

**CITY OF DULUTH**

Community Planning Division

411 W 1st St, Rm 208 * Duluth, Minnesota 55802-1197

Phone: 218/730.5580 Fax: 218/723-3559

| | | | | | |
|-----------------------------|-------------------------------------|---|---------------------------------|--------------------------------|------------------|
| File Number | PL 16-105 | | Contact | Steven Robertson, 218-730-5295 | |
| Type | Rezone to MU-P (Mixed Use Planned) | | Planning Commission Date | | January 10, 2017 |
| Deadline for Action | Application Date | | Aug 16, 2016 +120 | 60 Days | October 15, 2016 |
| | Date Extension Letter Mailed | | October 27, 2016 | 120 Days | April 13, 2017 |
| Location of Subject | | NE Corner of Rice Lake Road and Norton Road | | | |
| Applicant | Spirit Valley Land Company | | Contact | | |
| Agent | Brad Johnson | | Contact | | |
| Legal Description | | See Attached | | | |
| Site Visit Date | | November 4, 2016 | Sign Notice Date | | November 1, 2016 |
| Neighbor Letter Date | | November 3, 2016 | Number of Letters Sent | | 24 |

Proposal

The applicant is proposing to rezone this property to Mixed Use Planned (MU-P).

| | <i>Current Zoning</i> | <i>Existing Land Use</i> | <i>Future Land Use Map Designation</i> |
|----------------|------------------------------|---------------------------------|---|
| Subject | MU-N, R-2, I-G, R-1 | Residential/Undeveloped | General Mixed, Preservation, Urban Res |
| North | MU-N, R-1 | Residential, Recreation | Neighborhood Commercial, Pres, Rec |
| South | I-G, R-1 | Undeveloped, Railroad/Trail | Preservation |
| East | I-G | Undeveloped, Residential | Preservation |
| West | R-1, R-2 | Residential | Preservation, Recreation, Urban Resid |

Summary of Code Requirements

- UDC Sec. 50-37.3.B: Planning Commission shall review the application, conduct a public hearing ... with public notice ... and make a written recommendation to council.
- UDC Sec. 50-37.3.C: The Planning Commission shall review the application, and Council shall approve the application or approve it with modifications, if it determines that the application:
 1. Is consistent with the Comprehensive Land Use Plan; 2. Is reasonably related to the overall needs of the community, to existing land use, or to a plan for future land use; 3. Is required by public necessity, convenience, or general welfare, or good zoning practice; 4. Will not create material adverse impacts on nearby properties, or if material adverse impacts may be created they will be mitigated to the extent reasonably possible.
- The Minnesota Planning Act provides that zoning (an "official control") should implement the general objectives of the Comprehensive Plan and appellate courts have issued decisions that zoning must comply with the Comprehensive Plan or else be considered arbitrary and capricious.

Comprehensive Plan Governing Principle and/or Policies and Current History (if applicable):

Governing Principle #8 - Encourage mix of activities, uses, and densities.

Future Land Use- General Mixed Use. The broadest mix of uses, including light industrial, office, commercial, and residential use, with performance standards to ensure compatibility. Includes areas that are in transition from industrial uses and large redevelopments that require master plans and phased development. General or heavy industrial can be included when a large site is master planned to allow appropriate separation of uses.

Future Land Use- Neighborhood Commercial. Small- to moderate scale commercial, serving primarily the adjacent neighborhood(s). May include specialty retail; community gathering businesses such as coffee shops or lower intensity entertainment; offices; studios or housing above retail (storefront retail with vertical mixed use). Typically situated in or adjacent to residential neighborhoods. May transition to neighborhood mixed use.

Future Land Use – Urban Residential. Greatest variety of building types, medium to high densities. Applicable to larger infill areas close to downtown, entertainment or activity centers, and waterfront residential areas. May include student housing areas, live/work units, and limited neighborhood retail. Connected or adjacent to parks and open space.

Future Land Use – Preservation. Lands with substantial restrictions. High natural resource or scenic value, or severe development limitations. Primarily public lands but limited private use is anticipated subject to use and design controls. Examples include: most city parklands and primary viewsheds; shorelands of lake, rivers, streams; wetlands and floodplains; high-value habitat; low-intensity private or public uses.

The proposed rezoning is generally consistent with the Riverside Small Area Plan approved by the City Council on October 26, 2016.

Review and Discussion Items

Staff finds that:

