

Michael Palermo, Economic Development Analyst
Phone: 952-563-8924
E-mail: MPalermo@Bloomingtonmn.gov

PROPOSAL

The proposed City Code update will amend zoning and platting standards related to single- and two-family homes. The objectives of the proposed amendment are to streamline the approval process for single-family residential lots, encourage infill development, and allow for a wider range of single- and two-family homes in order to add opportunities for affordable homeownership. Text

amendments to the Comprehensive Plan's Land Use Element are also proposed to ensure consistency with the proposed City Code changes and other stated redevelopment goals.

BACKGROUND

While single-family residential is one of the predominant land uses in Bloomington, there is very little vacant land available to develop new single-family or two-family homes under the current zoning standards. As the Twin Cities Metropolitan Area has evolved over the decades, increasing housing demand has led to more variety in housing types and more flexibility regarding development standards for single- and two-family homes. To address the City Council's strategic priority to expand housing choices, staff examined Bloomington's current development standards and identified potential amendments to better achieve these four overarching goals:

- 1) Encourage more housing options
- 2) Increase affordability
- 3) Address racial equity by identifying potentially discriminatory policies
- 4) Encourage healthy and sustainable communities

While these goals are discussed separately in this report, it is important to understand that they are interrelated.

WHY UPDATE OUR STANDARDS

Bloomington experienced most of its single-family home development during the 1950s and 1960s when the rambler was the sought-after home style. Bloomington's Code and housing standards were born out of this era of growth and development. While the Code has continually been amended over time, it has not evolved sufficiently enough to meet new market pressures that exist in the present housing market. The type of single-family homes in demand regionally and nationally have changed with shifts in demographics and consumer preferences. While market demand for specific types of single-family homes fluctuates with each generation, total demand for homes in the Twin Cities continues to grow. To accommodate the range of housing needs of an increasingly diverse local and regional population, the Code and development standards therein need to be amended to address the following challenges:

Land Scarcity

Bloomington is largely built out. With little vacant land for new subdivisions, opportunities for new housing development will involve reuse of existing land in new ways. To increase the supply of single-family housing, the standards of the R-1 Single-Family Residential Zoning District should be amended in several ways to reduce barriers and create more opportunities for infill development.

Shifting Market Demand

Design preferences for single-family detached and attached housing have evolved dramatically over the last 50 years. As demographics and socio economics (age, household size, income, etc.) in the region shift, so do the housing types that are in demand. Developers understand the shifting market demand and work to provide a range of housing that meets a variety of needs and preferences.

Demand has increased for multigenerational living, active seniors looking to downsize to single floor living, millennials looking for larger homes, accessory dwelling units, etc. New housing opportunities continue to emerge in Bloomington, as mixed use, higher density, and transit-supportive nodes have developed. While these locational amenities are important, providing flexibility in the Zoning Code to allow a range of housing types in a greater number of locations throughout Bloomington is also important to retaining residents, attracting infill development, and meeting new housing demand.

Affordability

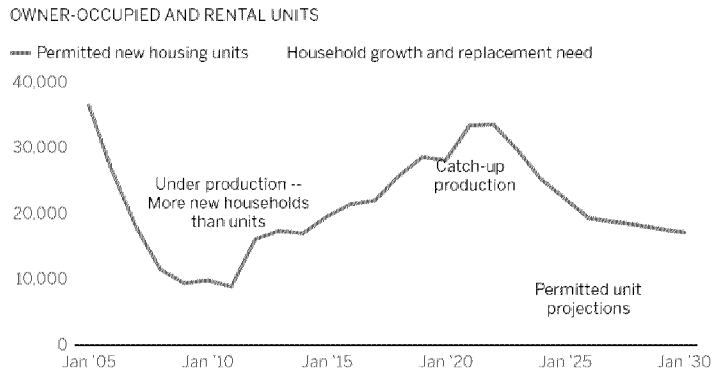
The lack of available land and housing type options reduces housing affordability. Housing affordability can also be impacted by lending policies, interest rates, material costs, labor costs, regional supply and demand dynamics, and land costs; all of which the City has little influence over. The City can foster affordability by increasing housing supply, lowering costs, and allowing more density, which can lower the price of housing per unit. By providing more flexible development requirements, the Code can accommodate what has been dubbed the “missing middle” housing or encourage “gentle density” to increase the supply and per unit affordability.

Affordability is an issue at the local, regional, state, and national levels. Housing production dropped considerably during the mid-2000s recession. While production levels recovered by the end of 2017, as shown in Figure 1, not enough housing units have been created regionally to make up for the drop in supply and growth in regional population.¹

Finding ways to rebuild increased supply is important to not only support the regional demand for housing but to ensure Bloomington’s stock remains affordable by reducing regional price pressure on the local market.

¹ <https://www.startribune.com/no-wonder-its-hard-to-find-a-new-home-the-twin-cities-has-the-worst-housing-shortage-in-the-nation/600098521/?refresh=true>

Figure 1: Housing Production and Household Growth



Equity

Promoting equitable housing means Bloomington is inviting, accessible, and provides a range of housing choices to meet different needs, desires, and incomes. However, significant disparities in homeownership persist stemming from long-time development and lending policies that denied the Black, Indigenous, People of Color (BIPOC) community access to homeownership opportunities. An Urban Institute study found that having parents with stable homeownership greatly influenced the children's likelihood to own in the future.² Today, lack of generational wealth is one of the primary challenges to home ownership. In Bloomington, BIPOC residents own at a rate of 41.5% compared to 74.1% for white non-Hispanic residents.³ Addressing affordability is one strategy to increase ownership among the BIPOC community in Bloomington.

It should also be acknowledged that different households have different needs. Larger households require larger homes and likely more off-street parking, whereas single individual or two-person households may be satisfied with a smaller home and single stall garage.

Health

Safe and stable housing, often associated with single- and two-family homeownership, leads to positive health outcomes⁴. A healthy living environment includes both the physical home and the environment where the home is located. Local, state, and federal codes define minimum standards to ensure all homes are structurally safe and free of toxins. Locational factors such as access to multimodal transportation, healthy food, quality health care, employment opportunities, and good schools can positively impact social determinants of health. While the City can directly influence

² https://www.urban.org/research/publication/intergenerational-homeownership/view/full_report

³ US Census Bureau 2021 American Community Survey – 5-year Estimates

<https://data.census.gov/table?q=tenure+bloomington,+minnesota&tid=ACSST5Y2021.S2502>

⁴ <https://www.healthaffairs.org/doi/10.1377/hpb20180313.396577/full/>

healthy habits through parks and safe walking environments, it can also indirectly influence health outcomes through density and other standards that influence housing production.

Environmental Sustainability

Environmental sustainability in the single-family residential context can be approached by a site-specific improvement or from a larger systems approach. Some examples of site-specific improvements include natural landscaping, on-site composting, rain barrels or gardens, and solar panels. The City also partners with organizations, such as Xcel Energy and CenterPoint Energy's Home Energy Squad, to do energy audits and help encourage energy efficient improvements. However, the State Building Code sets minimum energy standards and local zoning codes cannot have standards with higher requirements. For this reason, the City has taken the approach of removing barriers and encouraging site improvement.

The Zoning Code can influence larger environmental systems by encouraging compact design (higher density), which may support the provision of more active transportation modes, such as walking, transit, and bicycling. Encouraging land use densities and patterns that support active transportation can reduce car dependence, which not only reduces greenhouse gas emissions, but improves air quality and encourages active lifestyles improving health outcomes. However, environmental sustainability can add costs, such as solar panels and on-site storm water management, which can be detrimental to achieving other goals such as affordability. The City will continue to look at ways of addressing building site-specific design issues while working toward larger system improvements.

Comprehensive Plan Guidance

In addition and related to the challenges noted above, updates to the zoning standards for single- and two-family sites and dwelling are consistent with the Bloomington Comprehensive Plan in the judgment of staff. The following goals, strategies, and actions contained within the City's 2040 Comprehensive Plan, specifically the Housing Element (Chapter 3) are relevant to the subject proposal from staff's perspective:

- Goal 2: Provide a range of housing choices (pg. 3.26)
 - Strategy 2.1: Promote a mix of housing types.
 - Action 2: Consider amendments to official controls and development standards to promote a variety of housing types to meet evolving market demands and reduce barriers to creation of non-traditional housing types (e.g., accessory dwelling units, smaller lots and/or unit sizes).
- Goal 3: Provide affordable housing to serve local demand (pg. 3.27).
 - Strategy 3.2: Pursue multiple methods to reduce housing costs.

- Action 3: Support development flexibility or amendments to official controls to foster cost-efficient site and building design and allow increased density in appropriate locations.
- Strategy 3.6: Foster affordable homeownership opportunities (pg. 3.28).

The guidance of the Comprehensive Plan is highly relevant to the consideration of the proposed ordinance, as it establishes the City’s 20-year vision based on an intensive planning process highly informed by extensive community engagement. The Comprehensive Plan is a key element of the context in which these decisions should be considered.

R-1 ZONING DISTRICT OVERVIEW

Bloomington’s primary single-family zoning district is the R-1 Zoning District, which is by far the most prevalent zoning district by land area. The R-1 Zoning District is primarily applied to land guided Low Density Residential in the Comprehensive Plan. The Low Density Residential (LDR) guide plan designation has a maximum density of five units per acre. In some instances, where density exceeds five units an acre, the R-1 zoning district applies to land guided Medium Density Residential (MDR) (5-10 dwelling units per acre).

Most of the development standards for this zoning district are located in Chapter 21 Article III Division A: General Standards. There are additional performance standards located in §21.302.07 that address less common requirements for pools and sport courts.

The R-1 zoning district also permits two-family homes, which have more defined performance standards located in § 21.302.04. Major components that differ between the standards for single-family and two-family requirements are outlined in Table 1.

Table 1: Single- and Two-Family Dwelling Standards

Standard	Single-Family	Two-Family
Minimum Lot Size	11,000 sq. ft. / 15,000 sq. ft. for Corner Lot	15,000 sq. ft. / 18,000 sq. ft. for Corner Lot
Minimum Lot Width	80 Feet or 80% of median lot width within 500 feet, whichever is greater/120 Feet for Corner Lot	100 Feet or 80% of median lot width within 500 feet, whichever is greater/120 Feet for Corner Lot
Minimum Front Yard setback	30 Feet (or prevailing setback up to 65 feet if abutting home built before 1974)	50 Feet (or prevailing setback up to 65 feet if abutting home built before 1974)
Minimum Floor Area	1,040 sq. ft.	960 sq. ft.

PROPOSED AMENDMENTS

The proposed amendments were prepared by a multi-disciplinary, internal work group with representatives from the Planning, Environmental Health, Assessing, Public Health, Engineering, Housing and Redevelopment Authority, and Building and Inspection Divisions. Input from the Planning Commission, Housing and Redevelopment Authority Board, City Council, multiple outreach events, one-on-one discussion with realtors and developers, and discussion gathered from the Project's Let's Talk Bloomington page directed the proposed amendments. The most predominant changes to the single- and two-family residential zoning standards are:

- Updates to definitions and basic standards in Chapter 19 to align with Chapter 21
- Minimum lot size and median lot width requirements
- Minimum floor area requirements
- Stormwater requirements
- Front setback requirements
- On-site parking requirements
- Two-family home grouping approval process
- Elimination of prevailing setback in the R-1 Zoning District
- Platting requirements

Bloomington's Comprehensive Plan Forward 2040 also needs to be updated to accommodate the proposed changes to minimum lot size for single- and two-family homes and fulfill the City's goals for infill development.

Chapter 19 Updates

Proposed amendments to Chapter 19 include:

- Align two-family home definition with the structure standards
- Update how many principal buildings are permitted on a single residential lot

In Chapter 19 there are two proposed updates to better align with standards in Chapter 21. First, the definition of Two-Family Dwellings in Chapter 19 is missing the minimum 10-foot common wall that is required by performance standards Chapter 21 (see §21.302.04(c)(13)). Second, §19.04 limits lots to one principal building per lot. There are presently scenarios that can result in more than one principal building per lot. The requirement that buildings must be located on a lot will be retained.

Chapter 21 Updates

Updates to Chapter 21 of the City Code include the following:

§ 21.301.01 Development Intensity and Site Characteristics

Proposed Amendments

- Reduce minimum lot size from 11,000 to 7,800 square feet for interior lots and from 15,000 to 11,050 square feet for corner lots in the R-1 district

- Reduce minimum lot width from 80 feet to 60 feet for interior lots and from 120 feet to 100 feet for corner lots in the R-1 district
- Remove median site width requirement for R-1 lots
- Align and update stormwater requirements for single-family sites with Two-Family home standards
- Remove minimum building floor areas for single-family and two-family dwellings

Staff proposes to reduce the minimum lot size to 7,800 square feet from 11,000 square feet for interior lots in the R-1 Zoning District. This would also include reducing the minimum lot width to 60 feet, which aligns with Bloomington's most common lot depth of 130 feet. These standards would allow for a moderate increase in density from 3.96 to 5.58 units per acre for lots that meets the minimum size requirement. To accommodate new lot creation, staff proposes that median site width be removed for R-1 zoning district. With the current standard in place, it is highly unlikely that any new lots would be able to utilize the reduced lot width, negating the proposed amendment. The proposed standards would bring a significant amount of Bloomington's legally nonconforming lots into compliance. About 15% of Bloomington's single-family lots do not currently meet the 80-foot-wide minimum lot width or the 11,000 square-foot minimum lot size. Corner lot width and size would also be reduced in the R-1 district from 120 feet to 100 feet in width and from 15,000 square feet to 11,050 square feet in area respectively.

Staff conducted a site suitability analysis to identify sites more suitable to lot splitting. It reviewed lot value and size to identify areas that could be more susceptible to redevelopment. While there are large lots in Bloomington that could be subdivided under the proposed amendment, larger lots tend to be occupied by higher valued homes, lessening redevelopment potential. If the market strongly supports the changes, it is anticipated that about 10-20 new units could be constructed a year over a 10-year period, for a total housing supply increase of about 100-200 new single- or two-family dwellings.

Impervious surface requirements are also located in this section. It is proposed to update this subsection title to say "Storm Water", which better reflects the purpose of the subsection. It is also proposed to align standards with the two-family standards related to storm water. The major change is the allowance of impervious surface over 35% coverage up to 45% coverage with approval by the City Engineer based on meeting minimum on-site stormwater management requirements. The additional impervious surface allowance would only be available to lots less than 11,000 square feet in area for single-family residential sites. Approval is subject to planting new trees to encourage stormwater infiltration, and stormwater management being provided that is consistent with Chapter 16 of the City Code (Storm Water management, Storm Utility, and Wetlands) and the City's Surface Water Management Plan as determined by the City Engineer.

The ordinance proposes the elimination of minimum floor areas for single- and two-family dwellings. Minimum floor areas for these dwelling types are informed by the Minnesota State Building Code according to occupancy. When staff raised the possibility of removing minimum floor areas for these dwelling types, there was general support from the Planning Commission and City Council to proceed in this direction. Support for the removal of minimum floor areas was

based on the idea that a greater diversity of housing sizes and choices would benefit the city. Staff anticipates that the market will continue to demand larger sizes for most new single- or two-family dwellings. In addition, having minimum floor area requirements in the Minnesota State Building Code based on occupancy ensures that the provision of adequate floor area is assured.

§ 21.301.02 Structure Placement

Proposed Amendments

- Remove prevailing setback for R-1 Zoning District
- Modify requirement regarding accessory buildings between the street and a principal structure

The proposed amendment would remove the prevailing setback requirement from R-1 Zoning District. This requirement has been challenging to explain to the public, requires staff time to calculate, and most importantly imposes additional regulatory burdens on residents looking to build or expand with limited resulting benefits. Moving to a single setback standard of 30 feet simplifies the process and allows the property owner better control over their property irrespective of the location of their neighbor's house. It should be noted staff proposes to maintain this standard in the RS-1 and R-1A zoning district where significant front setbacks are a more common characteristic in these residential areas or subdivisions.

The proposed amendments would also remove reference to a requirement in § 21.301.02 not allowing accessory structures to be located closer to the street than the associated principal structures. This standard is also addressed in § 21.301.19 Accessory Buildings. That section further differentiates between side, front, and rear yards adjoining a street, including on through lots. The net result of the amendment is to allow a detached garage or accessory building in the rear yard located on a through lot.

§ 21.301.06 Parking and Loading

Proposed amendments

- Reduce parking requirement from four spaces to two spaces per dwelling for single- and two-family homes
- Reduce garage parking requirements from two spaces to one space per dwelling

It is proposed to reduce the garage requirement from two spaces to a single space per dwelling for both single-family and two-family homes. Similar to the proposed lot size reduction, this amendment would bring approximately 15% of properties that only have a single car garage into conformance with the City Code. To align with this reduction, it is proposed to reduce the total parking requirements to two spaces per dwelling. This new minimum standard would assume a vehicle parked in the garage and a vehicle parked on the driveway. This minimum off-street parking requirement aligns with the proposed smaller lot size to help reduce impervious surface on the property. It also aligns with market pressure to reduce vehicle dependency. While eliminating the garage requirement all-together was explored, staff recommends a minimum of a single enclosed stall be provided, which can also accommodate storage.

§ 21.302.04 Two-Family Dwellings

Proposed amendments

- Reduce minimum lot size from 15,000 square feet to 13,000 square feet for an interior lot and from 18,000 square feet to 16,250 square feet for a corner lot
- Reduce lot width from 100 feet to 80 feet for an interior lot (120 to 100 for corner lot)
- Remove median lot width requirement
- Align setback requirements with single-family homes
- Remove minimum floor area for two-family dwellings
- Adjust garage size requirement to align with parking reduction
- Amend groupings approval from a Planned Development Rezoning with Council approval to Conditional Use Permit with Planning Commission approval
- Align stormwater requirements with single-family requirements

There are multiple amendments to the two-family standards to align more closely with single-family home standards and further promote this type of housing. Commensurate with the reduction in lot size for single-family, the two-family requirement is proposed to be reduced to 13,000 square feet for interior lots and 16,250 square feet for corner lots. These lot sizes reflect the size of a single-family home minus side yard areas that are not necessary in a two-family home. Similar to the single-family standard, to account for the reduced lot size, the minimum lot width is also proposed to be reduced to 80 feet for interior lots and 100 feet for corner lots. In addition, the ordinance proposes to remove the median lot width requirement in the R-1 District. This would allow density on two-family dwelling sites to potentially increase from 5.8 units per acre to 6.7 units an acre.

To limit a rapid increase in housing density in single-family neighborhoods, the Code currently requires groupings of two-family dwellings, two-family home located within 500 feet of another existing two-family home, to be rezoned through a Planned Development overlay, which requires public hearings at Planning Commission and City Council. While adding discretion and public notice, this process also adds time and expense to the project. In the subject ordinance, the approval process is proposed to be amended so that two-family groupings be approved through a conditional use permit process at the Planning Commission, which retains the public notice aspect and reduces a barrier to development and shortens the approval process, albeit with a reduction in discretion.

Two-family homes currently have setback standards above and beyond single-family homes. This was intended to lessen the impact of a two-family home that would be dominated by garage doors. However, since this standard was adopted, new standards limiting garage façade to 40% of the structure facing the street have been implemented. The proposed update would align with what is permitted for a single-family dwelling especially for the front setback requirement. This amendment would also reduce the amount of required impervious surface on a site, a benefit to overall stormwater management.

The ordinance proposes eliminating the minimum floor area for two-family dwellings as discussed above. The Minnesota State Building Code does prescribe minimum floor area requirements based on occupancy type.

The parking requirements are also proposed to be reduced to two spaces, one of which is enclosed in a garage consistent with the proposed amendment for single-family dwelling. This level of parking is also consistent with many existing two-family homes which were developed before the current standard, bringing many existing sites into conformance with the City's parking requirement.

The stormwater section will be adjusted to align with the proposed amendments for single-family residential. This includes requiring additional tree plantings when impervious surface is above 35%.

Chapter 22

§ 22.04 Types of Plats

Proposed amendments

- Amend Type I Plats to include single- and two-family lot splits

The proposed amendment would allow simple lot splits for single- and two-family dwellings to be classified as a Type I plat, helping streamline the process of platting for new lots. Currently, plats that result in new lots with new units would be classified as a Type III plat. Type III plats require a public hearing at Planning Commission for preliminary plat and final decision making by City Council. Type I plats are reviewed by staff and acted upon by City Council. The process for a Type I plat can be completed much more quickly than the process for Type III plats. It should also be noted that the application fees for a Type I plat are less than a Type III plat. Furthermore, Type III Plats also require information from land 50 feet beyond the property, adding time and expense to the project.

