

GENERAL INFORMATION

Applicant:	City of Bloomington		
Location:	East side of Lyndale Avenue South between 86 th and 92 nd Streets (refer to Exhibit A for a map of the impacted area)		
Requests:	1) An ordinance to make multiple amendments to Chapters 19 and 21 of the City Code establishing the Transitional Industrial (TI) Zoning District and modifying multiple City Code sections to reference the TI Zoning District 2) An ordinance to amend the City’s zoning map to rezone 28 lots along the east side of Lyndale Ave S between 86th and 92nd Streets from General Industry (I-3) to Transitional Industrial (TI) 3) A resolution for a text amendment to the 2040 Comprehensive Plan that would amend the description of the Industrial land use category		
Existing Land Use and Zoning:	Varies; zoned General Industrial (I-3)		
Surrounding Land Use and Zoning:	North	Retail and industrial uses; zoned B-2, I-3 (PD), and I-3	
	South	General commercial uses; zoned B-2	
	East	Industrial uses; zoned I-3	
	West	Multi-family residential and general commercial uses; zoned R-4, RM-24, and B-2	
Comprehensive Plan Designation:	Industrial		

CHRONOLOGY

Planning Commission:	10/27/2022 – Study Item held
City Council:	11/14/2022 – Study Item held
Planning Commission:	01/12/2023 – Public Hearing held
City Council:	02/06/2023 – Public Hearing scheduled

DEADLINE FOR AGENCY ACTION

Applicable Deadline:	Agency Action Deadline Waived by Applicant
Newspaper Notification:	Confirmed – (12/29/2022 and 01/26/2023 Sun Current – 10-day notice)
Direct Mail Notification:	Confirmed – (500-foot buffer – 10-day notice)

STAFF CONTACT

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PROPOSAL

As recommended in the Lyndale Avenue Suburban Retrofit Plan (“Retrofit Plan”), adopted on April 5, 2021, staff is proposing to amend the City Code by creating and adding the Transitional Industrial Zoning District (“TI District”).

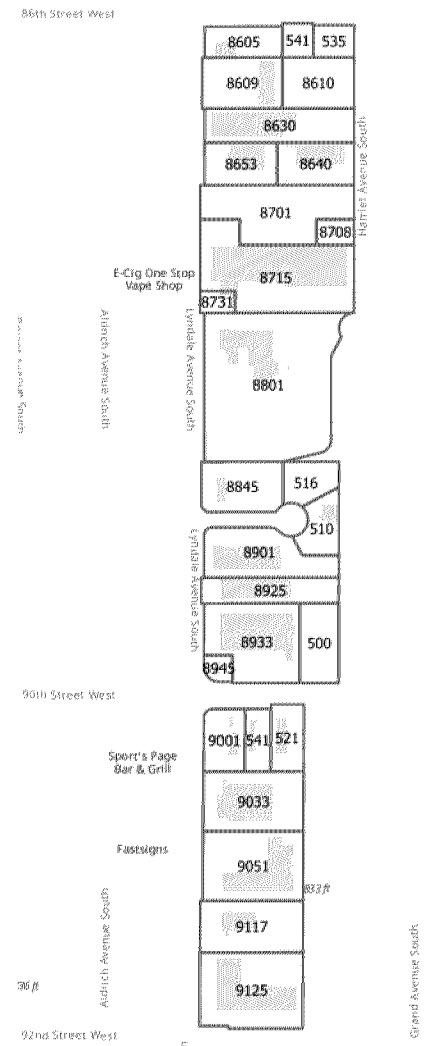
The second piece to the proposal is rezoning 28 parcels from General Industry (I-3) to Transitional Industry (TI). These parcels are generally located between W 86th and W 92nd Streets along the east of Lyndale Avenue South. A map of the parcels within the proposed new district is shown on the image to the right and the attached Exhibit A.