Comprehensive Plan Text Amendment

In support of the City-initiated ordinance, staff is also proposing a Comprehensive Plan Text Amendment that would help effectuate the desired policy outcomes therein. As the City has incrementally revised the Zoning Code to allow for accessory dwelling units and two-family dwellings, higher densities are allowed in the Zoning Ordinance than within corresponding land use designations in the Comprehensive Plan.

The Land Use Element of the Comprehensive Plan establishes categories of planned land use called Guide Plan Designations. The residential land use categories include both density ranges and examples of typical development. For example, the Low Density Residential (LDR) category allows for residential development up to five units per acre. Typical development in this category includes detached single-family homes, two-family units, and cluster housing. The density ranges of the existing residential land use categories are as follows:

Existing Residential Guide Plan Designation Densities

- Low Density Residential (LDR): Up to five units per acre
- Medium Density Residential (MDR): Between five and ten units per acre
- High Density Residential (HDR): Between ten and 150 units per acre

As the City seeks to allow additional infill development in low density areas in the form of new single-family detached dwellings on smaller lots, ADUs, and two-family dwellings, among other dwelling types, the maximum density limit established in the LDR category is as an obstacle of these policy goals. For example, if a property owner wanted to establish an accessory dwelling unit (ADU) on a 11,000 square-foot (0.25 acres) lot, a legal size for an interior lot in the R-1 zoning district, the resulting density would be eight units per acre. Similarly, if a property owner desired to establish a two-family dwelling on a 15,000 square-foot (0.34 acres) interior lot, also a conforming size according to the City's standards (see Sec. 21.302.04), the resulting density would be 5.9 units per acre, exceeding the maximum density allowed in areas guided LDR and thus not allowed as a result. To mitigate this obstacle or inconsistency, staff recommends a Comprehensive Plan Text Amendment that would modify the density ranges of the residential land use categories as follows:

Proposed Residential Guide Plan Designation Densities

- Low Density Residential (LDR): Up to 12 units per acre
- Medium Density Residential (MDR): Between five and 15 units per acre
- High Density Residential (HDR): Between ten and 150 units per acre

The density ranges of the LDR and MDR categories are revised by increasing the maximum densities allowed to 12 and 15 units per acre respectively. The density range of the HDR category would remain unchanged. The proposal does represent a change in approach for governing residential density in one respect – the proposed ranges overlap with one another. While the density ranges overlap, allowed uses are still described both within the applicable land use category and, most importantly, the applicable zoning district for a particular site.

The proposed maximum density for the Low Density Residential category was informed by the proposed minimum lot size for the R-1 Zoning District – 7,800 square feet (0.18 acres). If a single-family detached dwelling and an associated ADU were established on a 7,800 square-foot lot, the resulting residential density would be 11.1 units per acre. Assuming all other zoning performance standards were met, such a development would comply with the LDR land use category as proposed in the Comprehensive Plan Text Amendment. If this type of development is an outcome that the City wants to support in low density residential areas, then raising the maximum residential density of the LDR category is necessary to ensure consistency.

Raising the maximum density of the Medium Density Residential (MDR) category to 15 units per acre raises the ceiling of this category by five units per acre, a modest increase. The maximum density of the MDR category must be raised to account for the density range increase to the LDR category. No modifications to the density range of the High Density Residential are proposed. However, it should be noted that the proposed ranges of the LDR and MDR category do overlap with the low end of the HDR category.

In addition to revising the density ranges of the LDR and MDR land use categories, the Comprehensive Plan Text Amendment would clarify the types of typical development with each category. In the LDR category, staff recommends that accessory dwelling units, low density townhomes, and cottage home developments be added to the list of typical development. By adding these typical development types to the LDR description, it is more accurate and descriptive of the development types that exist and are desired for low density residential areas. It should be noted that there are existing low density townhome developments in Bloomington that are guided LDR, so adding this development type to the description is consistent with the existing conditions in the City. In addition, staff recommends that reference to “cluster housing” be deleted, as staff is seeking to clarify terminology of dwelling types and avoid confusion with residential development associated with open space developments. The description of the MDR category is proposed to be changed modestly by replacing the development type “patio homes” with “cottage homes”. Cottage homes are a residential use descriptor that includes multiple lower density housing types, including “patio” homes or villa homes. Modifying this terminology is in line with other long-range planning efforts that are ongoing related to missing middle housing types. Through some of these terminology or descriptor changes, staff is seeking to establish consistent language or terms of use types.

The focus of the proposed changes to the density ranges of the LDR and MDR categories is to make the Plan consistent with desired policy outcomes of the single- and two-family residential zoning update project. As part of this project, staff anticipates that the increase of infill development potential to be between 100 to 200 total units over a 10-20 year period. This estimation includes consideration of new detached single-family dwellings, accessory dwelling units, and two-family dwelling units. Given the modest nature of this projection, staff is not proposing to increase forecasts within the Comprehensive Plan Land Use Element for either total population or households at this time, although they may be adjusted with the next decennial Comprehensive Plan update in 2028, depending on market reception of the amendments. This decision has been discussed and made in consultation with the Community Development staff of the Metropolitan Council. Given that Bloomington is a fully-built-out community, the development potential of the changes proposed both to the Zoning Code and Comprehensive Plan are modest and incremental in the judgment of staff. The overwhelming majority of lots zoned R-1 and located in areas guided Low Density Residential will continue to be utilized as detached single-family dwellings, as this dwelling type remains the most desired use according to resident preferences and market outcomes.

The completion of a Comprehensive Plan Text Amendment provides the opportunity to evaluate other aspects of the Land Use Element that may be inconsistent with other ongoing long-range planning efforts. More specifically, Staff is working on the creation of a Transitional Industrial Zoning District to be applied along the east side of Lyndale Avenue south of West 86th Street. The project is an implementation strategy identified in the Lyndale Avenue Suburban Retrofit Plan. The Transitional Industrial Zoning District would allow for a greater flexibility of uses within a small industrial area, including the potential for residential and retail uses. One challenge that has been identified is that the area planned for the Transitional Industrial Zoning District is also guided Industrial in the Land Use Element. The current description of the Industrial land use category

explicitly prohibits unrelated commercial and residential uses. As such, Staff recommends amending the description of the Industrial land use category to identify and differentiate the area identified in the Retrofit Plan as allowing commercial and, in limited cases, residential uses. Revising this description as proposed by Staff would resolve the inconsistency that currently exists between the implementation strategy of the Retrofit Plan and the existing description of the Industrial land use category.

Similar to the impacts of the proposed modifications to the residential land use categories, Staff does not anticipate that the revised Industrial land use category description will necessitate increases to Bloomington's total population or household forecasts. The area under consideration for the Transitional Industrial Zoning District is just over 40 acres. Staff estimates that somewhere between 5-15% of this land area could be redeveloped over time as multi-family residential or mixed-use assuming conflicts with adjacent industrial uses can be effectively mitigated. As such, staff estimates the potential implications of this change to result in an increase of between 200-300 residential units along Lyndale Avenue through 2040.

The text amendments proposed to the Bloomington Comprehensive Plan are intended to increase consistency between the Land Use Element and both the single- and two-family zoning updates and the implementation strategies of the Lyndale Avenue Suburban Retrofit. To successfully implement the City's infill development and redevelopment goals, consistency is needed between the City's long range plans and ordinances. The text amendments put forth herein will create alignment between the City's Comprehensive Plan and redevelopment goals.

The City issued a notice of the Comprehensive Plan Text Amendment to all surrounding and affected jurisdictions. To date, the City has received 15 responses, all of which note no response or no concern about the proposed amendment. The response from Riley Purgatory Bluff Creek Watershed District noted that all development within their jurisdiction must meet their regulatory stormwater rules, as is customary. If the City receives additional responses prior to the public hearing, staff will provide the Planning Commission an update as that time.

Public Outreach and Engagement

As part of the project to update the single- and two-family zoning standards, staff completed multiple efforts aimed at public engagement. First, a project page was created on Let's Talk Bloomington, the City's online engagement platform. The page hosted a story map explaining the purpose and policy options associated with the project. In addition, a survey was offered as an opportunity to provide direct feedback on key policy questions. The City received very limited response to the survey. The story map and survey results are attached to the staff report. Second, City staff conducted direct public engagement at the City's farmer's market event on 08/13/2022. At the Planning staff booth, 52 total people stopped to engage on multiple topics, including the single- and two-family zoning updates. No written correspondence or comments about the single- and two-family zoning updates were received at this event. Finally, staff conducted direct engagement with a limited number of residential builders and developers about the proposed

updates to single- and two-family residential standards. The feedback received from these engagements was generally positive and supportive of the proposed changes.

Racial Equity Impact Assessment

A racial equity impact assessment (REIA) is a formal process in which an organization analyzes how a decision is likely to impact different racial and ethnic groups. Modeled after the environmental impact statements required by the National Environmental Policy Act of 1969, REIAs can help local leaders understand the racial equity implications of a policy, program, or institutional practice and determine if it will improve or exacerbate existing economic and social inequities.

In adopting the Racial Equity Business Plan, the City acknowledged using racial equity tools can help develop strategies and actions that reduce racial inequities and improve success for all groups. As a result, staff is required to complete a REIA when bringing requests for City Council action for the following legislative actions: new ordinances and updates to ordinances, modifications to City Code, or program requests that have significant funding implications not included in the existing fiscal year budget.

The Single- and Two-Family Home Standards Update has the potential to be very impactful to the community. It will hopefully bring many benefits, including reducing costs to construct new single- and two-family homes, allow for creative housing solutions (more opportunity for accessory dwelling units), and brings into conformance over 15% of existing single-family lots in Bloomington.

The updates, in both the short and more likely long term, will create more affordable ownership opportunities for Bloomington. The new standards will allow for a modest level of infill development by reducing barriers, such as reducing the grouping criteria for two-family homes and having single setback and site width standards. While new construction is not always affordable at first, it does create movement in the market freeing up existing housing stock and, depending on the design and size, could be a more affordable option in the future for second or third owners. This could hopefully encourage more ownership among BIPOC community in Bloomington, helping to address the large homeownership gap that exists.

Furthermore, many of the existing non-conforming lots are located in areas with the highest BIPOC ownership rates. This suggests that many of our BIPOC homeowners are living on non-conforming lots. This can sometimes hinder the use of property by triggering upgrades or limiting potential projects. This update will bring most of these properties into conformity and provide additional flexibility with storm water management.

One concern is that this update may encourage too much development, raising property values and displacing residents over time. Staff conducted GIS analysis to determine if certain neighborhoods in Bloomington have a high potential for redevelopment. Looking at property values and site size to determine a suitability rating staff did not find any areas of concern. About 10-20 new single- or

two-family developments a year is estimated on the high end of the range of outcomes. Permits and housing production are monitored and analyzed by staff annually. If this ordinance encourages too much new development in any one neighborhood, future amendments could be made to help cool the market.

PLANNING COMMISSION REVIEW

The Planning Commission held a public hearing at their meeting on December 8, 2022. During the hearing, one speaker provided testimony in favor of the proposed changes and in support of the ordinance. No written public comments were received from the public. The Planning Commission discussed various items in the ordinance, including potentially exploring in the future allowance of over-under two-family homes to locate on a lot the same size as single-family homes, allowing for conversion of single-family dwellings. The Planning Commission unanimously voted to recommend approval of the ordinance (Vote: 7-0). The full detail of the Planning Commission discussion can be found in the attached meeting minutes.

RECOMMENDATION

Planning Commission and Staff recommends approval of the ordinance and Comprehensive Plan Text Amendment through the following motions:

In Case #PL2022-221, I move to adopt an ordinance amending Chapters 19, 21 and 22 of the City Code requirements for single-family residential and two-family residential lots and dwellings related to definitions, lot size and width, approval processes, setback requirements, parking and garage, platting and other related standards, as attached to the staff report.

In Case #PL2022-221, I move to adopt a resolution approving a Comprehensive Plan Text Amendment adjusting the density ranges of the Low and Medium Density Residential Guide Plan Designations, and modifying the descriptions of the Low Density Residential, Medium Density Residential, and Industrial Guide Plan Designations.

I move to adopt a resolution authorizing summary publication of the ordinance updating single- and two-family dwelling standards.

GENERAL INFORMATION

Applicant: City of Bloomington

Location: Citywide

Requests:

- 1) City Code Amendment updating zoning and platting standards related to single and two-family dwellings
- 2) Comprehensive Plan Text Amendment to revise land use category descriptions and density ranges of the residential land use categories to ensure consistency with the updated zoning standards

CHRONOLOGY

Planning Commission and HRA Board:	10/28/2021	Study Item held
Planning Commission and HRA Board:	01/06/2022	Study Item held
City Council:	02/14/2022	Study Item held
Planning Commission:	12/08/2022	Public Hearing held and closed, recommended approval (Vote: 7-0)
City Council:	01/09/2023	Public Hearing held and closed, item continued to March 20, 2023
Human Rights Commission:	02/21/2023	Update on proposed ordinance
City Council:	03/20/2023	Public Hearing scheduled

DEADLINE FOR AGENCY ACTION

Applicable Deadline:	Agency Action Deadline Waived by Applicant
Newspaper Notification:	Confirmed (11/24/2022, 12/29/2022, and 03/09/2023 Sun Current – 10-day notice)
Direct Mail Notification:	Not required

STAFF CONTACT

Nick Johnson, Senior Planner
Phone: (952) 563-8925
E-mail: nmjohnson@BloomingtonMN.gov

BACKGROUND

The City Council held and closed a public hearing on January 9, 2023 to consider the subject City-Initiated City Code Amendment and Comprehensive Plan Text Amendment. The testimony received during the meeting can be viewed in the attached meeting minutes or by watching the meeting at this link: [January 9, 2023 City Council Meeting](#). The staff report from the previous City Council meeting is also attached for reference, as it outlines all the proposed zoning and platting changes associated with the subject case. If seeking specific analysis of the ordinance's proposed provisions, staff recommend referencing the staff report from January 9, 2023.

At the January 9, 2023 meeting, the City Council postponed consideration of the item until the March 20, 2023 meeting after closing the public hearing. The Council further directed staff to conduct additional outreach and engage with Bloomington residents. Finally, additional analysis was requested on multiple questions raised during the Council discussion following the public hearing. The following staff report intends to address the questions raised and provide additional analysis.

SUMMARY OF PROJECT GOALS

What are the project goals?

- Increase affordable home ownership opportunities
- Provide more housing options and housing types
- Provide opportunities for infill housing
- Seek to address the home ownership opportunity gap

How were the project goals determined?

The project goals were identified at multiple meetings with the City Council, Planning Commission and Housing and Redevelopment Authority.

How does the proposed ordinance provide more affordable home ownership opportunities?

The amendments influence affordability by:

- Reducing land costs per unit (lot size and lot width)
- Reducing garage costs for those who do not want a two-stall garage
- Reducing housing sizes for those who do not want a larger house
- Reducing setback requirements in some cases, which lowers costs for utility lines and driveways

- Streamlining approval processes, which lowers fees and reduces approval times
- Increasing opportunities to construct two-family dwellings

How does the proposed ordinance provide more housing options and housing types?

Current restrictive zoning standards prohibit housing types that could be an excellent fit in Bloomington. One example is a small home or two-family dwelling. Current zoning standards do not allow single family homes smaller than 1,040 sq. ft. in the R-1 and RS-1 Districts or smaller than 1,700 sq. ft. in the R1-A District. Two-family dwellings must be at least 960 sq. ft. per unit. All homes must have at least two garage stalls per unit. Many residents do not need homes of that size. Singles and seniors especially may find a smaller home better serves their needs and is much more affordable. The proposed amendments would rely on the Building Code alone to determine minimum sizes for single and two-family houses. The amendments also reduce the number of garage stalls needed to one per unit. Of course, homeowners could develop much larger homes and garages, but the amendments would provide options for those who do not want large homes. Many smaller homes were built in Bloomington in the past, prior to the establishment of minimum home sizes. These homes function well, are relatively affordable, and assist in meeting residents' life cycle housing needs.

How does the proposed ordinance provide more infill housing opportunities and why is infill housing important to the community?

Continued, measured growth benefits residents in many ways. Growth supports robust, healthy schools, strengthens the tax base, provides park dedication funds for improved parks, and supports added commercial services, just a few benefits. Growth that occurs on the fringe of the region rather than close to jobs and services results in more vehicle miles traveled, energy consumption, greenhouse gases, pollution, and congestion.

Bloomington has seen rapid growth recently in rental housing opportunities. Unfortunately, recent new ownership housing opportunities have been minimal. Staff anticipates the changes will create new opportunities for home ownership in Bloomington by virtue of larger lots becoming potentially subdividable. Maps and tables in the packet demonstrate this potential citywide and in three selected neighborhoods.

How does the proposed ordinance address the home ownership opportunity gap?

There is a large home ownership gap in Bloomington by race and ethnicity. In 2020, Bloomington home ownership rates were:

75% - White Alone
56% - Asian
51% - Two or More Races
44% - American Indian and Alaska Native
43% - Some Other Race
42% - Hispanic or Latino Origin
20% - Black or African American

Given income disparities between groups, the affordability of Bloomington housing impacts the ownership gap. By reducing zoning standards that add costs to housing (minimum unit size requirements, minimum lot area requirements, minimum lot width requirements, minimum garage size requirements, additional setback requirements, etc.), new housing can be more affordable, which can help to address the home ownership gap.

How do the project goals correspond with the Bloomington Tomorrow Together Strategic Plan goals?

Strategic Objective #3 of Bloomington Tomorrow Together states “the City of Bloomington will achieve significant improvement in indices measuring equitable economic growth”. One of the strategies under Strategy #1 states “The City acknowledges and addresses issues of injustice for historically marginalized communities in Bloomington”. To the extent the amendments contribute toward equitable infill development and address the current home ownership gap by providing opportunities for additional housing at lower price points, the amendments directly advance the goals and objectives of the Bloomington Tomorrow Together Strategic Plan.

How will we know whether the project has been successful?

Increasing the supply of new single and two-family housing, especially owner-occupied housing, will signal success. The City will closely monitor the production of new single and two-family housing and compare it annually to levels prior to the amendments. Market factors such as interest rates, construction costs, and regional housing supplies will play a prominent role in determining the pace of construction. Should future City Councils determine the pace of construction is either too fast or too slow, those Councils may influence the pace through ordinance modifications, similar to the recent Opportunity Housing Ordinance adopted in 2019 but amended twice since to influence results.

ANALYSIS

Peer City Single and Two-Family Standards

As part of the initial research phase of the Single and Two-Family Zoning Update project, staff collected and evaluated zoning standards for single and two-family dwellings and lots from several surrounding and peer communities in Minnesota. Staff was most keenly interested in minimum lot sizes, minimum lot widths, structure setbacks, and allowances for two-family dwellings. This information was collected to determine where Bloomington’s existing minimum standards stood in relation to peer communities. Now that proposed new standards have been developed that are reflected in the proposed ordinance, staff has revisited the information collected from peer communities to ensure the information is accurate and up to date. This information was not presented visually at the January 9, 2023 meeting, and as such staff wants to share this information at this time.

To obtain an objective data set, staff surveyed all of Bloomington’s surrounding communities (Richfield, Edina, Eden Prairie, Burnsville, Eagan, and Savage), as well as the other most populous

cities in Minnesota (in the top ten in population), except for Minneapolis and St. Paul. Given the significant regulatory variation and divergent property characteristics among these communities, staff selected the standards of minimum lot size and minimum lot width for evaluation to better understand and communicate the current regulatory landscape in Minnesota. It is not uncommon to have multiple single-family residential zoning districts within an individual community. To resolve this complexity, staff selected standards from the single-family districts for each community with the lowest minimum requirement that are widely utilized, equivalent to how the R-1 district functions in Bloomington. Staff also collected minimum lot size and width requirements for the most widely applied (by land area) single-family zoning district of these communities. Exhibit 1, attached to the staff report, provides both visual representation and tabular data of how Bloomington's existing and proposed minimum lot sizes and widths compare to other peer communities for both single and two-family dwellings.

Bloomington is not the only suburban community in the Twin Cities Metro that is evaluating its zoning performance standards for single and two-family dwellings and lots. The cities of Hopkins (2022), Richfield (2022), and Roseville (2021) have all recently completed updates to their low density residential zoning districts related to single and two-family dwellings. Staff anticipates other fully built out Twin Cities communities could look to adjust their low density residential zoning districts rules to provide more opportunities for infill housing in the future.