BACKGROUND

Lyndale Avenue Suburban Retrofit Plan

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

The Retrofit Plan identifies two nodes at major intersections along Lyndale Avenue South best positioned to catalyze improvements



along the corridor: West 86th Street and West 98th Street. It offers redevelopment concept plans for each, and the actions the City must take to realize their implementation. The Retrofit Plan recognizes that its redevelopment concept plan for the 86th Street node is complicated by regulations that would prohibit certain types of uses that are integral to the Retrofit Plan's vision, specifically retail and residential. It also identifies potential conflicts between some existing industrial uses within and near the study area and a pedestrian-friendly environment. To reconcile these issues and advance the Retrofit Plan's vision, new zoning was identified as a priority action for the 86th Street node, whether a new base district or overlay.

2040 Comprehensive Plan

Before adopting the Retrofit Plan, the City adopted land use guidance for the area to be rezoned to TI. Land use within this area is guided Industrial per the 2040 Comprehensive Plan. The Comprehensive Plan defines the Industrial land use category as follows:

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

Staff is proposing a Comprehensive Plan Text Amendment to clarify that retail and residential uses would be allowed within the Industrial land use category, but only narrowly in the area identified in the Retrofit Plan. The Planning Commission recommended approval of this action on December 8, 2022. At the January 8, 2023 City Council meeting, a public hearing was held for the amendment to the Industrial land use category and the Low Density Residential and Medium Density Residential land use categories as part of a separate but related development application (Case #PL2022-221). Consideration for amendments to those residential categories has been postponed to March 20, 2023. Consequently, Staff is including the Comprehensive Plan Text Amendment to the Industrial land use category as part of this proposal, separate from the text amendments proposed to the residential land use categories.

In addition to planned land use guidance within the Land Use Element of the Comprehensive Plan, parcels in the study area are further categorized in the Comprehensive Plan as Transitional Industrial, as opposed to Protected Industrial. These two categories originate from an Industrial Obsolescence Study completed by staff that examined all industrially zoned or guided sites in the City against factors that contribute to industrial obsolescence. Exhibit B, attached to the staff report, shows a map showing these designations in relation to the study area. From that evaluation came the two industrial policy designations, Protected and Transitional. Their definitions are below:

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

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

Study Sessions

Two study sessions were held to inform the ordinance draft: the first with the Planning Commission on October 27, 2022, and the second with the City Council on November 14, 2022. At the October 27th meeting, the Planning Commission recommended that the proposed rezoning boundary be expanded to include three more properties along West 86th Street and Harriet Avenue South. Otherwise, the consensus was generally positive regarding the TI District, the associated performance standards, and the proposed rezoning.

A study session for City Council was held on November 14, 2022. At that meeting, City Council discussed the proposal and approved Resolution No. 2022-226, which authorized initiating the rezoning of parcels shown in Exhibit A. That resolution did not obligate the Council to approve the rezoning but to begin the process of examining the action so it could be considered at a later date at a public hearing.

At the November 14 study session, Council highlighted several issues that could arise with the TI District adoption and subsequent rezoning. One issue focused on the potential conflicts between industrial and proposed residential uses. This discussion focused on familiar byproducts of industrial activity, specifically noise, glare, truck traffic, etc. These issues were considered within the Retrofit Plan and redevelopment plans for the 86th Street node. That previous work informed the draft TI ordinance and its list of allowed uses. Residential uses are proposed to be conditional in the TI District, which allows the City to impose reasonable conditions on site and/or building design to mitigate conflicts between proposed residential and adjacent uses. The Retrofit Plan was crafted to anticipate the transition of Lyndale Avenue from its current auto-oriented character to one that is more pedestrian-friendly with higher intensity development. So, it is expected that uses would adjust over time to this future character, reducing the conflict incidence and scale. Residential is not an unfamiliar use near the area proposed for the TI District. Exhibit C maps the area, including nearby residential uses.

Another issue discussed was how the proposed TI District would impact existing industrial businesses and future development. There was concern that TI District standards would negatively impact the economic benefit provided by industrial uses and the jobs they provide. As with the previous concern, this issue was also considered in the Retrofit Plan. That Plan did not recommend prohibiting or stopping expansion of all industrial uses. However, it did recommend recalibrating development standards to foster a more pedestrian-friendly urban pattern along Lyndale Avenue. The draft TI ordinance incorporates this advice within its use table. While some more intense industrial uses have been prohibited, many existing industrial uses are allowed to continue. And for newly proposed industrial uses, their associated development will have to meet the site and building design requirements.