Potential for Development – Suitability Analysis

A significant number of questions and discussions have been focused on the potential for new infill development associated with the proposed ordinance. As part of the staff report and analysis completed on January 9, 2023, staff estimated that 10-20 new dwelling units could be constructed per year over a 10-year period. This projection or estimation was informed by several factors, including the current rate of new construction in Bloomington, analysis of the range of R-1 lots that have the potential development (subdividable in the case of single-family dwellings, newly eligible in the case of two-family dwellings), and various market factors (land values, financing, construction and labor costs, infill development trends, etc.). Staff acknowledges that this projection carries a high level of variability. Staff anticipates a higher likelihood for results to be lower than the estimate than to be higher.

Modeling levels of infill development can be an elusive or difficult task for a full community, especially one as large as Bloomington. Utilizing models that have been developed to project infill development for other communities in the United States does not offer an avenue for highly accurate results since the characteristics of Bloomington (housing costs, regulatory requirements, construction costs, and physical characteristics just to name a few) are unique and divergent from these other communities where models have been created. Staff previously submitted a projection based on dimensional lot characteristics (lot area and width) and land values, as properties that exceed certain values are not likely candidates for redevelopment. The resulting deliverables were a heat map of potential redevelopment presented at the January 9, 2023 City Council meeting and the associated projection of 100-200 new dwellings over 10 years. Staff provides this explanation to better address questions about the projection previously presented.

To further evaluate the potential for infill development associated with the ordinance, staff completed additional mapping analysis to identify R-1 zoned sites that meet certain dimensional criteria – both citywide and neighborhood scales. Exhibit 2 provides the visual results of this citywide analysis to better communicate to the City Council and the public where these properties are located in Bloomington. In addition, three neighborhood case studies provide a more detailed analysis at a smaller scale to provide a more complete picture of the proposed ordinance compared to existing regulations. A more detailed explanation of the maps in Exhibit 2 is as follows:

Citywide Analysis

Four maps were produced identifying R-1 zoned properties in Bloomington that are currently vacant, single-family dwellings, or two-family dwellings. Parcels were selected or filtered according to parcel area (square feet) and lot frontage or width (feet). This analysis intends to determine how many R-1 sites could be subdividable today versus under the proposed regulations, and how many sites could be eligible to be two-family dwellings today versus the proposed regulations. The first page of Exhibit 2 identifies the minimum lot areas and widths that inform the analysis of what is possible existing vs. proposed.

There are some major disclaimers to note about these maps that are inherently tied to the data readily available to staff to perform the analysis in a timely manner. These disclaimers include:

- **Median Site Width** requirement (see Sec. 21.301.01(c)(1)(B)) was not considered for existing single-family subdivision candidate sites. It should be noted that the median site width standard has a large impact on potential subdivision and would rule out a high percentage of subdivision opportunities under existing standards even when lot size and lot width parameters are met.
- **Physical Site Limitations**, including lot configuration, structure setbacks, steep slopes, stormwater management, etc., of individual sites are not considered as part of this analysis.
- **Lot Frontage Data** is highly variable and not truly representative of an accurate site width measurement of an individual lot. According to the Bloomington Zoning Code, site width is measured at the front setback line, and minimum widths must be maintained 50 feet beyond the front setback line. Unfortunately, accurate site width data as calculated in the zoning ordinance must be gathered on a parcel by parcel basis and is not available in a citywide database. Lot frontage data, while not equivalent to lot width data, is the best proxy data source available on a citywide basis.
- **Corner Lots** require higher site areas and widths in existing and proposed regulations. However, as differentiation between corner and internal lots is not available on a citywide basis, these sites are not evaluated separately according to these requirements.

This analysis also does not consider the economic factors (mostly structure and land value) that also would inform whether or not an individual lot is more or less likely to be a candidate for

redevelopment. For example, a teardown and subdivision of a lot is unlikely unless the value of the lots that would result exceeds the value of land as a single parcel, plus the value of the structure plus the costs of demolition and platting. As such, this analysis has significant limitations when assessing the number of lots that might be candidates for development. Staff views the value of this analysis more so from the standpoint of providing a visual indication of the areas or locations of Bloomington that would not be candidates for infill development opportunities both under the existing regulations and under the proposed regulations. Staff does not put a high level of confidence in the analysis's quantitative results, the number of lots. The reduced confidence in the number of lots is that there are so many other factors that can only be evaluated on a site by site basis that make a lot an attractive opportunity for infill development, whether that be a single-family subdivision or a two-family home. For such an opportunity to come to fruition, the site's physical characteristics must align with a feasible site and dwelling design. The economics (return on investment) must also support the project going forward. Infill development is costly and difficult to execute, and it is challenging to know the exact correlation or relationship between opportunities for development and actual projects realized or constructed.

Recognizing the extremely important caveats above and that true opportunities are much lower in number, the citywide lot size and frontage analysis shows that for single-family subdivision of R-1 lots, there are 182 candidate sites under existing regulations and 1,867 candidate sites under the proposed regulations. For citywide analysis of two-family dwelling candidate sites, staff finds 5,119 candidate sites under existing regulations and 9,753 candidate sites under the proposed regulations. Again, to be included as a candidate site for this limited analysis, a lot must simply meet or exceed a certain lot area and lot frontage. There are other factors, in addition to the data limitations mentioned, that accurately inform whether or not an individual site was a true candidate for infill development of some form.

Neighborhood Case Studies

Given the data limitations that presented challenges for the citywide candidate analysis, staff selected three neighborhoods in Bloomington to perform a more focused study on these areas to see if any clear themes or conclusions could be generated. The neighborhoods selected for case studies are Norman Ridge, Farr 3rd Addition, and Ramblewood (names being collected from the respective plats). Except for the Norman Ridge neighborhood, the areas selected for the study were chosen based on desiring varied geographic locations, as well as having large enough lots to serve as effective data points for analysis. By selecting these areas, staff does not imply that infill development is more or less likely in these specific locations than in other locations. Instead, the analysis must be performed on clearly defined sites to understand how the proposed ordinance relates to Bloomington locations and properties. Therefore, the Norman Ridge neighborhood was selected as the first case study given the ongoing meetings and discussions with residents of that area. Exhibit 2, attached to the staff report, shows the neighborhood case study maps.

Regarding methodology, there are four distinct maps for each neighborhood case study. The first map evaluates opportunities for single-family subdivisions under the existing and proposed regulations. Similar to the citywide maps, the physical characteristics of the lots (lot configuration, structure setbacks, slopes, stormwater management, etc.) are not factored into this analysis. To introduce economic considerations into the analysis, the second and third maps evaluate the sites that are more likely candidates for subdivision based on the assessed values of the eligible properties. Sites that exceed certain levels of value are removed as candidates for subdivision since the cost to acquire these properties likely exceeds the per lot value the market is willing to bear for a project to be economically feasible. The assessed value levels utilized in Maps 2 and 3 for each neighborhood are based on sales data collected by the Bloomington Assessing Division and general staff knowledge of these locations that would inform maximum costs or values on a per lot basis for the purposes of redevelopment. Staff recognizes that assessed value is often a lagging indicator and not perfect for this analysis, but it is the best data available to staff on a macro level. Finally, Map 4 within the neighborhood case studies evaluates what sites could be candidates for two-family dwellings today vs. the proposed regulation were they to be adopted.

Through the evaluation of these maps, the following trends emerged:

- **Economic Factors** – The number of likely candidate sites for single-family subdivisions or new two-family dwellings heavily correlates with the maximum cost per lot or overall value the market can pay before a project becomes economically unfeasible. Suppose the maximum price the project can bear to acquire the land is less. In that case, the number of viable sites that could be candidates for infill development drops significantly. This trend is illustrated by neighborhood here:
 - Norman Ridge:
 - Single-family subdivision candidates: 32 of 66 (48%) (5 under existing regulations plus 27 additional under proposed regulations)
 - Candidate sites w/assessed value less than \$600K: 21 of 66 (31%) (2 under existing regulations plus 19 additional under proposed regulations)
 - Candidate sites w/assessed value less than \$500K: 13 of 66 (19%) (2 under existing regulations plus 11 additional under proposed regulations)
 - Farr 3rd Addition:
 - Single-family subdivision candidates: 31 of 59 (52%) (0 under existing regulations plus 31 under proposed regulations)
 - Candidate sites w/assessed value less than \$300K: 19 of 59 (32%) (0 under existing regulations plus 19 under proposed regulations)
 - Candidate sites w/assessed value less than \$200K: 2 of 59 (3%) (0 under existing regulations plus 2 under proposed regulations)
 - Ramblewood:

- Single-family subdivision candidates: 28 of 73 (38%) (0 under existing regulations plus 28 under proposed regulations)
- Candidate sites w/assessed value less than \$350K: 14 of 73 (19%) (0 under existing regulations plus 14 under proposed regulations)
- Candidate sites w/assessed value less than \$300K: 1 of 73 (1%) (0 under existing regulations plus 1 under proposed regulations)

In all three neighborhoods, once you introduce economic factors into the analysis, the amount of lots that are candidates for infill development is reduced by a good measure. Staff recognizes that this analysis depends on how much a buyer will pay for a property. Nonetheless, to have a serious and realistic discussion around the scale of the impact associated with the ordinance, these market realities must be factored into the analysis and conversation.

- **Two Family Dwelling Sites** – One interesting aspect of evaluating the three neighborhoods is the large proportion of existing properties that could host or be developed as a two-family dwellings under current regulations. The percentage of lots that are candidates for two-family dwelling under existing rules are as follows by neighborhood: Norman Ridge – 72%, Farr 3rd Addition – 52%, and Ramblewood – 81%. Despite this data, no existing two-family dwellings are located within these areas. The reasons for this are based on the area's development history as single-family dwellings, and the existing property values not being aligned with the development of a site as a two-family dwelling due to economics or consumer preferences.

The neighborhood case study analysis is interesting following review of the citywide analysis as it allows for introducing additional factors for consideration that could be more important to the end result than studying basic lot sizes and frontages. Physical characteristics still are not involved in the analysis since they are very different from site to site. In some cases, it may be difficult to meet the required structure setbacks, address issues related to steep slopes, or provide effective stormwater management through economical means on a given property. Nevertheless, conducting this analysis adds to the site suitability evaluation staff provided on January 9, 2023.

Residential Rezoning Analysis (RS-1)

During Council discussions and engagement with Bloomington residents, questions have been raised about how properties may be rezoned to an alternative zoning district primarily intended for single-family residential dwellings. Rezoning action can be initiated one of two ways according to Section 19.13 of the City Code:

- 1) **Privately Initiated Rezoning** – A request for rezoning a property submitted by a property owner. When multiple parcels are included as part of a rezoning request, all the property owners of record must be party or consent to the application.
- 2) **Publicly Initiated Rezoning** – Both the Planning Commission and City Council have the authority to initiate a rezoning action of a property. However, only the City Council has the

authority to approve such an action, as the Council is the final decision maker. In recent memory, the City Council initiated all publicly initiated rezonings.

In the past, the City has received informal petitions submitted by residents to the City Council to request publicly initiated rezoning certain properties, areas, or neighborhoods. This scenario typically occurs where there is an inability to secure all the property owner consent needed to submit a Privately Initiated Rezoning application. In either case, when making a recommendation, staff would look to the guidance of the Comprehensive Plan and the purpose and intent of the requested zoning district to ensure that the request conforms with this guidance.

As part of the subject discussion, some interested residents have expressed interest in rezoning their property to the Large Lot Single-Family Residential (RS-1) District, either through a Privately Initiated Rezoning action or by petitioning the City Council. In evaluating such an application or request, staff would recommend utilizing five consistent criteria to test the merit of such action:

1) Consistency with RS-1 Intent – The intent of the RS-1 zoning district is as follows:

- (a) Intent. The Large Lot Single-Family Residential (RS-1) District is intended to:*
 - (1) Provide locations for large lot single-family development in areas of steep slopes, significant vegetation, wetlands or in areas substantially developed as large lots in order to preserve the character of the area; and*
 - (2) Protect natural resources and ensure compatible redevelopment through appropriate development standards.*

If the area or lots to be rezoned are inconsistent with this intent, then staff would not recommend approval of a rezoning action.

- 2) Level of Conformity with RS-1 District Standards** – The minimum lot size of the RS-1 zoning district is 33,000 square feet. Should a significant proportion of the lots requesting rezoning not meet the minimum area requirement, staff would flag that as a concern. Where the line is drawn for what constitutes a significant proportion is at the discretion of the City Council. That being said, if over half (50%) of the lots do not meet the district requirement, staff would view that level of nonconformity as significant.
- 3) Scale of the Rezoning Action (# of Lots)** – Evaluation of a rezoning request should also consider the number of requested lots. For example, a request to rezone an individual single-family lot to RS-1 would be viewed less favorably than a request of greater scale, particularly if lots surrounded that individual lot zoned R-1.
- 4) Neighborhood Continuity** – Related to the last point, staff would encourage an approach promoting continuity of zoning amongst residential neighborhoods, blocks, or areas, as opposed to smaller scale requests within neighborhoods that could create less uniform standards amongst residential lots within an individual area.
- 5) Proportion of Neighborhood Support** – Another important consideration is the property owner and occupant support level for a rezoning action. If a rezoning request is Privately

Initiated, then the property owner's support is 100%. However, suppose the Planning Commission and Council were responding to a petition request for rezoning. In that case, those bodies should decide what level of the property owner and occupant support is appropriate to consider initiation of rezoning. Suppose there is a measurable quantity of property owners and occupants not supportive of such an action. In that case, that factor should be considered in determining whether to proceed with Publicly initiated rezoning.

The purpose of developing an established set of criteria would be to maintain consistency between requests and clearly communicate to residents and the public what the City's minimum expectations are to support rezoning actions.

Environmental Factors

As part of the testimony received on January 9, 2023 and in subsequent correspondence with Bloomington residents, concerns have been submitted about the negative environmental impact of development and land disturbing activities associated with the proposed ordinance. The extent or significance of these impacts can vary depending on the characteristics of a given site where development or redevelopment is proposed. Development impacts may include tree removal, erosion, stormwater related concerns, disruption to habitat, or other common challenges associated with construction. Staff routinely evaluates the majority of these factors when reviewing development or building permits. To provide more information about the review process and some of these topics more generally, the following regulations related to environmental protection exist within the Bloomington City Code:

- **Tree Preservation** – The City's Tree Preservation Ordinance (Sec. 21.301.14) was adopted in 2006 and updated in 2011. The requirements are strictly applicable to plats for single and two-family residential lots. The ordinance establishes a maximum threshold for tree removal (50% of caliper inches of significant trees) before reforestation is triggered at a rate of 1.25 inches for every inch removed above the 50% threshold. The number of removals associated with a project would be determined utilizing a proposed site plan/survey and tree survey to determine the size and species of all trees on the property and potential impacts. The tree preservation requirements apply to a property for two years following the recording of the plat. Outside of the platting process, Bloomington has no tree preservation standards.
- **Steep Slopes** – The Steep Slopes Ordinance (Sec. 19.57.01) was established in 1982 and updated in 1993. The ordinance applies to all sites platted after May 1, 1993. It establishes lower limits for impervious surfaces on lots with steeper slopes. The higher the average slope of a property, the lower the amount of impervious surface, or hardscapes (structures, driveways, sidewalks, etc.) is allowed on a site. The ordinance is intended to minimize the rate and volume of stormwater generated from lots with steeper slopes. The practical impact of this ordinance is that a steeper slope lot must be larger to accommodate a typical size home, driveway and other miscellaneous hardscapes while remaining in compliance with maximum impervious surface requirements.

- **Stormwater Management** – All development activity in Bloomington is subject to regulations within the City Code related to stormwater management. Chapter 16 of the Code includes all ordinances pertaining to stormwater management. In addition, sites subject to rules from local watershed districts, most notably the Nine Mile Creek Watershed District, must also follow the rules of these jurisdictions and secure the necessary permits. The construction of new single and two-family dwellings are both subject to stormwater management requirements.
- **Bluff Protection Overlay District** – The Bluff Protection Overlay District was established to provide increased protections along the Minnesota River and steep sloped areas adjacent to certain portions of Nine Mile Creek related to development and land disturbing activity. These protections will remain in place regardless of the outcome of the subject ordinance updating single and two-family residential zoning and platting standards.
- **Flood Hazard Overlay District** – The Flood Hazard Overlay District regulates development in flood hazard areas as determined by floodplain maps prepared by the Federal Emergency Management Agency (FEMA).
- **Shore Area Regulations** – The City of Bloomington is responsible for administering shore area regulations outlined in State Statute for designated water bodies in Bloomington. These regulations establish protections for shore areas related to development and land disturbing activities proposed near designated water bodies.
- **Landscaping** – Zoning standards for two-family dwellings require the planting of at least two trees per unit located in the front yard as well as one shrub per 1,000 sq. ft. of developable landscaping area.

In addition to the regulations in the Bloomington City Code, the City is responsible for administering the Wetland Conservation Act (WCA), which protects wetlands from development and land disturbing activities. The City's Water Resource staff is responsible for evaluating properties through the development review process for potential impacts to wetlands and compliance with WCA.

In addition to these regulatory factors, the City has adopted multiple plans focused on managing natural resources. These plans include the Minnesota River Valley Strategic Plan and the Natural Resources Prioritization and Management Strategies for City Parks. While these documents guide the prioritization of restoration and preservation of natural resources in Bloomington, including habitat, they do not have regulatory authority over private lands through the use of land use controls (zoning).

Through discussion with residents and City staff responsible for management of natural resources, the topic of conservation or habitat corridors has been raised. Conservation corridors are continuous or patchy areas of vegetation that provide potential for the movement of humans and wildlife. They often follow waterways or land features such as steep slopes or ravines connecting natural areas, parks and other natural resources. High quality corridors provide habitat and allow for the movement of wildlife, plants and water from one area to another. Such systems enhance the value

and ecological function of natural areas and open space by interconnecting them, counteracting habitat fragmentation and well as habitat loss. Conservation corridors that derive from DNR work done in the late 1990's with subsequent refinement done by Metro Conservation Corridor (MeCC) partners and ecological experts in each county. The purpose is to help counties and local governments prioritize areas for conservation and restoration. They are also used by the Legislative Citizens Commission on Minnesota Natural Resources to identify grant locations. MeCCs are located within Bloomington, mainly along the Minnesota River, Nine Mile Creek, Normandale Lake, the Hyland Lake Park Reserve, Bush Lake, and Tierney's Woods area connecting to Anderson Lakes.

The boundaries of these conservation corridors have been incorporated into two local Planning efforts: 1) The Natural Resources Prioritization and Management Strategies for City Parks (same plan noted above) (City of Bloomington), and 2) Wetland Restoration and Protection Opportunity Identification (Nine Mile Creek Watershed District). Various land uses fall within the designated habitat corridors. In addition to wetlands, the corridors include residential areas, office areas, industrial areas and institutional uses. For example, most of the Bloomington Civic Plaza site falls within the designated corridors along with industrial uses to the north. The maps identifying the conservation or habitat corridor from both plans are attached the staff report as Exhibit 3 for reference. In both cases, the location of conservation or habitat corridors are utilized as data points that inform prioritization of natural resource restoration or protection efforts either in City parks or related to wetlands. Neither of these plans include clear recommendations related to the implementation of zoning or other land use controls to assist in conservation efforts. City staff has contacted DNR staff to learn more about the implications of conservation corridors from a land use perspective and is awaiting more information.

Metro Conservation Corridors (MeCC) are located within other jurisdictions in Hennepin County. Planning staff has researched the zoning codes of several of these Hennepin County communities, including all adjacent cities, to investigate whether or not these corridors either inform or are directly tied to any zoning or other land use control limiting the impacts of development. After completing this research, staff did not find any examples of zoning or other regulatory tools that are directly connected to MeCC. Consideration of such a zoning tool or ordinance would likely be a new or rare use of such corridors in Minnesota to staff's knowledge. Rather, most communities that implement various environmental protection overlays or other measures are typically tied to a specific natural resource, such as bluffs associated with major rivers. For example, Minneapolis has implemented an overlay district to specifically protect the Mississippi River.