The third issue discussed at the November 14 study session involved the proposed rezoning of 28 lots. The City Council expressed concern that, considering some of the other issues, a bulk rezoning of that kind could be too burdensome compared to a case-by-case/site-by-site rezoning approach. Staff explained during that study session that the 2040 Comprehensive Plan designated the area that includes the lots in question as “transitional.” That designation allows reguidance and rezoning of industrial areas “depending on the proposed land use, relationship to the surrounding land uses, and consistency with the comprehensive plan.” The Retrofit Plan addresses those considerations and would support the proposed broader rezoning. In addition, staff recommends the proposed bulk rezoning approach for another essential reason. If case-by-case is understood to mean lot-by-lot, then this approach to rezoning could place the City at risk of abandoning the adopted policy provided in the Retrofit Plan, as it has the potential to perpetuate inconsistent development along the Lyndale Avenue corridor that fluctuates between existing conditions and high-density development. This inconsistent development pattern would compromise Lyndale Avenue’s walkable, dense character envisioned in the Retrofit Plan.

PUBLIC ENGAGEMENT

The planning process for this project built off the public engagement conducted for the Lyndale Avenue Suburban Retrofit Plan and augmented it through several activities. To craft the engagement strategy, staff determined the correct level of participation to be “Consult” based on the engagement spectrum developed by the International Association of Public Participation (IAP2). “Consult” means that the City acknowledges concerns about the planning process and its associated activities. It also promises to inform the public of the process and provide feedback about how public input was incorporated into the final product.

In line with that level of participation, staff employed several engagement strategies. One was establishing a Let’s Talk Bloomington page that would serve as the primary vehicle for updating interested residents, businesses, and property owners on the progress of the project and acting as an online repository of project-related information. On October 3, 2022, staff also canvassed the study area to introduce the project to building tenants and owners. To ensure that everyone was reached, staff also mailed information to property owners that could be shared with tenants. Staff then held two open house events, one in-person and the other virtual. Information for both events was made available online and mailed to businesses within the study area.

The in-person open house meeting was held on October 12, 2022 and attended by seven individuals affiliated with the buildings and businesses within the study area. Discussion focused on the purpose of the new zoning district, and how its implementation would impact existing uses. Concern was expressed about businesses whose use would be made non-conforming should that use not be part of the new zoning district. Staff was present to engage these individuals, address their concerns, and discuss the rights of non-conformities considering zoning changes.

The virtual open house meeting was held the following day, October 13, 2022 and was attended by one person. Discussion focused on introducing the project to the attendee so they could pass that information onto the business they were representing and answering various questions.

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

Since the conclusion of these formal engagement efforts, staff has continued to correspond with property and business owners within and around the study area. These conversations continue semi-regularly as interested parties seek to have their questions answered about the proposed zoning district.

TRANSITIONAL INDUSTRIAL (TI) ZONING DISTRICT

The following subsections detail the proposed amendments to the City Code that are necessary to adopt and implement the TI District as recommended by the Retrofit Plan. Individual chapters in the City Code are organized into separate articles and divisions to address specific topics. Amendments are proposed to various articles and divisions in Chapters 19 and 21 as described below.

Amendments to Chapter 19

Amendments to Chapter 19 are needed to incorporate references to the new TI District and establish minimum standards pertaining to exterior materials and signage. The location of those amendments is within the following articles and sections.

ARTICLE III. ZONING DISTRICT MAP, ZONING DISTRICTS, AND DISTRICT USES

- **§ 19.24 ZONING DISTRICTS AND ZONING DISTRICT ORDINANCES AND MAPS** – The list of industrial districts in subsection (a)(5) is amended to include the TI District.

ARTICLE V. PERFORMANCE STANDARDS

- **§ 19.63.08 EXTERIOR MATERIALS AND FINISH** – The amendment to this section is proposed to indicate the regulations for exterior materials that will apply to the TI District.

ARTICLE X. SIGN REGULATIONS

- **§ 19.115.02 CLASS VIII SIGN DISTRICTS** – Amendments to this section are proposed to add the TI District to the Class VIII Sign District and to specify the minimum front setback for freestanding signs in the TI District.

Amendments to Chapter 21

The proposed ordinance amends Chapter 21 to establish the TI District, its list of uses, and site and building standards.

ARTICLE II. DISTRICTS AND USES

Division E: Industrial Zoning Districts

The following is a summary of the significant features of the proposed TI District.

- **§ 21.206.07 TRANSITIONAL INDUSTRIAL (TI) DISTRICT** – The TI District is designed to provide a dense mix of industrial, retail, entertainment, and residential uses within a pedestrian-friendly, mixed-use environment.

Significant features include:

- Site and building form standards already seen in mixed use districts (§ 21.206.07(f)) were copied and modified to fit the TI District
- Allowing new residential and retail opportunities to foster mixed-use development
- Establishing a pedestrian-friendly character along Lyndale Ave with specific design standards meant to activate ground floors
- Support for existing industrial uses
- Building placement and setbacks – require new buildings be located closer to the street
- Parking placement – located to the side and rear of principal buildings

Benefits and Intent:

- Advance the transition of Lyndale Ave from an auto-oriented corridor to a walkable, active environment as recommended by the Retrofit Plan
- Improve upon the eclectic mix of existing uses
- Reduce the visual impact of parked vehicles

Division H: Uses

- **§ 21.209 USE TABLES** – This section is proposed to be amended to add the TI District to the use tables that define the permitted, conditional, interim, limited, and accessory uses in each zoning district. The list of uses for the TI District is based on that for the I-3 District to reduce nonconformities resulting from rezoning. However, to reflect the vision described in the Retrofit Plan, some uses have been prohibited in the TI District that are allowed in I-3, including crematories, firing range, and recycling/waste collection facilities. Staff also sought to limit the extent and impact of certain uses while still allowing those in existence to be conforming and therefore able to be expanded or modified.

ARTICLE III. DEVELOPMENT STANDARDS

Division A: General Standards

- **§ 21.301.01 DEVELOPMENT INTENSITY AND SITE CHARACTERISTICS** – This section is proposed to be amended to add the TI District to the table defining the required floor area ratio, building floor area, impervious surface area, site width, and site area standards in each zoning district. Table 1 below compares standards between the I-3, B-4, and TI Districts. In addition, some development intensity standards and site characteristics define the TI District mirror the B-4 District.

Table 1: Comparison of Development Intensity Standards and Site Characteristics for the I-3, B-4, and TI Zoning Districts

Zoning District	Floor Area Ratio		Building Floor Area	Impervious Surface Area	Site Width	Site Area
	Minimum	Maximum	Minimum	Maximum	Minimum	Minimum
I-3	NA	1.0	3,000 sq. ft.		100 ft.	NA
B-4	0.2	0.5; 2.0 with residential	4,000 sq. ft.	95%	150 ft.; 200 ft. for corner sites	40,000 sq. ft.
TI	0.2	2.0	2,000 sq. ft. for restaurants; 3,000 sq. ft. for all other uses	95%	150 ft.; 200 ft. for corner sites	40,000 sq. ft.

- **§ 21.301.02 STRUCTURE PLACEMENT** – This section is proposed to be amended to add the TI District to the table defining setbacks for commercial and industrial zoning districts. Similar to development intensity and site characteristics standards, some structure placement standards that define the TI District mirror the B-4 District. Table 2 below compares setback standards for the I-3, B-4, and TI Districts.

Table 2: Comparison of Structure Placement Standards for the I-3, B-4, and TI Districts

Zoning District	Along Public Street		Rear	Side	Abutting Property Used and Zoned Residential
	Minimum	Maximum	Minimum	Minimum	Minimum
I-3	30 ft.	NA	25 ft.	10 ft.	100 ft.
B-4	10 ft. (or width of required public easement)	40 ft.	15 ft.; 30 ft. for buildings over 4 stories in height	10 ft.; 20 ft. for buildings over 4 stories in height	50 ft.
TI	10 ft.	40 ft. (see note below)	15 ft.; 30 ft. for buildings over 4 stories in height	10 ft.; 20 ft. for buildings over 4 stories in height	50 ft.

Note: Development along Harriet Avenue and Halsey Lane are exempted from the maximum setback for buildings or additions.