Related to this discussion, it should be noted that there is precedent for a land use control implemented by the City of Bloomington for natural resource protection – the Bluff Protection Overlay District related to the Minnesota River. However, it must be noted that the boundary of the Bluff Protection Overlay District is precisely defined by an elevation contour (800') along the Minnesota River or by lands with a minimum slope of 18% in certain areas of Nine Mile Creek. These strict locational criteria result in an overlay district boundary that is much more precise than the methodology use to create the MeCC boundaries. If the MeCC boundaries were utilized to create a zoning overlay district or other land use control, staff is concerned that criteria utilized to

define these corridors is not as precise or clearly defined as the Bluff Protection Overlay District as an example. It should also be noted that the MeCC boundaries in Bloomington include properties that are highly developed, including office properties in the Normandale Lake District, industrial areas in central Bloomington, as well as the Civic Plaza site. Adopting a regulatory tool to protect conservation areas identified in the MeCC boundaries could have land use implications for a wider scale and mix of properties that what may be intended.

Sustainability

Questions and discussion pertaining to the proposal's impact on Sustainability have been submitted and discussed by many parties throughout the review process. Fortunately, the subject ordinance served as the first pilot for evaluation by the City's Health and Sustainability Committee. The Health and Sustainability Committee is a multi-disciplinary staff group responsible for evaluating City policies and decision making through the lenses of health and sustainability. The Committee includes representation from Public Health, Finance, Parks and Rec, HRA, Public Works, Community Services, Administration, COED, Sustainability, OREIB, Community Development, Legal, Fire, and Police. The Committee has been evaluating the Single and Two-Family Zoning Update for the past two months and recently produced their first Health Impact Checklist, summarizing their findings. The Checklist is attached to the staff report for consideration. A disclaimer must be submitted that the attached Checklist represents the first evaluation completed by the committee, and it would be anticipated their process will continue to be refined in the future. Nevertheless, the Checklist is valuable because it provides an analysis of the ordinance from a health and sustainability perspective.

COMPREHENSIVE PLAN TEXT AMENDMENT

The proposed Comprehensive Plan Text Amendment has been modified since it was originally presented on January 9, 2023. In addition to proposed amendments to the descriptions and density ranges of the residential Guide Plan designations, the initial proposal included modifications to the Industrial Guide Plan Designation as well. The changes proposed to the Industrial category were related to the implementation of the Lyndale Avenue Suburban Retrofit Plan – specifically tied to the creation of the Transitional Industrial Zoning District. This aspect of the Comprehensive Plan Text Amendment was separated from the proposed modifications to the residential categories and approved by the City Council on February 6, 2023 (Case #PL2022-249). As such, the Comprehensive Plan Text Amendment proposed as part of the subject application now is narrowly focused on the changes proposed to the Low Density Residential and Medium Density Residential Guide Plan Designations. No modifications to the proposal have been put forth since their consideration on January 9, 2023. The recommended text amendments are submitted as they were previously presented.

PUBLIC ENGAGEMENT

Since the January 9, 2023 meeting, staff has participated in the following engagement activities:

- **Neighborhood Meetings** – Staff met with representatives of the Norman Ridge neighborhood on multiple occasions to answer questions, provide updated analysis, and engage in more detailed discussion surrounding the proposed ordinance.
- **Updated Let's Talk Bloomington Page** – Updates to the online engagement project page include an updated story map, updated meeting dates and materials, and a new comment and question portal. The comment and question portal on the page has allowed for more engagement with residents. A number of general questions have been posted with staff responses also visible for public view, all of which is attached to the staff report. The comments submitted through the Let's Talk Bloomington project page are included in the public correspondence for this case.
- **Utilization of City Social Media Platforms** – Informational posts about the project were disseminated on the City of Bloomington's Facebook, Twitter, Nextdoor and e-Subscribe accounts. The posts were successful in generating additional questions and discussion from the public.
- **Informational Meetings by Request** – Community Development staff have been invited to multiple informational meetings to present an overview and updates about the proposed ordinance. Staff presented to the Human Rights Commission at their meeting on February 21, 2023. A realtor's group requested an overview from staff as part of a standing meeting in which Community Development staff routinely participate. Finally, Oak Grove Presbyterian's Supportive Housing Committee requested a presentation about the ordinance on March 14, 2023, which staff did provide.
- **Miscellaneous Engagement** – City Staff has been responding to a number of inquiries about the proposal, both in phone calls and emails. Staff estimates that engagement has occurred with over 20 parties related to miscellaneous discussions and questions. Staff estimates that miscellaneous engagement has included approximately 20 phone calls and 35 or more emails and responses to various inquiries.

At the time this staff report was finalized, staff continues engaging with multiple residents and other parties who have questions about the Single and Two-Family Zoning Update.

PUBLIC CORRESPONDENCE

Since January 9, 2023, staff has received 42 pieces of email correspondence related to this case from the general public as of 10:00 a.m. on March 16, 2023. All of the correspondence received as of the time of staff report publication is attached. A number of comments and questions (along with staff responses) were also collected from the Let's Talk Bloomington project page, which are reflected in the Engagement Summary Report that is attached to the staff report. The nature of the

correspondence received from the public to date is largely in opposition to the proposed ordinance. Staff also received a letter of support for the ordinance from the City's Human Right Commission. The Bloomington Housing and Redevelopment Authority (HRA) also submitted a letter of support for the ordinance in furtherance of a project on which the HRA is engaged in partnership with West Hennepin Affordable Housing Land Trust. Both letters are attached. All the correspondence received is attached to the staff report for consideration by the City Council. Should any correspondence come in after the publication of the staff report, staff will add it to the published meeting agenda.

RECOMMENDATION

The Planning Commission and staff recommend approval through the following motions:

Motion made by _____, seconded by _____, in Case #PL2022-221, I move to adopt an ordinance amending Chapters 19, 21 and 22 of the City Code modifying requirements for single-family residential and two-family residential lots and dwellings related to definitions, lot size and width, approval processes, setback requirements, parking and garage requirements, platting and other related standards.

Motion made by _____, seconded by _____, in Case #PL2022-221, I move to adopt a resolution approving a Comprehensive Plan Text Amendment modifying the descriptions and density ranges of the Low Density Residential and Medium Density Residential Guide Plan Designations.

Staff recommend authorization of summary publication of the single and two-family residential ordinance through the following motion:

Motion made by _____, seconded by _____, in Case #PL2022-221, I move to adopt a resolution authorizing summary publication of the ordinance updating zoning and platting regulations and procedures for single and two-family dwellings and lots.

Exhibit 1 – Minimum Lot Areas and Widths of Peer Communities

Single-Family District with Smallest Lot Size		
	Interior Lot Size (sq. ft.)	Interior Width (ft.)
<i>Duluth (R-1)</i>	4,000 ^a	40 ^a
<i>Rochester (R-1)</i>	5,000 ^c	60 ^c
<i>Richfield (R)</i>	6,000	47
<i>Plymouth (RSF-3)</i>	7,000 ^a	65 ^a
<i>Bloomington (proposed)</i>	7,800	60
<i>Eagan (R-1S)</i>	8,000 ^a	65 ^a
<i>Lakeville (RST-1)</i>	8,400 ^{a and c}	70 ^{a and c}
<i>Brooklyn Park (R-4)</i>	8,500 ^a	70 ^a
<i>Edina (R-1)</i>	9,000 ^b	75 ^b
<i>Eden Prairie (R1-9.5)</i>	9,500 ^a	70 ^a
<i>Burnsville (R-1)</i>	10,000	80
<i>Maple Grove (R-3)</i>	10,000 ^a	80 ^a
<i>Woodbury (R-4)</i>	10,000	80
<i>Savage (R-1)</i>	10,890 ^c	82.5 ^c
<i>Bloomington (existing)</i>	11,000	80

Single-Family District Most Widely Applied		
	Interior Lot Size (sq. ft.)	Interior Width (ft.)
<i>Duluth (R-1)</i>	4,000	40
<i>Rochester (R-1)</i>	5,000	60
<i>Richfield (R)</i>	6,000	47
<i>Bloomington (proposed)</i>	7,800	60
<i>Edina (R-1)</i>	9,000	75
<i>Burnsville (R-1)</i>	10,000	80
<i>Maple Grove (R-2)</i>	10,000	80
<i>Woodbury (R-4)</i>	10,000	80
<i>Brooklyn Park (R-3)</i>	10,800	80
<i>Savage (R-1)</i>	10,890	82.5
<i>Lakeville (RS-3)</i>	11,000	85
<i>Bloomington (existing)</i>	11,000	80
<i>Eagan (R-1)</i>	12,000	85
<i>Eden Prairie (R1-13.5)</i>	13,500	85
<i>Plymouth (RSF-1)</i>	18,500	110

Table Notes

^athis value is the lesser between multiple zoning districts

^bIf the lots in a neighborhood have a higher median lot area/width, the minimum lot area/width must meet the neighborhood's median

^canother zoning district had lower values but the district encompassed an insignificant amount of land

Data Note: Cities selected as part of this analysis include all jurisdictions that surround Bloomington and the other 10 most populous cities in Minnesota, but not including Minneapolis and St. Paul.

Exhibit 1 – Minimum Lot Areas and Widths of Peer Communities

Two-Family District with Smallest Lot Size		
	Interior Lot Size (sq. ft.)	Interior Width (ft.)
<i>Duluth (R-1)</i>	3,000 ^a	40
<i>Richfield (R)</i>	6,000	47
<i>Rochester (R-2)</i>	6,000 ^a	60 ^a
<i>Maple Grove (R-3)</i>	10,000	80
<i>Savage (R-3)</i>	10,000 ^a	100 ^a
<i>Plymouth (RSF-4)</i>	12,000 ^a	90 ^a
<i>Woodbury (R-4)</i>	12,000	80
<i>Bloomington (proposed)</i>	13,000	80
<i>Eden Prairie (RM-6.5)</i>	13,000	48
<i>Bloomington (existing)</i>	15,000	100
<i>Burnsville (R-2)</i>	15,000	100
<i>Eagan (R-2)</i>	15,000	100
<i>Edina (R-2)</i>	15,000	90
<i>Lakeville (RST-1)</i>	15,000 ^a and ^c	100 ^a and ^c
<i>Brooklyn Park (R-4)</i>	16,200	120

Table Notes

^athis value is the lesser between multiple zoning districts

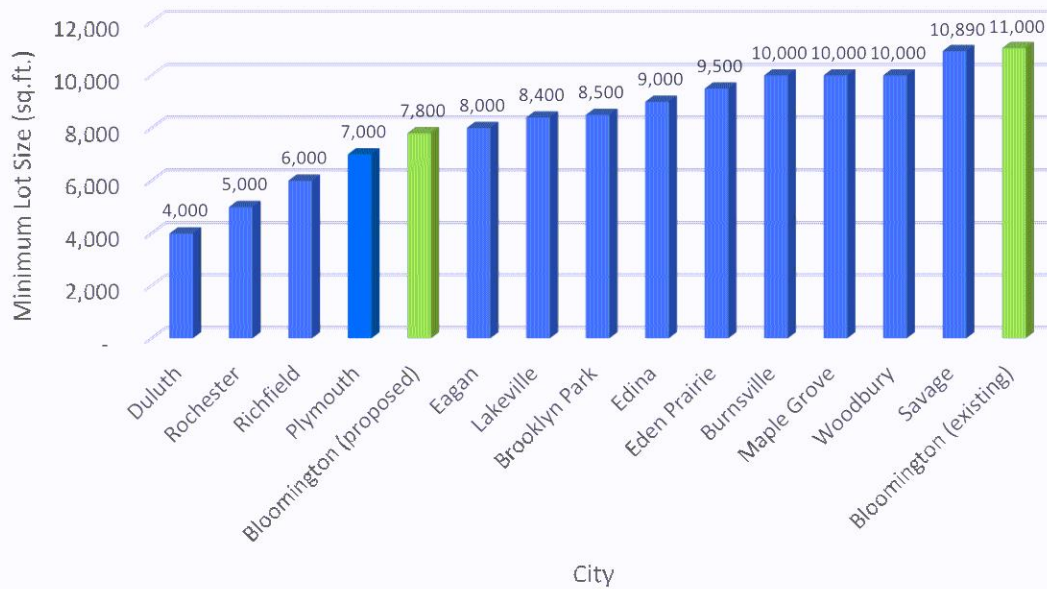
^bIf the lots in a neighborhood have a higher median lot area/width, the minimum lot area/width must meet the neighborhood's median

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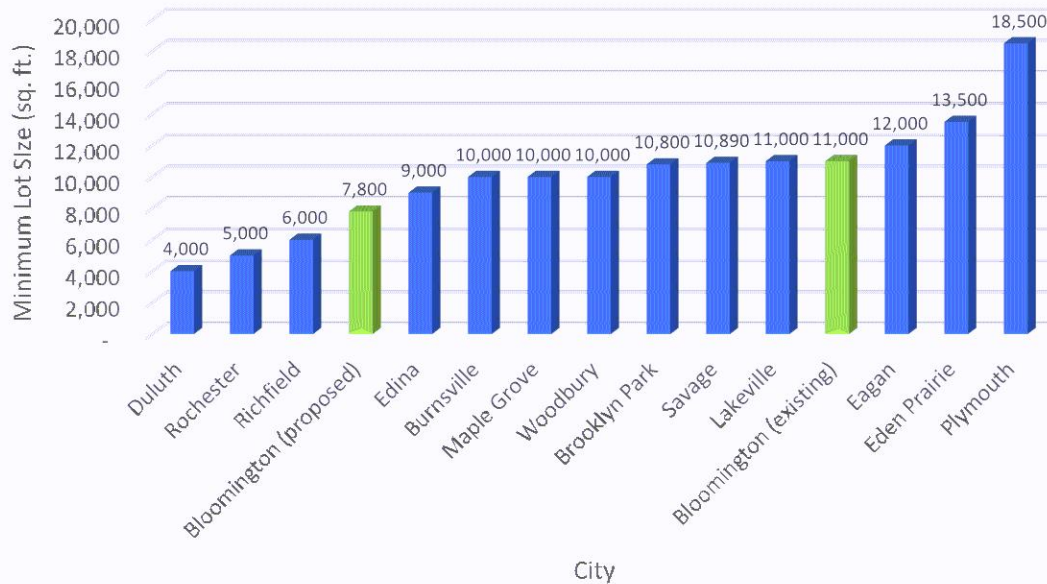
Data Note: Cities selected as part of this analysis include all jurisdictions that surround Bloomington and the other 10 most populous cities in Minnesota, but not including Minneapolis and St. Paul.

Exhibit 1 – Minimum Lot Areas and Widths of Peer Communities

Minimum Lot Size - Single-Family District with Smallest Lot Size



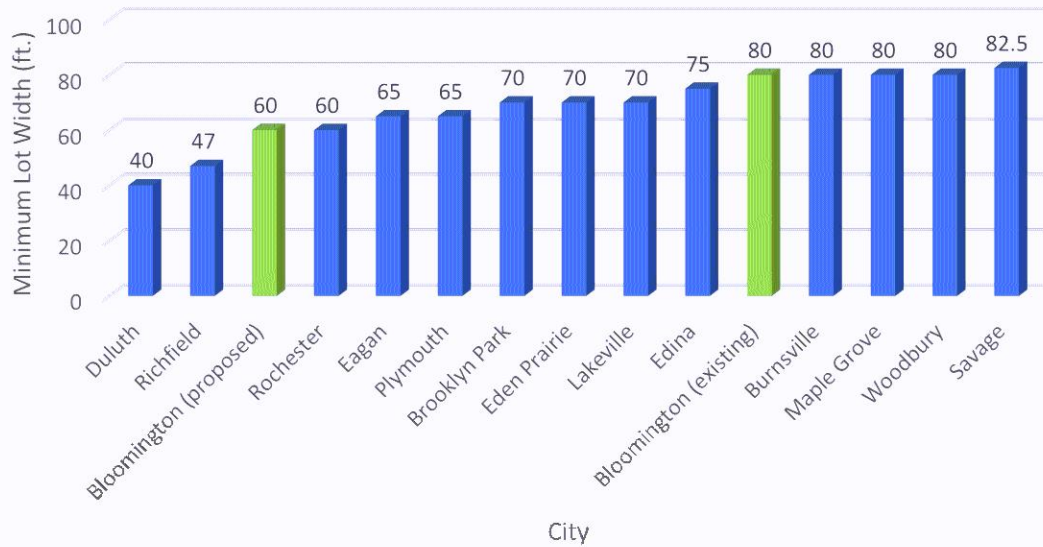
Minimum Lot Size - Single-Family District Most Widely Applied



Data Note: Cities selected as part of this analysis include all jurisdictions that surround Bloomington and the other 10 most populous cities in Minnesota, but not including Minneapolis and St. Paul.

Exhibit 1 – Minimum Lot Areas and Widths of Peer Communities

Minimum Lot Width - Single-Family District with Smallest Lot Size



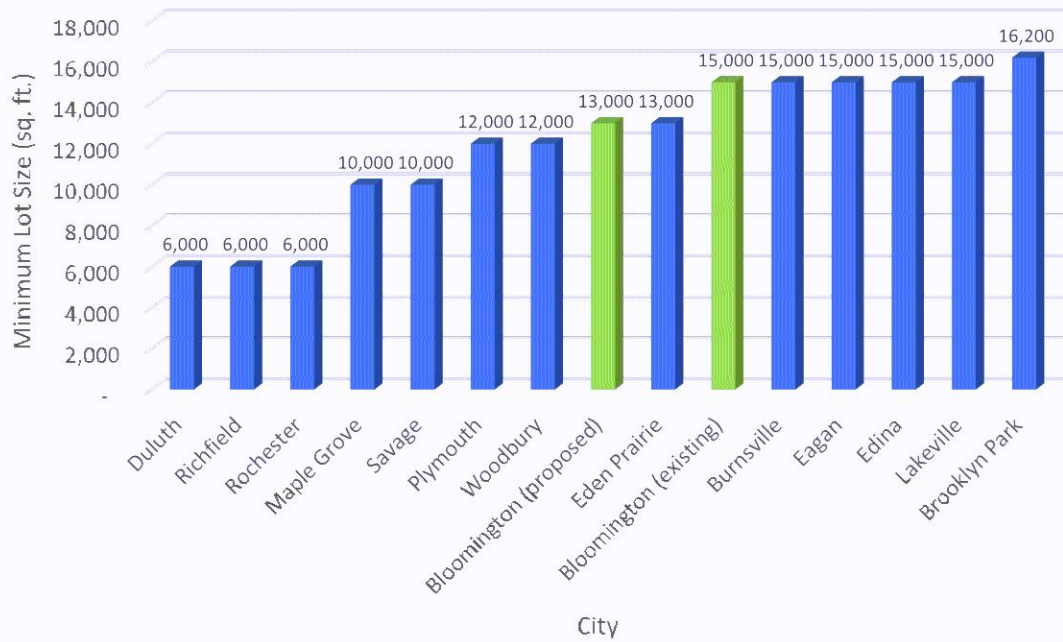
Minimum Lot Width - Single-Family District Most Widely Applied



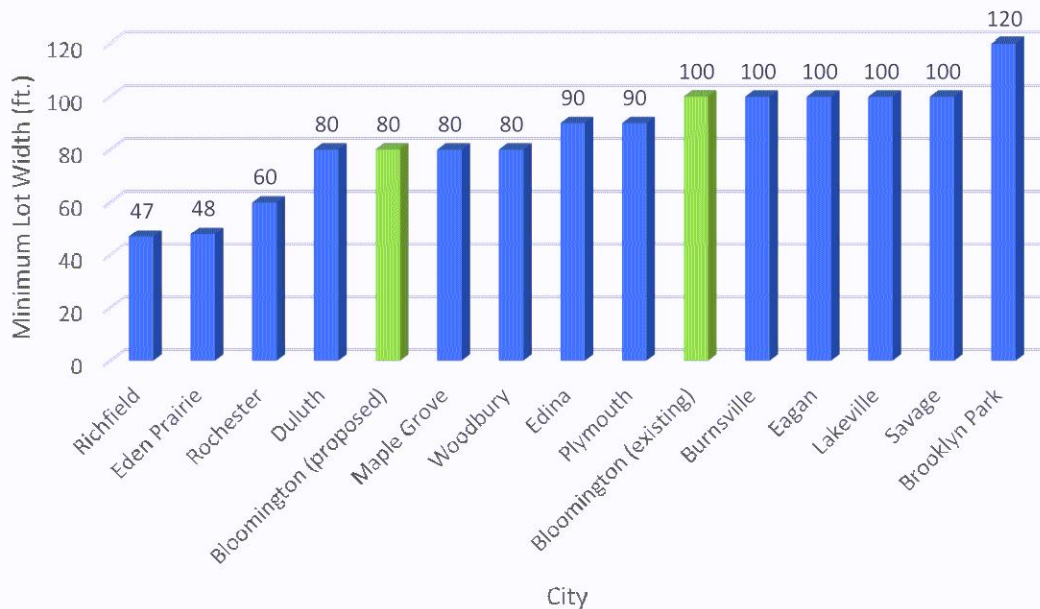
Data Note: Cities selected as part of this analysis include all jurisdictions that surround Bloomington and the other 10 most populous cities in Minnesota, but not including Minneapolis and St. Paul.