- **§ 21.301.03 STRUCTURE DESIGN** – Subsection (a) of this section, general structure design standards, is proposed to be amended to add the TI District to the list of other commercial districts.
- **§ 21.301.05 DRIVE THROUGH FACILITIES** – Subsection (g) of this section is proposed to be amended to add the TI District and limit the number of drive-thru lanes permitted per building.
- **§ 21.301.17 REFUSE, SOLID WASTE, AND RECYCLABLE MATERIALS HANDLING AND STORAGE FACILITIES** – The amendment to this section proposes that storage location standards be applied to industrial uses rather than industrial districts. The TI District would allow more commercial activity than what is permitted in an industrial district. So, this amendment would require refuse storage locations in the TI District to meet standards for commercial and office uses, which require fully enclosed, attached, and internally accessible storage. This requirement would apply to new buildings and significant building additions.

REZONING

The City Council approved Resolution No. 2022-226 on November 14, 2022 to initiate the process for rezoning parcels shown in Exhibit D. In line with that process, staff is proposing that the City proactively rezone those parcels from I-3 to TI. This proposal is consistent with the Retrofit Plan. It will also comply with the Comprehensive Plan pending approval of a text amendment that would allow limited residential and retail within areas guided Industrial and located within the area subject

to the Retrofit Plan. A suggested motion and corresponding resolution have been prepared to allow this recommended action.

Also, as discussed above, the area proposed to be rezoned are industrial areas designated “transitional” in the Comprehensive Plan. That designation allows those areas to be considered for reguiding and rezoning subject to the following criteria:

- *Proposed land use* – Land use within the area proposed to be rezoned will be compatible with the broader industrial land use category.
- *Relationship to the surrounding land uses* – Land uses that immediately about the area proposed for rezoning are located to the east. Those lots are guided industrial and would be compatible with the proposed rezoning.
- *Consistency with the comprehensive plan* – As discussed above, City Council recently adopted an amendment to the Comprehensive Plan that would allow limited residential and retail within areas guided industrial.

Based on the use list prepared for the TI District, the rezoning does not create new use nonconformities that do not exist today. Self-storage is an existing nonconforming use within the area proposed to be rezoned given that performance standards for self-storage facilities do not allow them in the Lyndale Avenue Suburban Retrofit planning area boundary (see Sec. 21.302.16(f)(A)(iii) of the City Code). As such, staff does not recommend this use be included in the new zoning district. The existing self-storage use is allowed to continue subject to nonconformity rules and statutes, but the expansion would be prohibited. Another existing nonconforming use is an existing single-family home at 8708 Harriet Ave, which is currently not occupied. Allowed uses within the TI District do not include single-family homes, nor are single-family dwellings permitted in the I-3 District. Other industrial uses surround that home, and the lot is guided Industrial in the 2040 Comprehensive Plan. So, if the lot were to redevelop, it would not be appropriate to allow the single-family residential use to continue unless it complied with nonconforming statute. However, the use may continue until its redevelopment is proposed or if the use is vacated for a period of time that exceeds allowances under nonconformity rules. Information summarizing the lots proposed for rezoning are shown in Table 3 below.

Table 3: Parcel address, Existing and Proposed Zoning District, Existing Land Use, and Future Land Use Designation

Site Address	Rezone Primary District	Existing Land Use	Comprehensive Plan Land Use Guide
8605 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Restaurant, without drive-through or without outdoor or rooftop seating	Industrial