Exhibit 1 – Minimum Lot Areas and Widths of Peer Communities

Minimum Lot Size - Two-Family District with Smallest Lot Size



Minimum Lot Width - Two-Family District with Smallest Lot Size



Data Note: Cities selected as part of this analysis include all jurisdictions that surround Bloomington and the other 10 most populous cities in Minnesota, but not including Minneapolis and St. Paul.

SINGLE AND TWO-FAMILY ZONING UPDATE PROJECT

EXISTING AND PROPOSED MINIMUM SITE WIDTH AND AREA REQUIREMENTS

SINGLE-FAMILY RESIDENTIAL

Standards	Site Width		Site Area	
	Interior	Corner	Interior	Corner
Existing	80 ft.	120 ft.	11,000 sq. ft.	15,000 sq. ft.
Proposed	60 ft.	100 ft.	7,800 sq. ft.	11,050 sq. ft.

Candidate Sites for Single-Family Residential Subdivision:

Existing Candidate Sites (interior lots) - Lots over 22,000 sq. ft. with frontage over 160 ft.	Proposed Candidate Sites (interior lots) - Lots over 15,600 sq. ft. with frontage over 120 ft.
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TWO-FAMILY RESIDENTIAL

Standards	Site Width		Site Area	
	Interior	Corner	Interior	Corner
Existing	100 ft.	120 ft.	15,000 sq. ft.	18,000 sq. ft.
Proposed	80 ft.	100 ft.	13,000 sq. ft.	16,250 sq. ft.

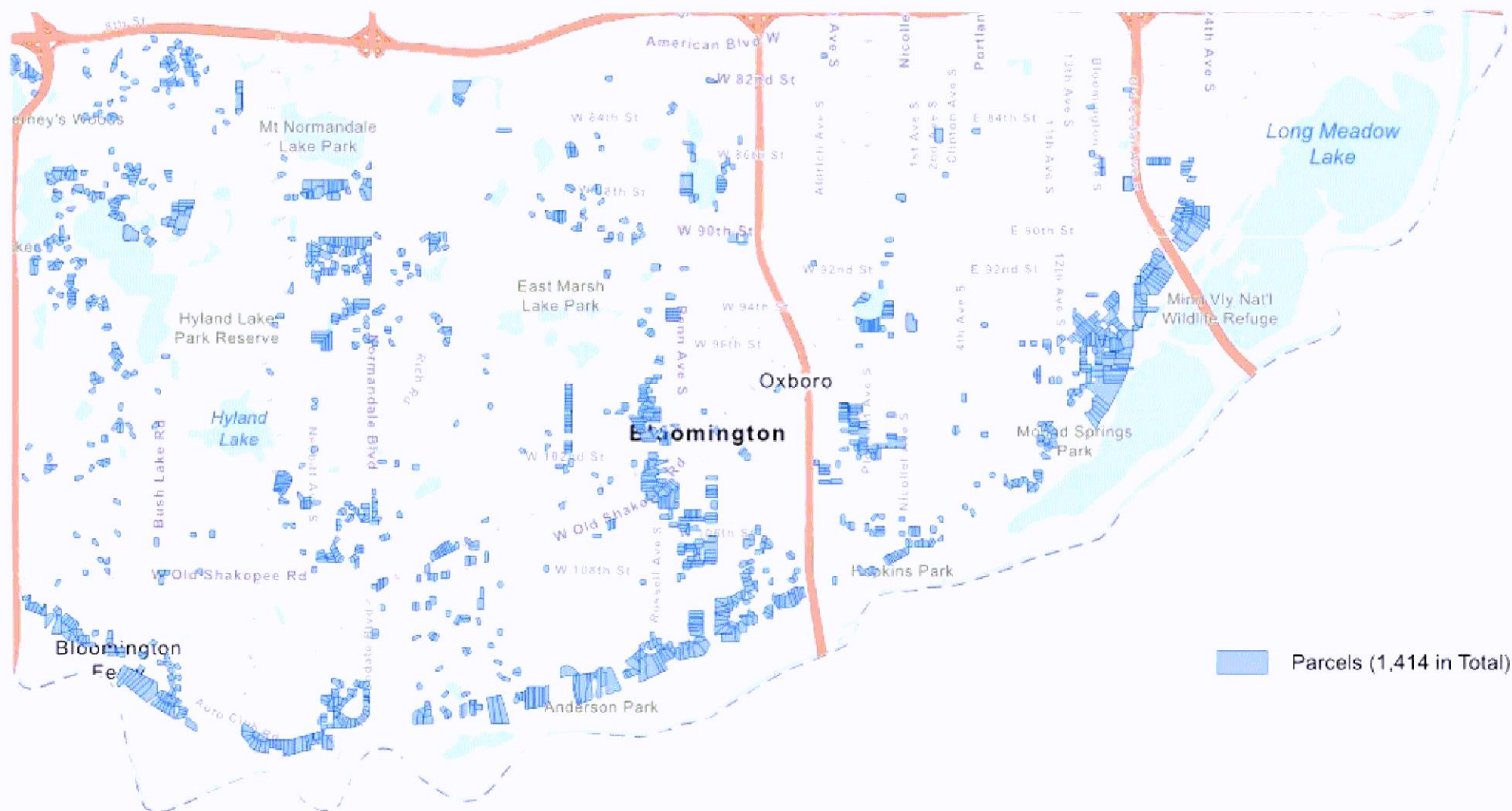
Candidate Sites for Two-Family Dwellings:

Existing Candidate Sites (interior lots) - Lots over 15,000 sq. ft. with frontage over 100 ft.	Proposed Candidate Sites (interior lots) - Lots over 13,000 sq. ft. with frontage over 80 ft.
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Note: Candidates determined by site width and area only, no other factors (slope, setbacks, etc.) considered.

Single-Family (R-1) Lots

Lot Area - Greater than or Equal to 22,000 Square Feet



Map Notes

1. Sites analyzed are single-family residential properties that are zoned R-1.
2. Disclaimer: Median site width (see Sec. 21.301.01(c)(1)(B)) is not considered as a factor as part of this analysis.
3. Disclaimer: Physical limitations (lot configuration, structure setbacks, steep slopes, stormwater management, etc.) of individual sites are not considered as part of this analysis.
4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.



Single-Family (R-1) Lots

This map displays the Oxboro area within Bloomington, Minnesota. The map is oriented with North at the top. Major roads are shown in red, including American Blvd W, W 82nd St, W 90th St, W 92nd St, W 94th St, W 96th St, W 98th St, W 100th St, W 102nd St, W 104th St, W 106th St, W 108th St, W 110th St, W 112th St, W 114th St, W 116th St, W 118th St, W 120th St, W 122nd St, W 124th St, W 126th St, W 128th St, W 130th St, W 132nd St, W 134th St, W 136th St, W 138th St, W 140th St, W 142nd St, W 144th St, W 146th St, W 148th St, W 150th St, W 152nd St, W 154th St, W 156th St, W 158th St, W 160th St, W 162nd St, W 164th St, W 166th St, W 168th St, W 170th St, W 172nd St, W 174th St, W 176th St, W 178th St, W 180th St, W 182nd St, W 184th St, W 186th St, W 188th St, W 190th St, W 192nd St, W 194th St, W 196th St, W 198th St, W 200th St, W 202nd St, W 204th St, W 206th St, W 208th St, W 210th St, W 212th St, W 214th St, W 216th St, W 218th St, W 220th St, W 222nd St, W 224th St, W 226th St, W 228th St, W 230th St, W 232nd St, W 234th St, W 236th St, W 238th St, W 240th St, W 242nd St, W 244th St, W 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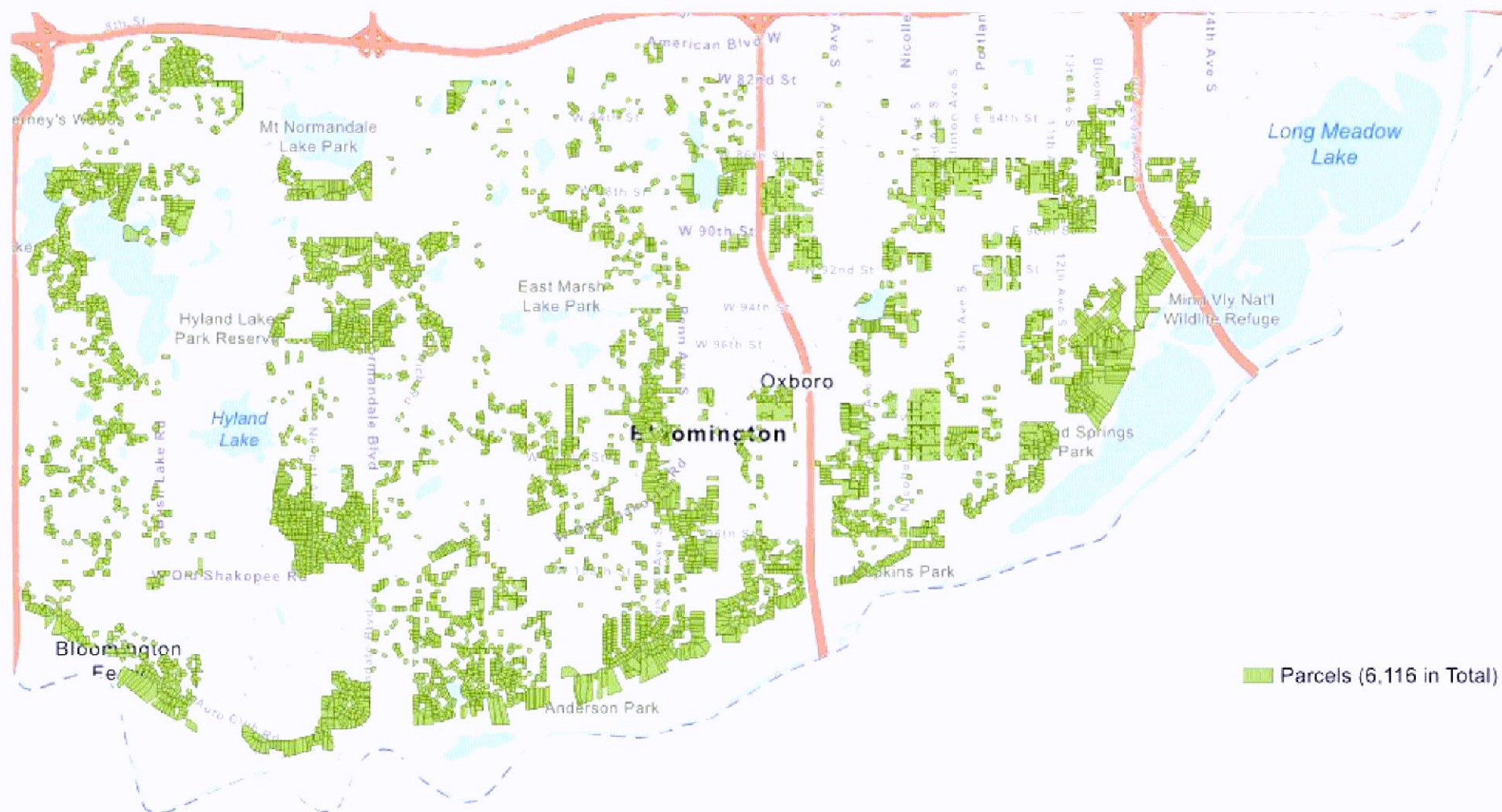
1. Sites analyzed are single-family residential properties that are zoned R-1.
2. Disclaimer: Median site width (see Sec. 21.301.01(c)(1)(B)) is not considered as a factor as part of this analysis.
3. Disclaimer: Physical limitations (lot configuration, structure setbacks, steep slopes, stormwater management, etc.) of individual sites are not considered as part of this analysis.
4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.



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Single-Family (R-1) Lots

Lot Area - Greater than or Equal to 15,600 Square Feet



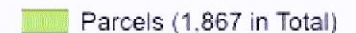
Map Notes

1. Sites analyzed are single-family residential properties that are zoned R-1.
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4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.



Single-Family (R-1) Lots

Lot Frontage - Greater than or Equal to 120 Feet

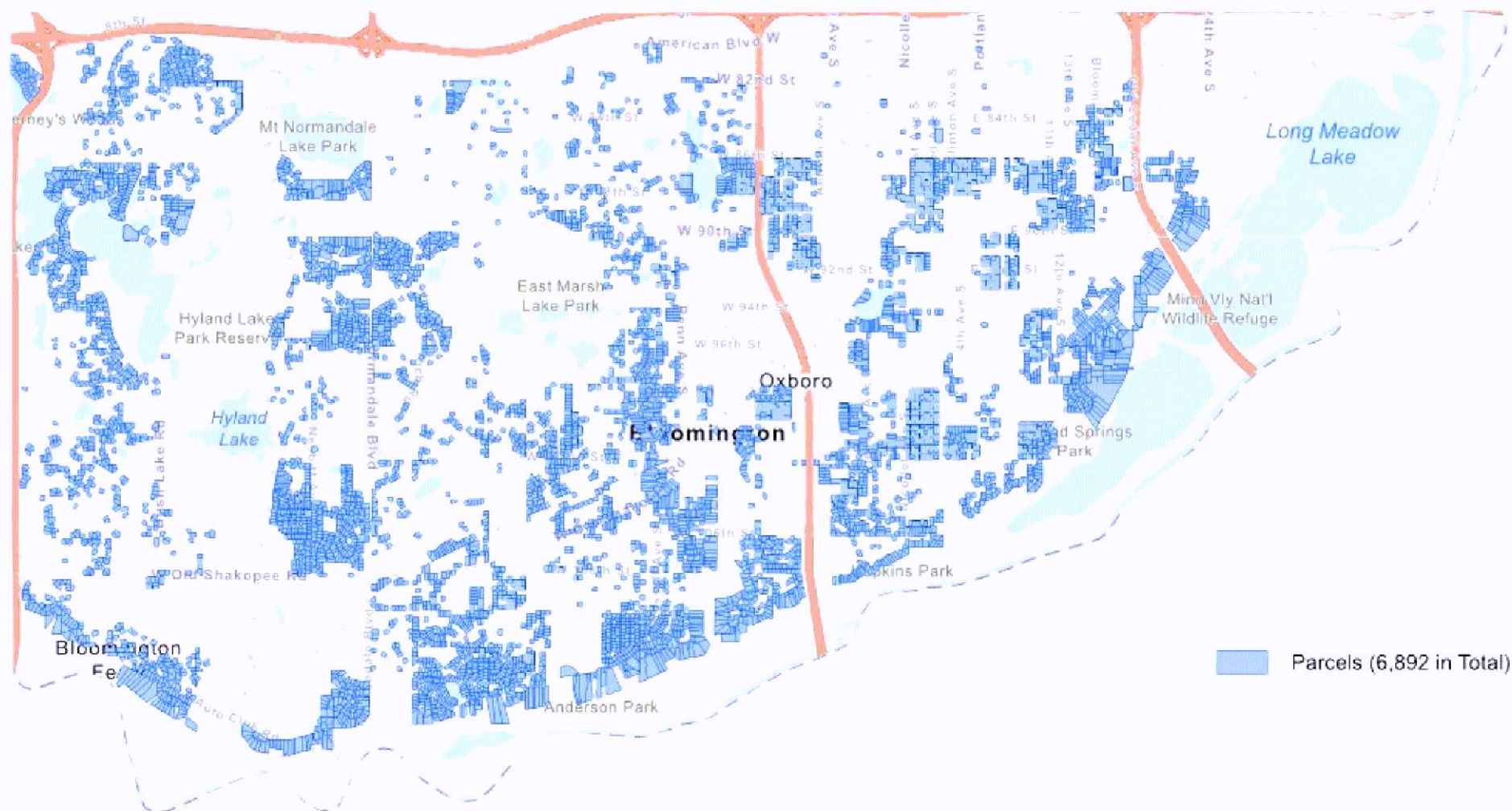


1. Sites analyzed are single-family residential properties that are zoned R-1.
2. Disclaimer: Median site width (see Sec. 21.301.01(c)(1)(B)) is not considered as a factor as part of this analysis.
3. Disclaimer: Physical limitations (lot configuration, structure setbacks, steep slopes, stormwater management, etc.) of individual sites are not considered as part of this analysis.
4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.



Two-Family (R-1) Lots

Lot Area - Greater than or Equal to 15,000 Square Feet



Map Notes

1. Sites analyzed are single-family residential properties that are zoned R-1.
2. Disclaimer: Median site width (see Sec. 21.301.01(c)(1)(B)) is not considered as a factor as part of this analysis.
3. Disclaimer: Physical limitations (lot configuration, structure setbacks, steep slopes, stormwater management, etc.) of individual sites are not considered as part of this analysis.
4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.



Two-Family (R-1) Lots

Lot Frontage - Greater than or Equal to 100 Feet



1. Sites analyzed are single-family residential properties that are zoned R-1.
2. Disclaimer: Median site width (see Sec. 21.301.01(c)(1)(B)) is not considered as a factor as part of this analysis.
3. Disclaimer: Physical limitations (lot configuration, structure setbacks, steep slopes, stormwater management, etc.) of individual sites are not considered as part of this analysis.
4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.



EXHIBIT 2

CANDIDATE SITE MAPPING

1. Sites analyzed are single-family residential properties that are zoned R-1.
2. Disclaimer: Median site width (see Sec. 21.301.01(c)(1)(B)) is not considered as a factor as part of this analysis.
3. Disclaimer: Physical limitations (lot configuration, structure setbacks, steep slopes, stormwater management, etc.) of individual sites are not considered as part of this analysis.
4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.