Site Address	Rezone Primary District	Existing Land Use	Comprehensive Plan Land Use Guide
541 W 86th St	From: I-3 General Industry To: TI Transitional Industrial	Office, Warehousing	Industrial
535 W 86th St	From: I-3 General Industry To: TI Transitional Industrial	Motor vehicle parking lot	Industrial
8609 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Office, Warehousing	Industrial
8610 Harriet Ave S	From: I-3 General Industry To: TI Transitional Industrial	Towing service	Industrial
8630 Harriet Ave S	From: I-3 General Industry To: TI Transitional Industrial	Manufacturing, Office	Industrial
8640 Harriet Ave S	From: I-3 General Industry To: TI Transitional Industrial	Office	Industrial
8653 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Vehicle Repair Major and Retail	Industrial
8701 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Vacant	Industrial
8708 Harriet Ave S	From: I-3 General Industry To: TI Transitional Industrial	Single-family home	Industrial
8715 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Manufacturing, Warehouse	Industrial
8731 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Manufacturing, Warehouse	Industrial
8801 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Retail / Makerspace / Warehouse	Industrial
8845 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Truck or trailer rental	Industrial
516 Halsey Ln	From: I-3 General Industry To: TI Transitional Industrial	Vacant	Industrial
510 Halsey Ln	From: I-3 General Industry To: TI Transitional Industrial	Warehouse	Industrial
8901 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Self-storage facility	Industrial
8925 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Major vehicle repair	Industrial
500 W 90th St	From: I-3 General Industry To: TI Transitional Industrial	Motor vehicle parking lot	Industrial
8933 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Retail sales, heavy equipment	Industrial
8945 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Minor vehicle repair	Industrial

Site Address	Rezone Primary District	Existing Land Use	Comprehensive Plan Land Use Guide
521 W 90th St	From: I-3 General Industry To: TI Transitional Industrial	Major vehicle repair	Industrial
541 W 90th St	From: I-3 General Industry To: TI Transitional Industrial	Office, Warehouse	Industrial
9001 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Convenience facility with fuel sales	Industrial
9033 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Self-storage facility	Industrial
9051 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Office (general)	Industrial
9117 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Office (medical)	Industrial
9125 Lyndale Ave S	From: I-3 General Industry To: TI Transitional Industrial	Retail, Office	Industrial

COMPREHENSIVE PLAN TEXT AMENDMENT

The area planned for the Transitional Industrial Zoning District is guided Industrial in the Comprehensive Plan Land Use Element (Chapter 2). The current Industrial land use category explicitly prohibits unrelated commercial and residential uses. As such, the Planning Commission and staff recommend 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. The proposed text amendment is attached to the staff report for consideration. This proposed revision would resolve the inconsistency between the implementation strategy of the Retrofit Plan and the existing description of the Industrial land use category.

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 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 Planning Commission reviewed the proposed Comprehensive Plan Text Amendment on December 8, 2022, as part of Case #PL2022-221 – the Single and Two-Family Residential Zoning Update Project. The proposed amendment to the Industrial land use category was previously accompanied with other Comprehensive Plan amendments. However, the City Council has since postponed action on the residential updates to the Comprehensive Plan. As such, staff recommends splitting out the proposed changes to the Industrial category from the changes proposed to the residential categories. The amendments to the Industrial land use category can be approved

separately as part of this case. A suggested motion and corresponding resolution have been prepared to allow for this recommended action.

RACIAL EQUITY IMPACT ASSESSMENT (REIA)

Staff completed a REIA for the proposal and, within it, discussed possible impacts to communities of color within Bloomington. The analysis noted that the expansion of housing opportunities and the ensuing development could help ease housing costs, which is especially important for the population that is housing cost burdened. It was also significant that this potential housing would be located close to amenities and transit on Lyndale Avenue. The analysis also observed that the expansion of uses included retail, the development of which would benefit local residents and entrepreneurs within a census tract with the fifth highest percentage of nonwhite residents.

The possible negative impacts discussed in the REIA relate to mixing industrial and residential uses within the same district. If conflicts between those two uses appeared and were not addressed by the City, it may stifle their development and undercut the innovation of the TI District. Staff has contemplated this risk and addressed it by making residential a conditional use, which allows staff, Planning Commission or City Council to impose reasonable conditions that would mitigate nuisances experienced by both residential and non-residential properties.

PUBLIC CORRESPONDENCE

On January 12, 2023, staff received an email from a property owner supporting the proposed TI District and associated rezoning of their property. A copy of this email is attached to the staff report.

PLANNING COMMISSION REVIEW

December 8, 2022 Planning Commission Meeting

As mentioned above, the Planning Commission held a public hearing on December 8, 2022 for the proposed Comprehensive Plan Text Amendment that would revise the description of the Industrial land use category. The Commission unanimously supported the amendment (Vote: 7-0). The full detail of the Planning Commission discussion can be found in the attached meeting minutes

January 12, 2023 Planning Commission Meeting

On January 12, 2023, the Planning Commission held another public hearing considering ordinances for the proposed TI District and the associated rezoning. No public testimony was received at the meeting. The Commission unanimously supported both ordinances (vote: 4-0).