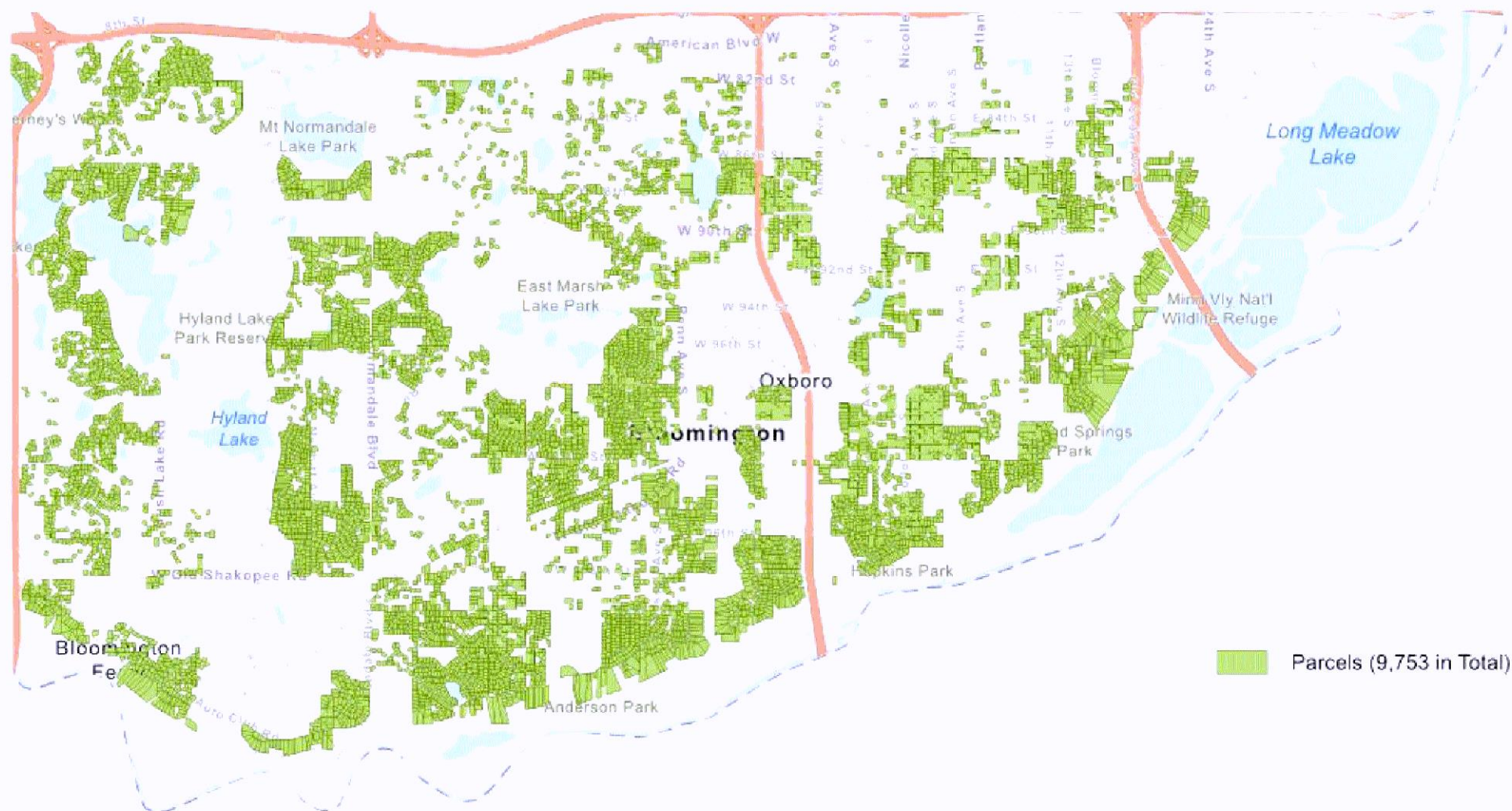


2/16/2023 2:35 PM

Two-Family (R-1) Lots

Lot Area - Greater than or Equal to 13,000 Square Feet

Lot Frontage - Greater than or Equal to 80 Feet



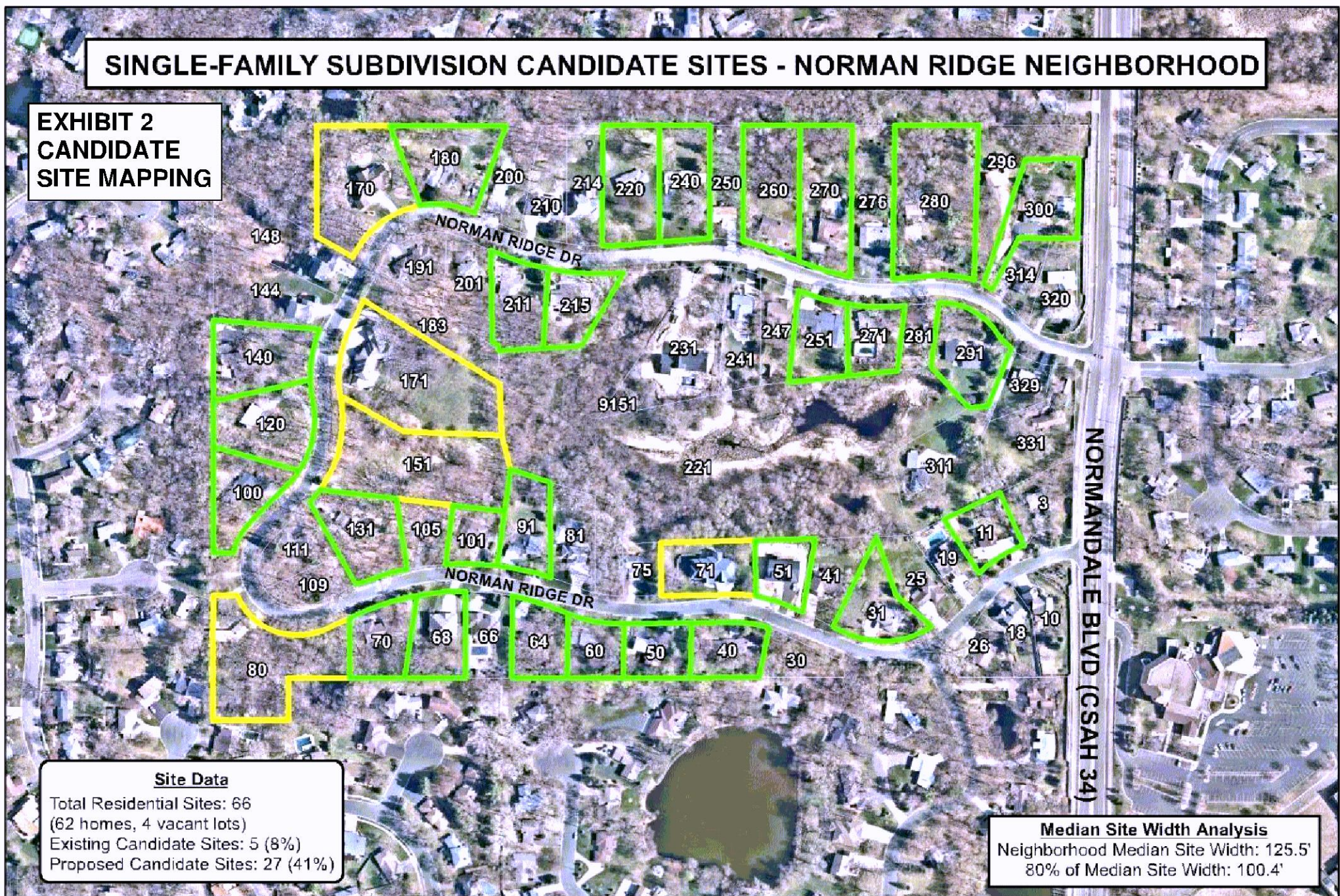
Map Notes

1. Sites analyzed are single-family residential properties that are zoned R-1.
2. Disclaimer: Median site width (see Sec. 21.301.01(c)(1)(B)) is not considered as a factor as part of this analysis.
3. Disclaimer: Physical limitations (lot configuration, structure setbacks, steep slopes, stormwater management, etc.) of individual sites are not considered as part of this analysis.
4. Disclaimer: Lot frontage data is highly variable and not truly representative of an accurate site width measurement on an individual lot.
5. Disclaimer: Corner lots require higher minimum lot areas and lot widths than interior lots, which are not reflected in the subject analysis.



SINGLE-FAMILY SUBDIVISION CANDIDATE SITES - NORMAN RIDGE NEIGHBORHOOD

EXHIBIT 2 CANDIDATE SITE MAPPING



Site Data

Total Residential Sites: 66
(62 homes, 4 vacant lots)
Existing Candidate Sites: 5 (8%)
Proposed Candidate Sites: 27 (41%)

Median Site Width Analysis

Neighborhood Median Site Width: 125.5'
80% of Median Site Width: 100.4'

CANDIDATE SITES



Map Notes

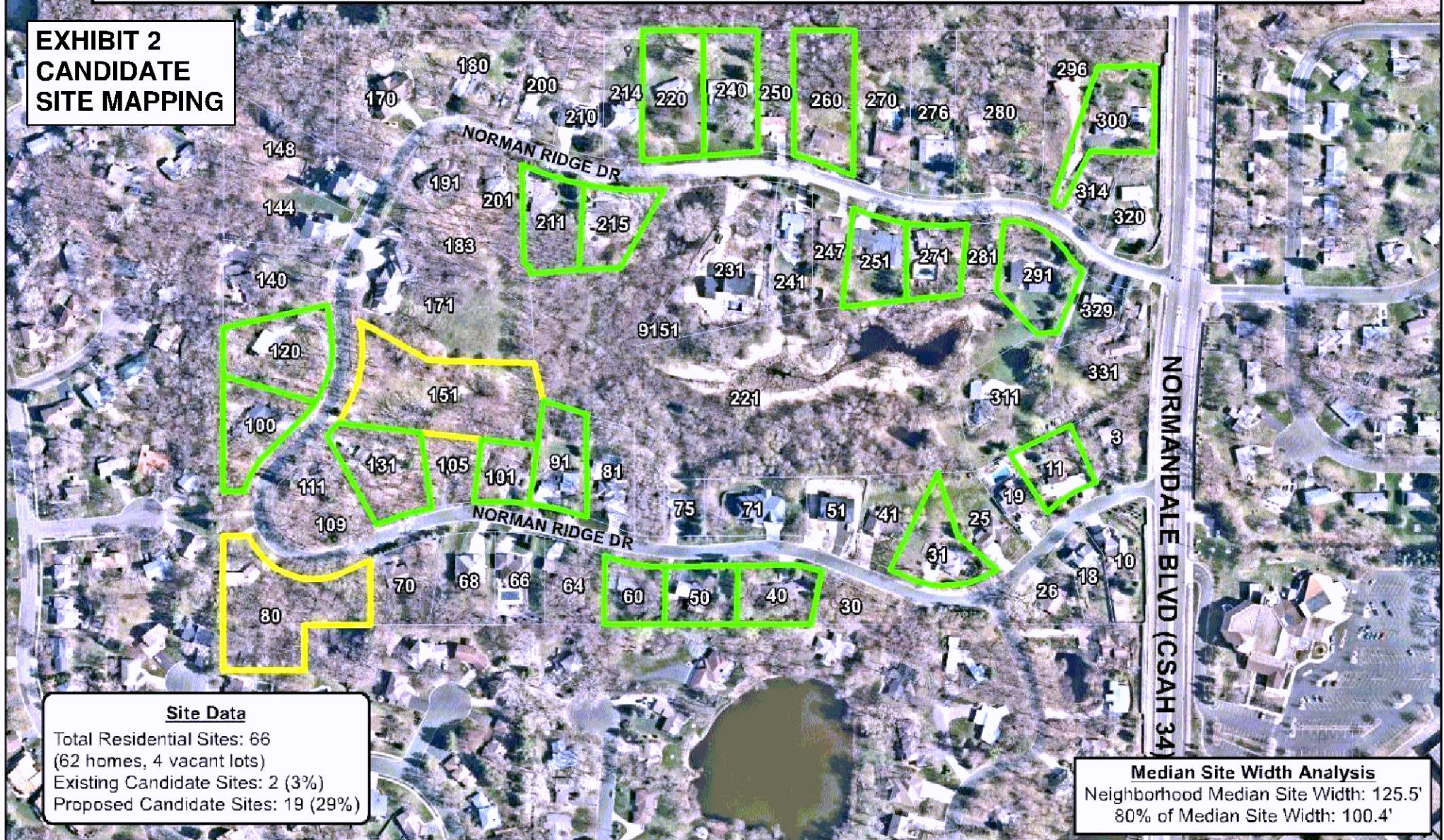
1. Slopes, topography, and setbacks not considered in determining candidate sites.
2. For the purposes of this analysis, no structure or land costs or existing structure locations taken into consideration in terms of likelihood of lot split.



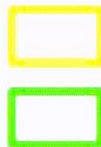
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City of Bloomington
01.31.2023

SINGLE-FAMILY SUBDIVISION CANDIDATE SITES - NORMAN RIDGE NEIGHBORHOOD W/ASSESSED VALUE LESS THAN \$600K

EXHIBIT 2 CANDIDATE SITE MAPPING



1"=300'
City of Bloomington
02.02.2023



EXISTING REGULATIONS

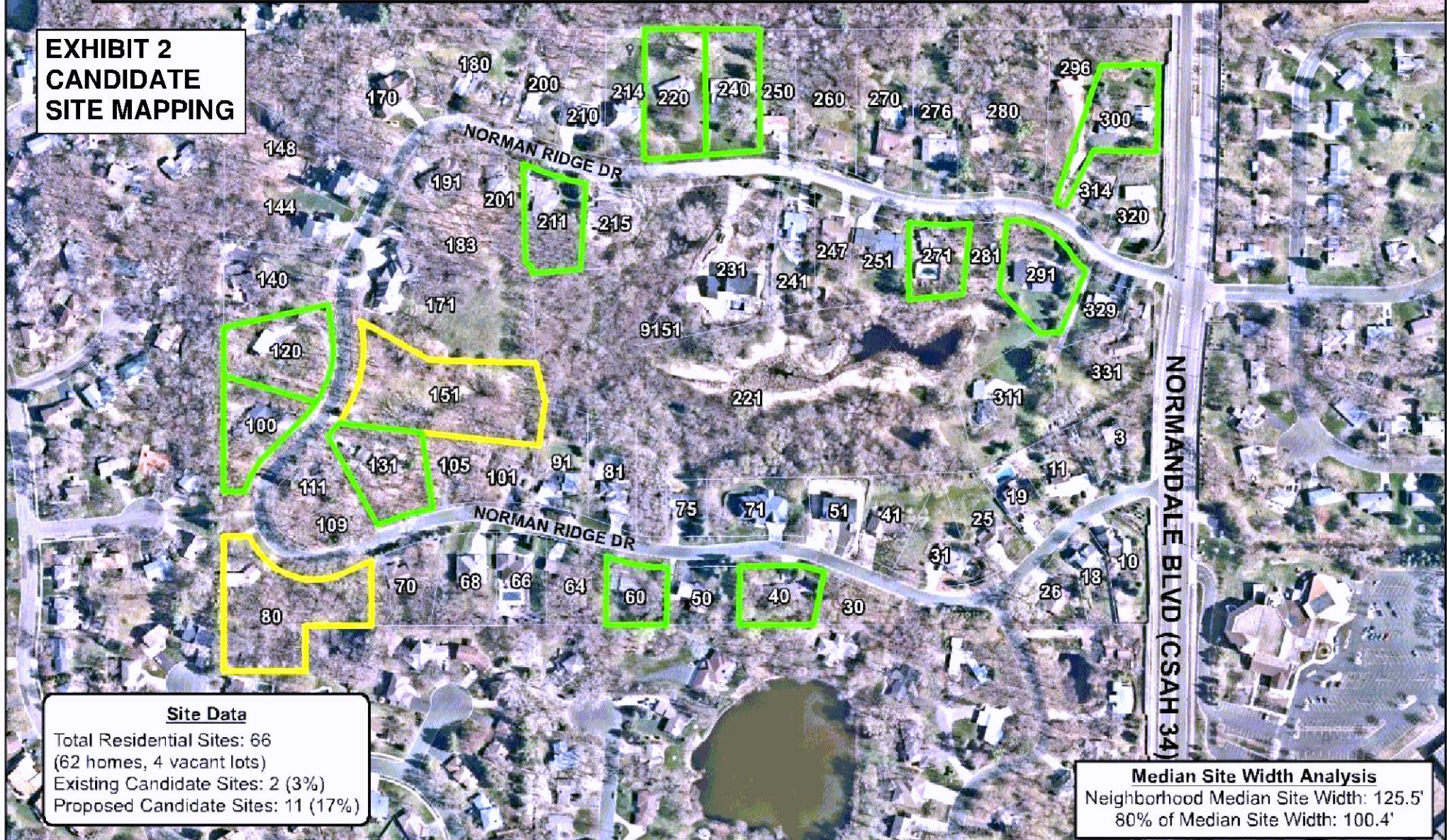
**ADDED BY PROPOSED
REGULATIONS**

Map Notes

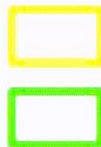
- Slopes, topography, and setbacks not considered in determining candidate sites.
- Lots with total values over \$600,000 as of 2022 assessment are eliminated as candidate sites for subdivision due to economic factors (maximum lot cost of \$300,000 per lot).

SINGLE-FAMILY SUBDIVISION CANDIDATE SITES - NORMAN RIDGE NEIGHBORHOOD W/ASSESSED VALUE LESS THAN \$500K

EXHIBIT 2 CANDIDATE SITE MAPPING



1"=300'
City of Bloomington
02.02.2023



EXISTING REGULATIONS

**ADDED BY PROPOSED
REGULATIONS**

Map Notes

- Slopes, topography, and setbacks not considered in determining candidate sites.
- Lots with total values over \$500,000 as of 2022 assessment are eliminated as candidate sites for subdivision due to economic factors (maximum lot cost of \$250,000 per lot).

TWO-FAMILY DWELLING CANDIDATE SITES - NORMAN RIDGE NEIGHBORHOOD

EXHIBIT 2 CANDIDATE SITE MAPPING



Site Data

Total Residential Sites: 65
Existing Two-Family Dwelling Sites: 0
Existing Candidate Sites: 47 (72%)
Proposed Candidate Sites: 57 (88%)

CANDIDATE SITES



Map Notes

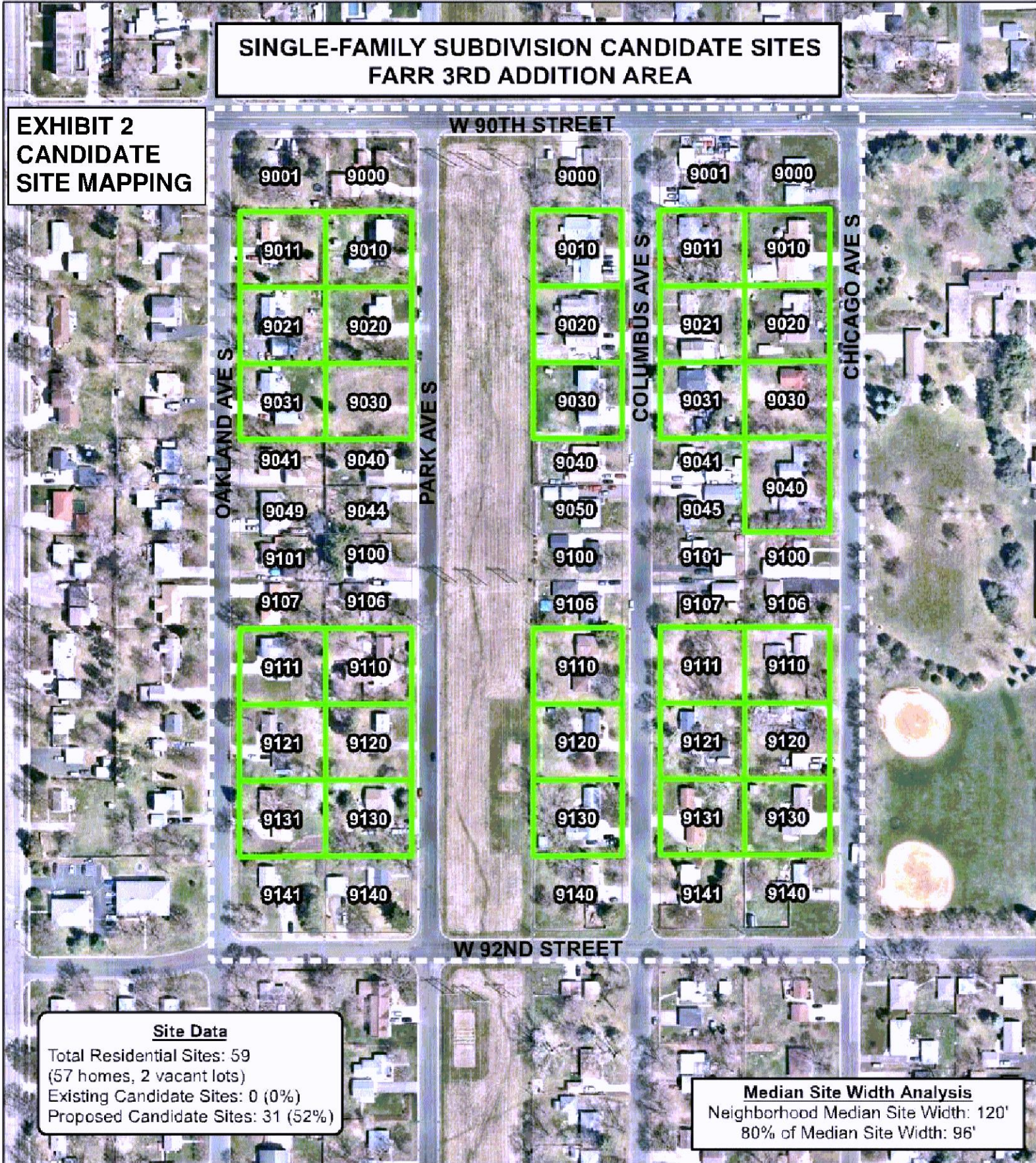
1. Slopes, topography, and setbacks not considered in determining candidate sites.
2. For the purposes of this analysis, 109 and 111 Norman Ridge Dr considered a single residential site due to common ownership.



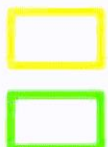
1"=300'
City of Bloomington
01.26.2023

SINGLE-FAMILY SUBDIVISION CANDIDATE SITES FARR 3RD ADDITION AREA

EXHIBIT 2 CANDIDATE SITE MAPPING



CANDIDATE SITES



EXISTING REGULATIONS

**ADDED BY PROPOSED
REGULATIONS**

Map Notes

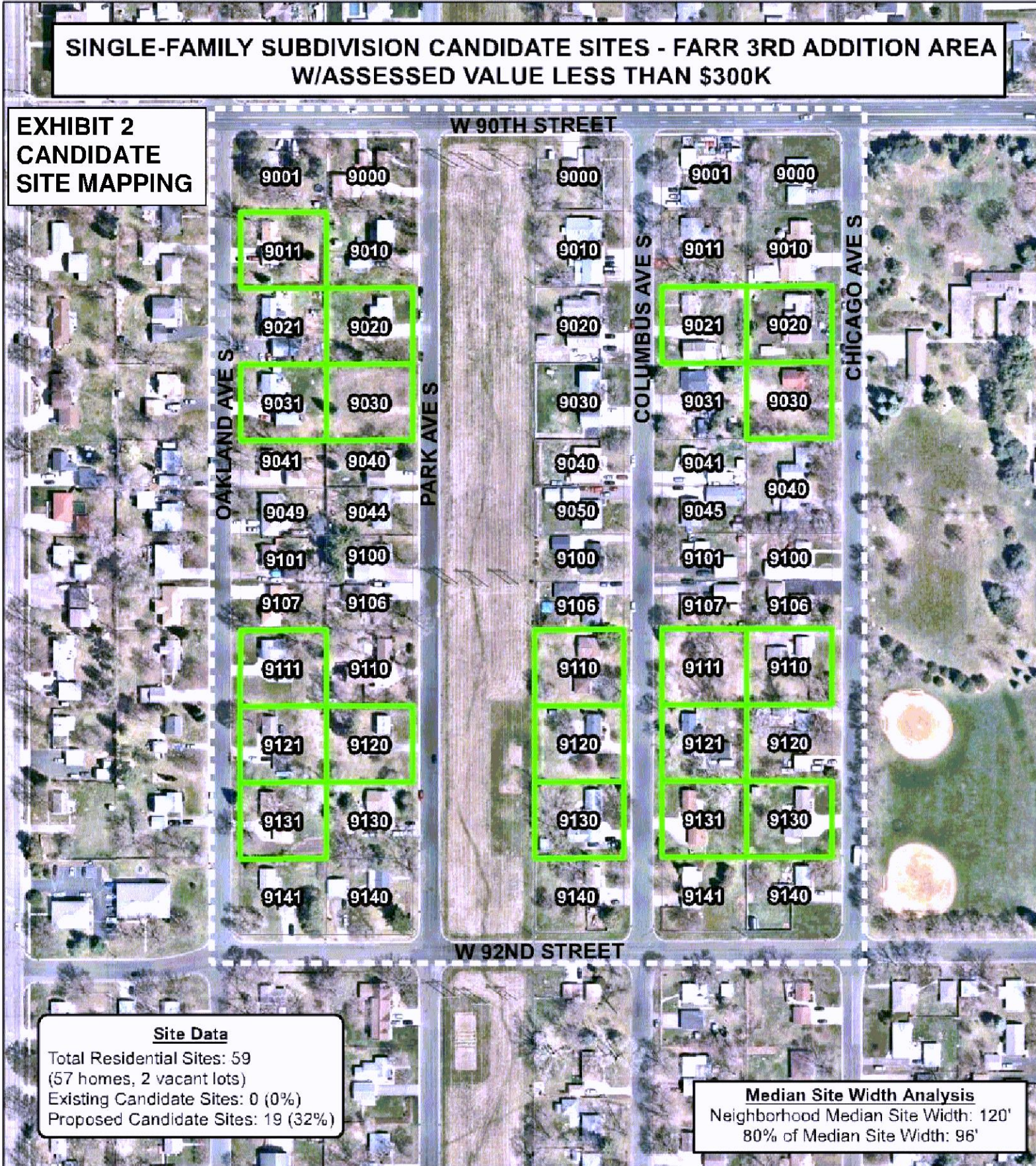
1. Slopes, topography, and setbacks not considered in determining candidate sites.
2. For the purposes of this analysis, no structure or land costs or existing structure locations taken into consideration in terms of likelihood of lot split.



1"=200'
City of Bloomington
03.01.2023

SINGLE-FAMILY SUBDIVISION CANDIDATE SITES - FARR 3RD ADDITION AREA W/ASSESSED VALUE LESS THAN \$300K

EXHIBIT 2 CANDIDATE SITE MAPPING



Site Data

Total Residential Sites: 59
(57 homes, 2 vacant lots)
Existing Candidate Sites: 0 (0%)
Proposed Candidate Sites: 19 (32%)

Median Site Width Analysis

Neighborhood Median Site Width: 120'
80% of Median Site Width: 96'

CANDIDATE SITES

- EXISTING REGULATIONS
- ADDED BY PROPOSED REGULATIONS

Map Notes

1. Slopes, topography, and setbacks not considered in determining candidate sites.
2. Lots with total values over \$300,000 as of 2022 assessment are eliminated as candidate sites for subdivision due to economic factors (maximum lot cost of \$150,000 per lot).

N
1"=200'
City of Bloomington
03.02.2023

SINGLE-FAMILY SUBDIVISION CANDIDATE SITES - FARR 3RD ADDITION AREA W/ASSESSED VALUE LESS THAN \$250K

EXHIBIT 2 CANDIDATE SITE MAPPING



1"=200'
City of Bloomington
03.02.2023

CANDIDATE SITES



EXISTING REGULATIONS



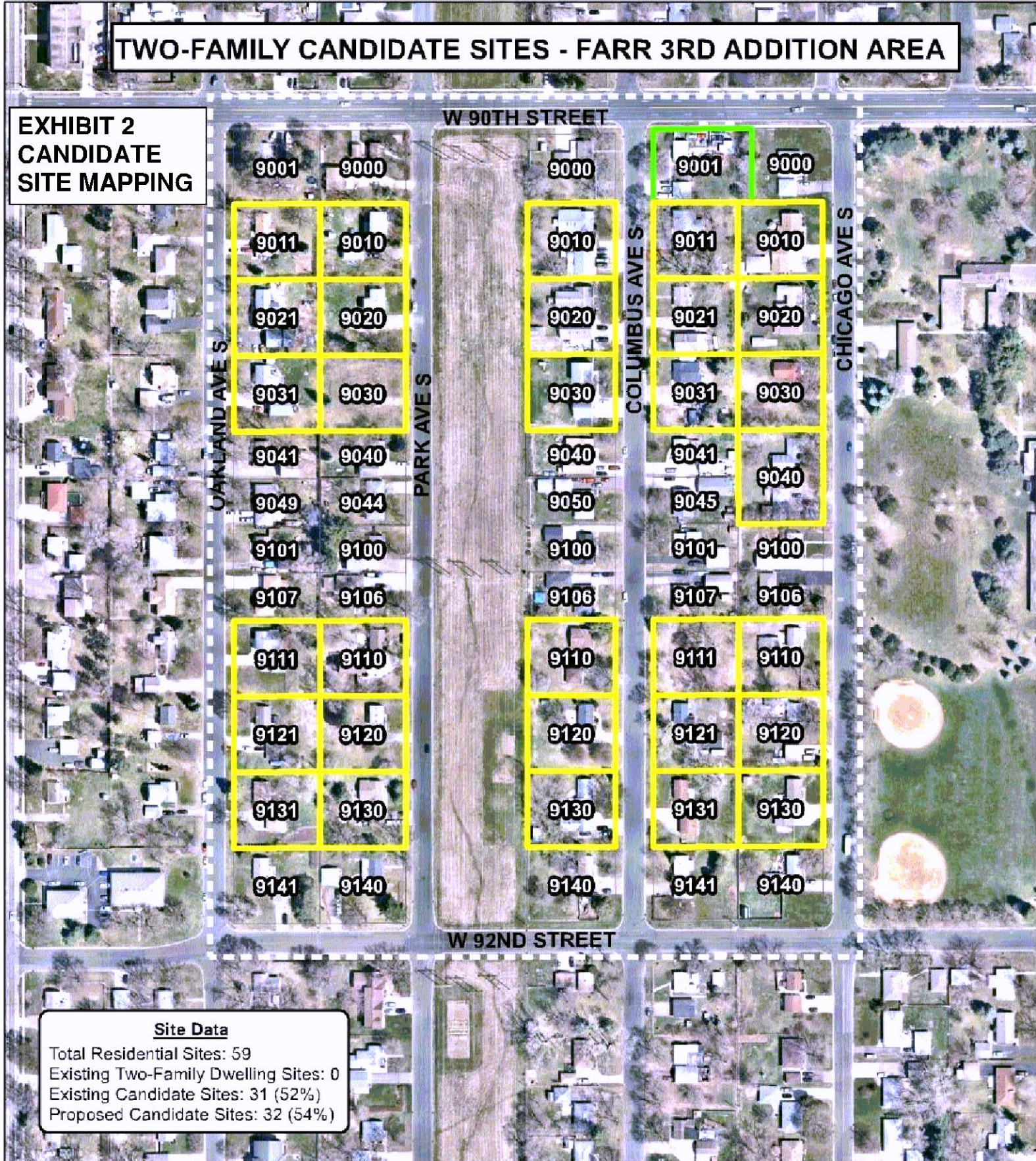
ADDED BY PROPOSED
REGULATIONS

Map Notes

1. Slopes, topography, and setbacks not considered in determining candidate sites.
2. Lots with total values over \$250,000 as of 2022 assessment are eliminated as candidate sites for subdivision due to economic factors (maximum lot cost of \$125,000 per lot).

TWO-FAMILY CANDIDATE SITES - FARR 3RD ADDITION AREA

EXHIBIT 2 CANDIDATE SITE MAPPING



Site Data

Total Residential Sites: 59
 Existing Two-Family Dwelling Sites: 0
 Existing Candidate Sites: 31 (52%)
 Proposed Candidate Sites: 32 (54%)

CANDIDATE SITES

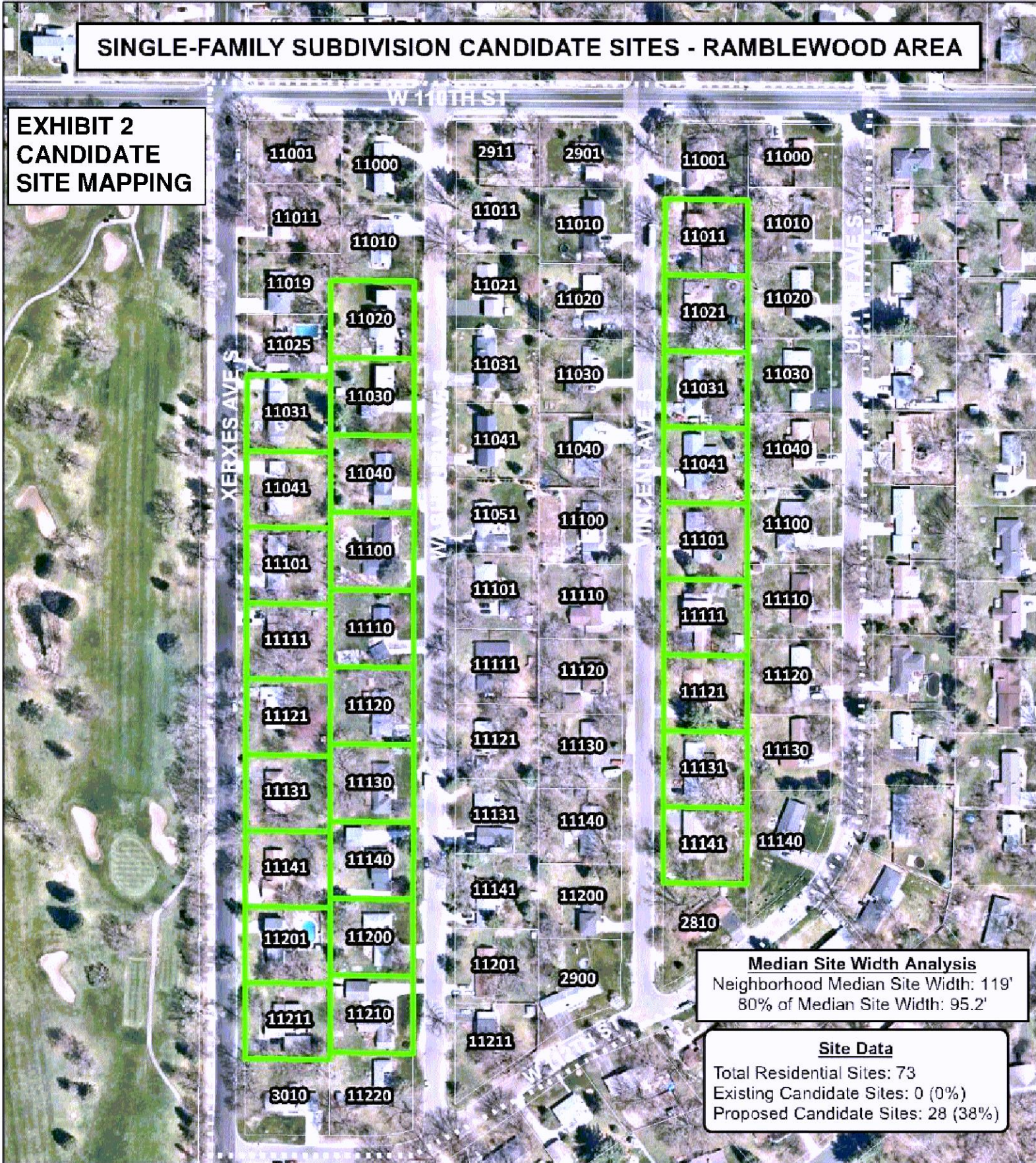
- EXISTING REGULATIONS
- ADDED BY PROPOSED REGULATIONS

Map Notes

1. Slopes, topography, and setbacks not considered in determining candidate sites.
2. For the purposes of this analysis, no structure or land costs or existing structure locations taken into consideration in terms of likelihood of two-family dwelling creation.

N
 1"=200'
 City of Bloomington
 03.01.2023

EXHIBIT 2 CANDIDATE SITE MAPPING



1"=200'
City of Bloomington
03.03.2023

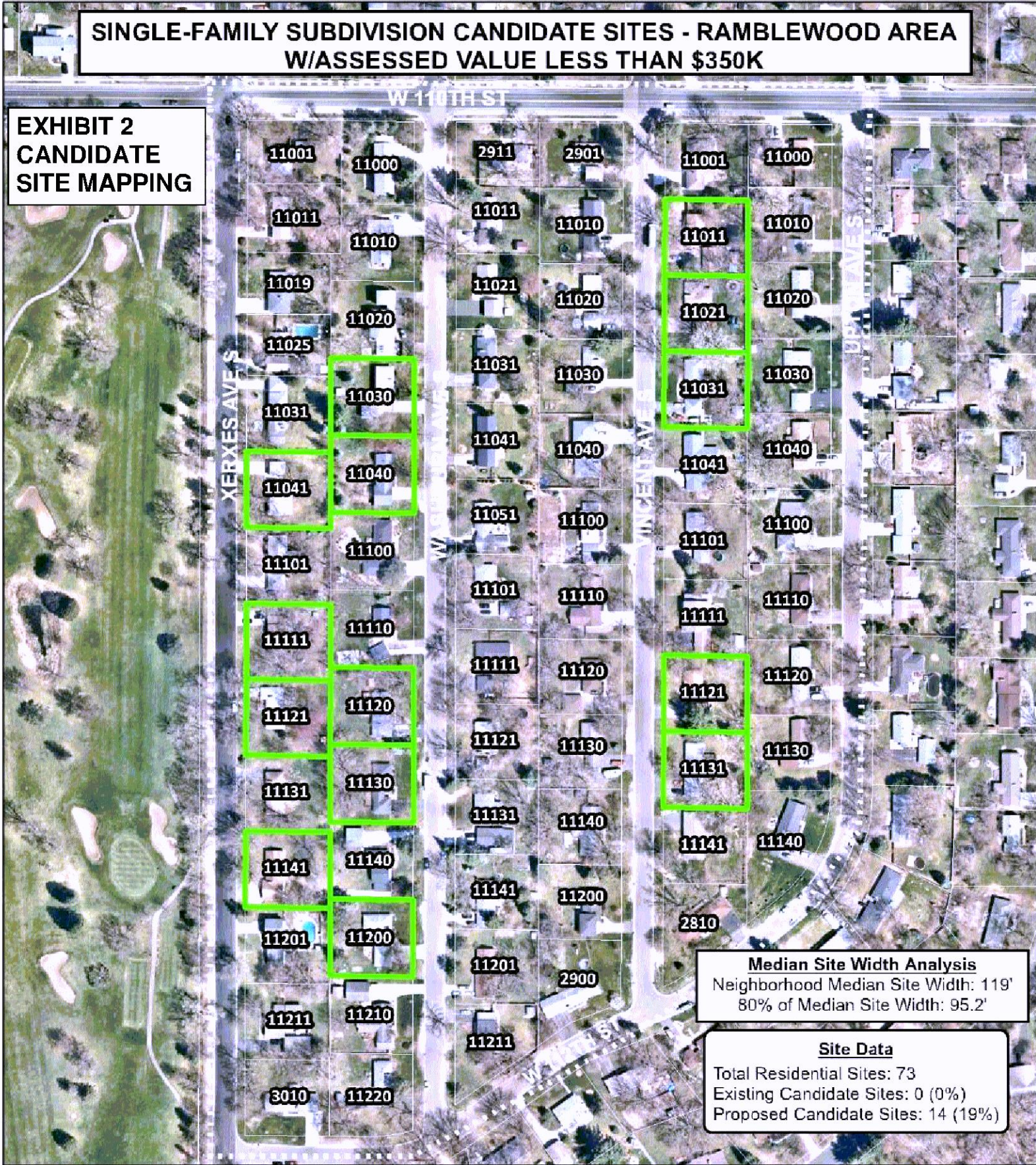
 EXISTING REGULATIONS

 ADDED BY PROPOSED REGULATIONS

1. Slopes, topography, and setbacks not fully considered in determining candidate sites.
2. For the purposes of this analysis, no structure or land costs or existing structure locations taken into consideration in terms of likelihood of lot split.

SINGLE-FAMILY SUBDIVISION CANDIDATE SITES - RAMBLEWOOD AREA W/ASSESSED VALUE LESS THAN \$350K

EXHIBIT 2 CANDIDATE SITE MAPPING



1"=200'
City of Bloomington
03.03.2023

CANDIDATE SITES

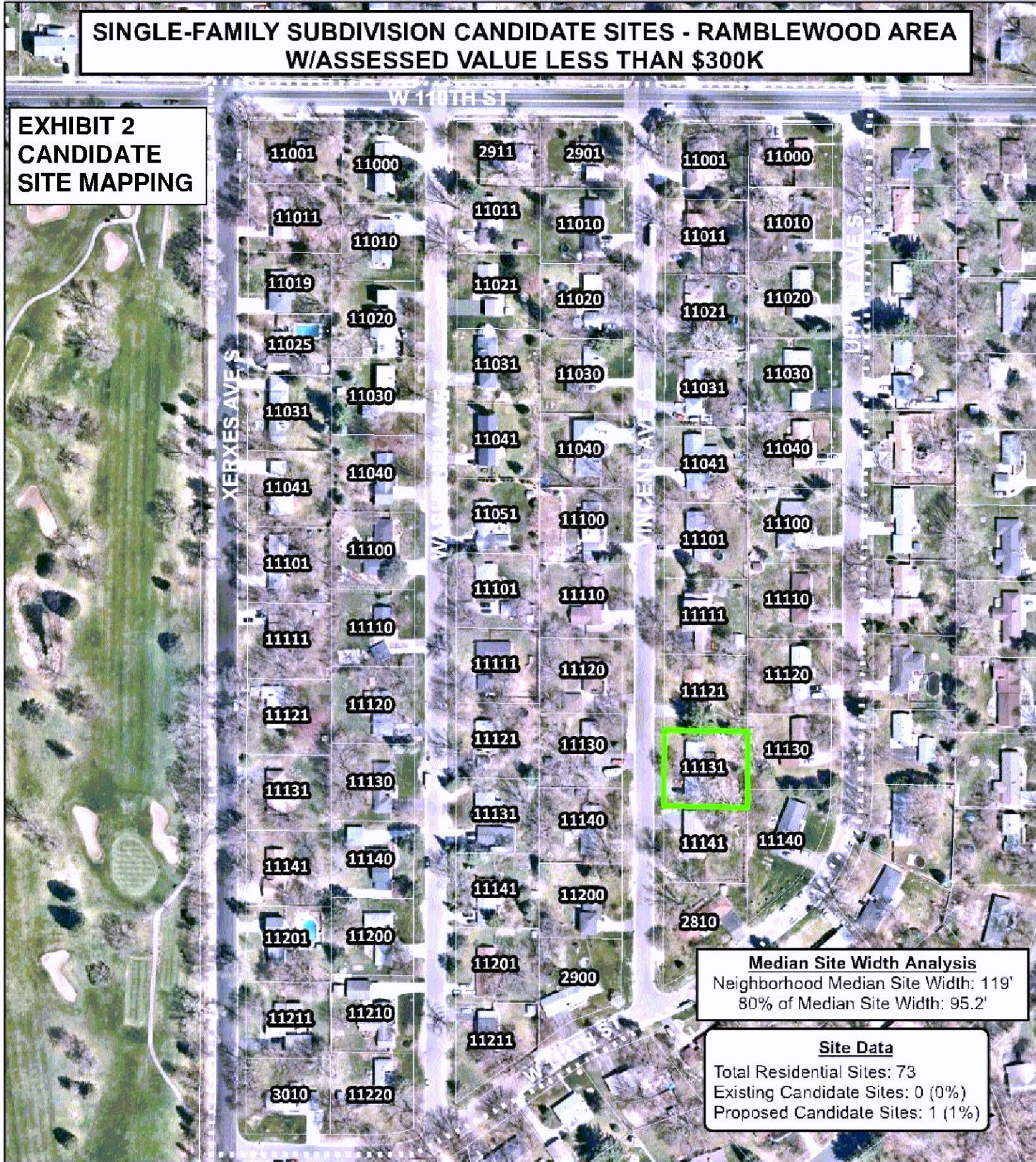
- EXISTING REGULATIONS
- ADDED BY PROPOSED REGULATIONS

Map Notes

1. Slopes, topography, and setbacks not fully considered in determining candidate sites.
2. Lots with total values over \$350,000 as of 2022 assessment are eliminated as candidate sites for subdivision due to economic factors (maximum lot cost of \$175,000 per lot).