The Commission identified one issue at the January 12 meeting for further discussion, namely the lack of a minimum floor area ratio (FAR) for the TI District. They raised the possibility that future development could be proposed that would not match the density objectives discussed in the Retrofit Plan. They asked staff to re-examine this proposed standard. Staff agreed with the

Commission's observation about the compromise to the Retrofit Plan vision and has since revised the standard so that the minimum FAR would be 0.2, a level in line with the B-4 District. Through contemplating the update to the minimum FAR, staff determined that 18 of the 28 lots proposed to be rezoned would comply with the minimum FAR of 0.2, per available data. The 10 properties that fall short of the minimum FAR are summarized in Table 4 below.

Table 4: FAR of parcels proposed for rezoning that are below the proposed minimum in the TI District

Address	Occupant or Owner	FAR
8605 Lyndale Ave S	Davanni's	0.10
541 W 86 th St	Chiefs Towing	0.00
535 W 86 th St	Chiefs Towing	0.00
8610 Harriet Ave S	Chiefs Towing	0.18
8801 Lyndale Ave S	Bloomington School Dist #271	0.13
8845 Lyndale Ave S	U-Haul	0.11
8945 Lyndale Ave S	Dee's Auto Repair	0.14
541 W 90 th St	APL Landscape Solutions	0.17
9001 Lyndale Ave S	BP Gas Station	0.09
510 Halsey Ln	AT&T Utility Building	0.14

If those lots listed were to expand or redevelop, they would need to comply with the new minimum FAR amount. They could request a deviation, but such a request would need to be noticed for a public hearing, meet the required findings for planned development approval, and be approved by City Council.

The full detail of the January 12th discussion can be found in the attached meeting minutes.

RECOMMENDATION

The Planning Commission and staff recommend approval of City Code amendments adopting the TI District and associated performance standards as well as the associated rezoning action through the following motions:

Motion by _____, seconded by _____ to adopt Ordinance No. 2023-_____, AN ORDINANCE AMENDING CHAPTERS 19 AND 21 OF THE CITY CODE TO CREATE THE TRANSITIONAL INDUSTRIAL (TI) ZONING DISTRICT AND ESTABLISH ASSOCIATED PERFORMANCE STANDARDS.

Motion by _____, seconded by _____ to adopt Ordinance No. 2023-_____, AN ORDINANCE AMENDING THE CITY ZONING MAP BY REZONING PROPERTIES SHOWN IN EXHIBIT A FROM I-3 GENERAL INDUSTRIAL TO TI TRANSITIONAL INDUSTRIAL.

The Planning Commission and staff recommend approval of a Comprehensive Plan Text Amendment to revise the Industrial land use category through the following motion:

Motion by _____, seconded by _____ to adopt Resolution No. 2023-_____, A RESOLUTION AMENDING THE CITY OF BLOOMINGTON 2040 COMPREHENSIVE PLAN TO MODIFY THE DESCRIPTION OF THE INDUSTRIAL GUIDE PLAN DESIGNATION.

Staff recommends authorization of the summary publication of the ordinance amending City Code through the following motion:

Motion by _____, seconded by _____ to adopt Resolution No. 2023-_____ authorizing summary publication of Ordinance No. 2023-_____, AN ORDINANCE AMENDING CHAPTERS 19 AND 21 OF THE CITY CODE TO CREATE THE TRANSITIONAL INDUSTRIAL (TI) ZONING DISTRICT AND ESTABLISH ASSOCIATED PERFORMANCE STANDARDS.

Staff recommends authorization of the summary publication of the rezoning ordinance through the following motion:

Motion by _____, seconded by _____ to adopt Resolution No. 2023-_____ authorizing summary publication of Ordinance No. 2023-_____, AN ORDINANCE AMENDING THE CITY ZONING MAP BY REZONING PROPERTIES SHOWN IN EXHIBIT A OF THE ORDINANCE FROM I-3 GENERAL INDUSTRIAL TO TI TRANSITIONAL INDUSTRIAL.