SINGLE-FAMILY SUBDIVISION CANDIDATE SITES - RAMBLEWOOD AREA W/ASSESSED VALUE LESS THAN \$300K

EXHIBIT 2 CANDIDATE SITE MAPPING



Median Site Width Analysis
Neighborhood Median Site Width: 119'
80% of Median Site Width: 95.2'

Site Data
Total Residential Sites: 73
Existing Candidate Sites: 0 (0%)
Proposed Candidate Sites: 1 (1%)

CANDIDATE SITES

- EXISTING REGULATIONS
- ADDED BY PROPOSED REGULATIONS

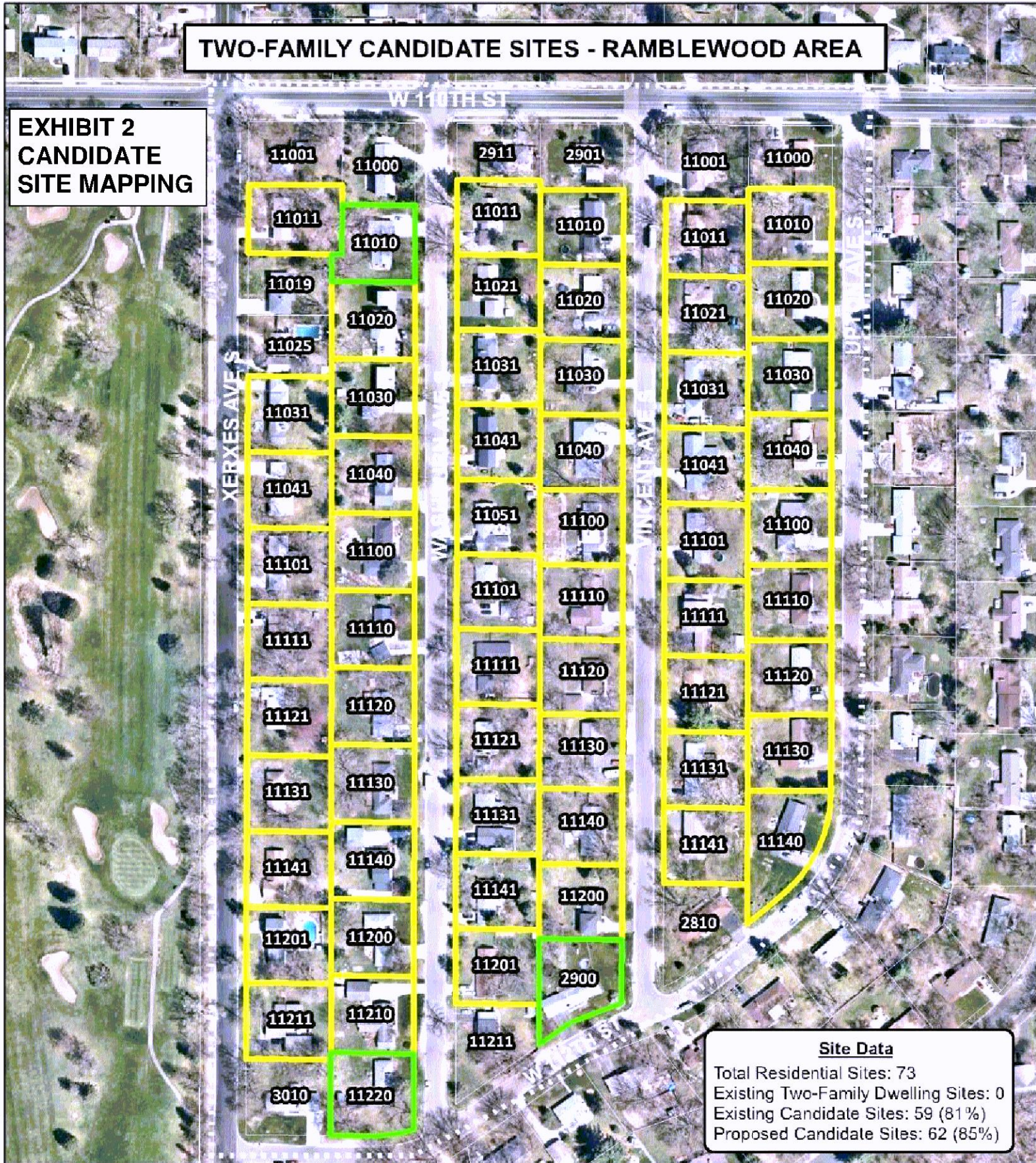
Map Notes

1. Slopes, topography, and setbacks not fully considered in determining candidate sites.
2. Lots with total values over \$300,000 as of 2022 assessment are eliminated as candidate sites for subdivision due to economic factors (maximum lot cost of \$150,000 per lot).

N
1"=200'
City of Bloomington
03.03.2023

TWO-FAMILY CANDIDATE SITES - RAMBLEWOOD AREA

EXHIBIT 2 CANDIDATE SITE MAPPING



1"=200'
City of Bloomington
03.03.2023

CANDIDATE SITES



EXISTING REGULATIONS



ADDED BY PROPOSED
REGULATIONS

Map Notes

1. Slopes, topography, and setbacks not fully considered in determining candidate sites.
2. For the purposes of this analysis, no structure or land costs or existing structure locations taken into consideration in terms of likelihood of two-family dwelling creation.

Data Source: Metro Conservation Corridors, MnDNR, 2015



FIGURE 5



Request for Council Action

Originator Community Development	Item 5.1 Discussion of City Code Amendment and Comprehensive Plan Text Amendment - Single and Two-Family Residential Standards
Agenda Section ORGANIZATIONAL BUSINESS	Date May 1, 2023

Requested Action:

City Council action options include:

- 1) Direct staff to bring the City Code Amendment and Comprehensive Plan Text Amendment as proposed back for adoption; or
- 2) Continuing the item indefinitely and directing staff to prepare modifications.

Item created by: Nick Johnson, Community Development

Item presented by: Aarica Coleman, HRA Administrator
Nick Johnson, Senior Planner

Description:

The item includes City Code Amendments updating zoning and platting standards for single and two-family residential dwellings and lots, and a related Comprehensive Plan Text Amendment revising the descriptions and density ranges of the Low Density Residential and Medium Density Residential Guide Plan Designations land use categories in the Land Use Element. A third public hearing on the proposal was held at the March 20th, 2023 City Council meeting (Item 4.3). The City Council agenda packet from the March 20th, 2023 meeting can be found at the link: [City Council Agenda Packet 03/20/2023](#). The meeting video from the March 20th, 2023 Council meeting can be found at this link: [Meeting Video](#). At the conclusion of the public hearing, the City Council postponed consideration of the proposal and requested that the matter be discussed at a future Council meeting within a study session format.

The intent of the City Code Amendment and associated Comprehensive Plan Text Amendment is to improve existing conditions pertaining to the following goals/topic areas:

- Increase affordable home ownership opportunities;
- Provide more housing options and housing types;
- Provide opportunities for infill housing; and
- Seek to address the home ownership opportunity gap.

HRA Administrator Aarica Coleman will provide a presentation about the housing ecosystem to discuss the impacts of the proposed amendments on sustaining and creating housing options in Bloomington as well as how the amendments advance various recently adopted housing, policy and strategic plans. Zoning is just one component of the total housing ecosystem, and has substantial impacts on the supply and types of housing that can be created, thereby affecting cost. As a reference, attached is a visual of the housing ecosystem. This visual is an outcome of the cross-sector Task Force on Housing convened in 2018 by the Minnesota Governor.

Planning Division staff will then facilitate a discussion about the specific ordinance provisions, grouped by interrelated amendments, to receive Council direction on whether specific amendments are desired. The groupings of the single and two-family ordinance provisions are as follows:

- 1) Minimum Unit Sizes
- 2) Minimum Building Setbacks
- 3) Minimum Off-Street Parking and Garage Requirements
- 4) Approval Processes
- 5) Minimum Lot Sizes, Widths, Impervious Surface Requirements, and the associated Comprehensive Plan Text Amendment revising the descriptions and density ranges of the Low and Medium Density Residential land use categories.

In addition to the focused discussion about the ordinance provisions and broader proposal, Planning staff will provide two additional updates pertaining to new information submitted by external parties:

- 1) Housing First Minnesota Development Cost Analysis; and
- 2) Community Feedback - Zoning Proposal submitted by the Public.

Both of these submittals are included as attachments for consideration by the City Council.

Attachments:

Staff Presentation Slides
Single and Two-Family Residential Ordinance
Summary of Key Ordinance Changes
Comprehensive Plan Text Amendment
Housing Ecosystem Visual

Housing First Minnesota Development Cost Analysis
Zoning Proposal Submitted by the Public
Petition Signatures - Residential Environmental Preservation District



Request for Council Action

Originator Community Development	Item 4.3 Public Hearing: City Code Amendments and Comprehensive Plan Text Amendment - Single and Two-Family Residential Standards
Agenda Section HEARINGS, RESOLUTIONS, AND ORDINANCES	Date May 22, 2023

Requested Action:

The Planning Commission and staff recommend approval of the Single and Two-Family Ordinance (Option A) through the following motion (*Note: Action requires four affirmative votes*):

Motion made by _____, seconded by _____, in Case #PL2022-221, in Case #PL2022-221, to adopt Ordinance no. 2023-_____ amending Chapters 19, 21 and 22 of the City Code modifying requirements for single-family residential and two-family residential lots and dwellings related to definitions, lot size and width, approval processes, setback requirements, parking and garage requirements, platting and other related standards (Ordinance Option A).

Should the City Council decide to pursue the adoption of an alternative ordinance (Option B) that does not include reductions to the R-1 district minimum lot width and size, removal of median lot width requirements, and associated increases in impervious surface limits for lots under 11,000 square feet, staff recommends the following motion (*Note: Action requires four affirmative votes*):

Motion made by _____, seconded by _____, in Case #PL2022-221, in Case #PL2022-221, to adopt Ordinance no. 2023-_____ amending Chapters 19, 21 and 22 of the City Code modifying requirements for single-family residential and two-family residential lots and dwellings related to definitions, approval processes, setback requirements, parking and garage requirements, minimum lot size and width for two-family dwelling sites, platting and other related standards (Ordinance Option B).

Staff recommends the City Council authorize summary publication for either Ordinance Option A or Ordinance Option B through the following motion (*Note: Action requires five affirmative votes*):

Motion made by _____, seconded by _____, in Case #PL2022-221, I move to adopt Resolution no. 2023-_____ authorizing summary publication of the Single and Two-Family Residential ordinance.

The Planning Commission and staff recommend approval of the Comprehensive Plan Text Amendment through the following motion (*Note: Action requires five affirmative votes*):

Motion by _____, seconded by _____, in Case #PL2022-221, to adopt Resolution no. 2023-_____ approving a Comprehensive Plan Text Amendment modifying the descriptions and density ranges of the Low Density Residential and Medium Density Residential Guide Plan Designations.

Finally, if desired, provide direction to staff regarding drafting potential future Code amendments on environmental standards or the RS-1 District.

Item created by: Nick Johnson, Community Development

Item presented by: Nick Johnson, Senior Planner

Description:

Background and Ordinance Options A and B

The item includes City Code Amendments updating zoning and platting standards for single and two-family residential dwellings and lots, and a related Comprehensive Plan Text Amendment revising the descriptions and density ranges of the Low Density Residential and Medium Density Residential Guide Plan Designations in the Land Use Element. The City Council discussed all the individual elements of the proposed ordinance and Comprehensive Plan Text Amendment at the May 1, 2023 meeting (Item #5.1) with the goal of establishing areas of decision-making consensus. The agenda packet from the May 1st, 2023 meeting can be found at the link: City Council Agenda Packet May 1, 2023, as well as the meeting video from the May 1, 2023 Council meeting that can be found at this link: Meeting Video, and the meeting minutes (draft) are attached and all incorporated here by reference. At the conclusion of the discussion and based on the discussion at that meeting, the City Council directed staff to schedule a fourth public hearing on the proposal, and bring two versions of the ordinance back for consideration:

- **Ordinance Option A** - Full version of the ordinance as recommended by the Planning Commission and staff; and
- **Ordinance Option B** - An alternative version of the ordinance that reflects all provisions of unanimous consensus as established at the May 1, 2023 Council meeting. Ordinance Option B **does not include** reductions to minimum lot size and lot width in the R-1 zoning district, removal of the median lot width requirement for new R-1 lots, and an increase to maximum impervious surface allowance for R-1 lots less than 11,000 square feet in area.

The sequence in which the City Council considers these ordinance options is at the discretion of the body. However, staff would recommend consideration of the various motions in the following order:

1. Vote on Ordinance Option A; (four votes required to adopt Option A)
2. If Option A does not receive four votes, then vote on Ordinance Option B; (four votes required to adopt Option B)
3. Adopt resolutions of summary publication on either option as needed; (five votes required to authorize summary publication)
4. Vote on the related Comprehensive Plan text amendment (five votes are required to amend the Comprehensive Plan);
5. Provide direction to staff on whether and when to pursue RS-1 amendments and/or environmental standards amendments.

The City Council does not need to adopt an ordinance (either Option A or Option B) in order to adopt the Comprehensive Plan text amendment. That action (#4 on the list above) can be taken independent of additional

actions.

Mail Notification for Lot Split Type I Plats

Based upon City Council discussion at the May 1, 2023 meeting about procedural requirements for Type I plats, both ordinances (Option A and Option B) include a provision that would require mailed notification to properties within 500 feet of a Type I plat that is a single or two-family residential lot split. This provision was requested by the City Council as a means to inform surrounding residents about proposed development activity in the nearby area. The notice would inform the residents about basic details of the plat and inform them of the scheduled date the application will be considered by the City Council. Please note that despite the mailed notice requirement, both ordinance options still would not require a public hearing for a Type I Plat for a lot split with no more than two resulting lots. A lot split with three or more lots would require a public hearing. While staff is in favor of providing Bloomington residents and property owners with as much notice as practical, a concern remains that a mailed notice disassociated from a formal public hearing may be confusing or a source of frustration on the part of some recipients. Nonetheless, the benefits of notification may outweigh any potential downside and thus be in the best interest of the City moving forward. Finally, it should be noted that staff made a minor change in the wording describing a Type I Plat that is a lot split in both Ordinance Option A and Option B for clarity purposes. The changes are reflected in Section 22.04 and 22.08 of the ordinance, but do not represent any change in proposed policy from what has been presented previously.

RS-1 Zoning District and Environmental Standards Analysis

The City Council appeared to reach consensus that the existing Large Lot Single-Family Residential (RS-1) Zoning District and some of the City's environmental protection provisions applicable to low density residential areas should be evaluated. Study of the RS-1 Zoning District may include evaluation of minimum lot area and lot width requirements, median lot requirements, impervious surface limits, allowed uses, and the criteria by which to evaluate requests for sites to be rezoned to the RS-1 district. Other aspects of analysis can be added at the direction of the City Council or Planning Commission. Study of the City's environmental protection provisions applicable to low density areas could include tree preservation, steep slopes, and landscaping requirements to name a few. Staff believes that existing stormwater management and wetland protection requirements adequately serve the City in cases of development of low density residential areas. In addition, large areas of the City are located within watershed districts that do require a separate stormwater review and permit for development activity. As such, staff would not recommend including stormwater management or wetlands within the study of environmental protection provisions. These regulatory matters are also complex and directed by State Statutes, as opposed to other regulations fully within the City's control.

Staff is seeking formal direction from the Council on whether to add a study of these items to the Planning Commission Work Plan. Regarding the timing of such evaluation, staff requests that Council direct staff whether or not to prioritize these studies in the immediate near term (2023), or alternatively to add these projects to the 2024 Planning Commission Work Plan. Should the Council determine that the evaluation of these items should be prioritized and pursued in the near term, it is likely that other project(s) planned for 2023 according to the Planning Commission Work Plan would be delayed until 2024. In terms of how the study of the RS-1 district standards or of the environmental protection provisions relate to the adoption of the proposed single and two-family residential ordinance from a sequencing perspective, the existing regulations that are currently in place provide the City with adequate protection for the near-term in the judgment of staff. That is not to say that these regulations should not be studied, revised, or strengthened in the long-term to mitigate the potential for increased infill development and better support the City's goals related to climate and sustainability.

Literature Review of Zoning Impacts on Housing and Land Values

Members of the City Council requested that staff complete a targeted review of academic or scholarly research about the impact of zoning amendments and resulting impacts on housing and real estate value. Staff collected eight studies that were tangentially related. Finding a study that is directly applicable to the specific policy questions that Bloomington is currently studying is difficult for multiple reasons. First, most of the research found by staff is more focused on comparative studies of different jurisdictions on a spectrum of more or less restrictive

zoning policies (allowed density levels) and housing cost trends of those communities. There is less information available studying the specific question of the resulting impacts on housing costs when a community eases or modifies specific zoning performances standards (i.e. lot width or parking requirements) for lower density residential areas. Second, regulatory systems are complex and vary widely from city to city, region to region, and state to state. Drawing firm or significant conclusions for Bloomington from comparing the regulatory systems and housing costs of different communities in different states/markets often results in marginal or inconclusive results. There is too much variation within the attributes of these systems (regulatory, housing market, physical place or land) to complete effective comparisons.

With those caveats aside, a consensus in the reviewed literature did emerge. There is a relationship or correlation between home price appreciation/increasing rents and tighter restrictions on density over the long term. While home prices and rents may also be increasing in communities with more relaxed restrictions on residential density, prices and rents are generally increasing at faster rates in communities with tighter density controls (i.e. larger minimum lot size requirements). Multiple studies compared varying housing markets to conclude that increasing housing supply lowers housing costs. In the long-term, modifying land use controls in a way that stimulates housing supply as opposed to the inverse (no action or enacting greater restrictions) appears to be a sound and reasonable course of action to slow the rate at which the cost of housing is increasing. That being said, the consensus does not preclude the possibility of short-term housing cost increases in an individual city or neighborhood as a result of regulation changes, but is likely not the norm and has been found to be modest in scale. For parties interested in the source materials, links to access the eight studies (either full article or the abstract) are available on a document that is within the documents & images section of the case project page linked here: [Single and Two-Family Residential Ordinance Project Page \(Case #PL2022-221\)](#)

Letter of Support from the Human Rights Commission (HRC)

The HRC has submitted an additional letter of support in favor of the proposed ordinance. It is attached to the item at the request of the Commission.

Attachments:

Single and Two-Family Ordinance - Option A
Resolution of Summary Publication - Ordinance Option A
Single and Two-Family Ordinance - Option B
Resolution of Summary Publication - Ordinance Option B
Summary of Key Changes
Resolution Comprehensive Plan Text Amendment
HRC Letter of Support
5-1-23 draft minutes
Affidavit of Publication