- 1) The applicant is proposing to rezone to property to a Mixed Use-Plan (MU-P) zone district, which allows for more flexibility for development than traditional zone districts. Following the approval of a rezoning ordinance by the City Council, MU-P districts must submit a detailed Regulating Plan for approval by the Land Use Supervisor. Requirements of the Regulating Plan are listed in UDC Section 50-15.7.E and 50-15.7.F. The Regulating Plan must be consistent with the Concept Plan and must be approved before any building permits can be issued for the property. A plat is also required for the subdivision and development of the property; an approved concept or regulating plan does not preempt the subdivision review process.
- 2) The Minnesota Planning Act provides that zoning (an "official control") should implement the general objectives of the Comprehensive Plan and appellate courts have issued decisions that zoning must comply with the Comprehensive Plan or else be considered arbitrary and capricious. The future land uses on the site support mixed use development, and current zoning makes this area eligible for rezoning to MU-P.
- 3) The Concept Plan identifies several areas for development: Residential (Development Parcels E and G), Mixed Use (Development Parcels B, C, D), Commercial (Development Parcels A and I), and Open Space (Development Parcel F). Under the MU-P district, areas more than 200' from an R-1 or R-2 district are allowed no more than a 20% increase in height. The areas proposed for the highest structures (72 feet for B, C, and D, and 60 feet for E and G), are generally located in the core of the development, across Grand Avenue from the Sprit Mountain Chalet. Development Parcel G is currently zoned R-2, which allows for a maximum height of 45 feet; a 20% increase of 45 feet would be 54 feet, which is the maximum height which would be allowed in G. Note, however, that Development Parcel G is approximately 300 feet from the nearest residential properties in the Riverside neighborhood.
- 4) The applicant is proposing that Development Parcel G be allowed to have up to 50 units of townhomes or 150 units of multifamily dwellings; based on 4.3 acres of raw land (not counting land required for roads, sidewalks, etc. or set aside for drainage or utility easements), that would be about 1,100 square feet per multi-family dwelling. The R-2 zone district requires a minimum of 750 square feet per multi-family unit, and the MU-N requires a minimum of 500 square feet; this use of G would exceed the minimum density requirements.

- 5) Concept Plans in the MU-P district must show that the development would provide a greater level of public benefit than would be required under the existing zone district. Under the proposal, 2.9 acres of the area would be dedicated to open space (Development Parcel F), and .49 acres would be dedicated for a public parking lot (Development Parcel H), for a total of 3.39 acres out of the 26.80 acres in the total development. Section 50-15.7 requires that a minimum of 20% of the project be set aside for common open space. A total of 10.16 acres would remain undeveloped through the dedication of a drainage and utility easement over the parcels, including the land in Development Parcels F and H. The applicant identifies other benefits of the development, generally related to potentially increases in the tax base and easier access to the St. Louis River and public trails (assisted by the construction of a new public road).
- 6) The land uses proposed as part of the Concept Plan are not anticipated to result in material adverse impacts. Open space on the periphery of the development will provide a buffer to adjacent properties. Two additional roadway access points are provided to accommodate additional traffic.
- 7) According to Section 50-18.1 (Natural Resources Overlay, Wetlands), any development impacting wetlands require formal approval by the designated city wetland representative. The applicant has submitted a wetland delineation, which was reviewed by the Duluth Wetland Conservation Act Technical Evaluation Panel and approved by the City on February 1, 2016.
- 8) Both 84th and 85th Ave West Creeks are designated as General Development Shorelands, with a 50 foot structure and impervious surface setback from the ordinary high watermark of the stream. Knowlton Creek is designated as a Coldwater River with a 150 foot structure setback and a 75 foot impervious surface setback. New development in MU-P or R-P zone districts must comply with the shoreland standards.
- 9) A neighborhood meeting was held on Oct 24, 2016, at the Iron Mug in Morgan Park, with 12 people in attendance.
- 10) -St. Louis County, Traffic Engineering, has stated that the County may be participating in the funding and construction of Kayak Bay Drive. Any development of the site must be planned and coordinated directly with St. Louis County Public Works with regard to Kayak Bay Drive.
 -MnDOT has stated that any access from Highway 23 will need to be permitted; any access issues should be identified and resolved prior to the plan being finalized.
 -City Engineering has requested that it be very clear that any zoning change or zoning approval will not reduce the standards for road width, sidewalk or shared use path from what has been already agreed upon with the City Engineering, County, and Developer.
 -No other public, or private, agency/organizations comments have been received at this time.
- 11) If the zoning change is approved by the City Council, the property owner will need to pursue the platting process with the City, and an approved regulating plan with the Land Use Supervisor.

Staff Recommendation

Based on the above findings, staff recommends that the Planning Commission recommend approval to the City Council of the rezoning to Mixed Use-Planned (MU-P) because:

- 1) the proposed rezoning is able to implement the objectives of the Comprehensive Plan related to the proposed land use for this area.
- 2) The rezoning is consistent with the Comprehensive-Plan Future Land Use Map and the Riverside Small Area Plan.
- 3) Material adverse impacts on nearby properties are not anticipated.



PL 16-105



Legend



Zoning Boundaries



Trout Stream (GPS)



Other Stream (GPS)

The City of Duluth has tried to ensure that the information contained in this map or electronic document is accurate. The City of Duluth makes no warranty or guarantee concerning the accuracy or reliability. This drawing/data is neither a legally recorded map nor a survey and is not intended to be used as one. The drawing/data is a compilation of records, information and data located in various City, County and State offices and other sources affecting the area shown and is to be used for reference purposes only. The City of Duluth shall not be liable for errors contained within this data provided or for any damages in connection with the use of this information contained within.

Aerial photography flown 2016

Prepared by: City of Duluth Community Planning Division, October 25, 2016, Source: City of Duluth.



Legend



Zoning Boundaries



Trout Stream (GPS)



Other Stream (GPS)

Future Land Use



Preservation



Recreation



Rural Residential



Low-density Neighborhood



Traditional Neighborhood



Urban Residential



Neighborhood Commercial



Neighborhood Mixed Use



General Mixed Use



Central Business Secondary



Central Business Primary



Auto Oriented Commercial



Large-scale Commercial



Business Park



Tourism/Entertainment District



Medical District



Institutional



Commercial Waterfront



Industrial Waterfront



Light Industrial

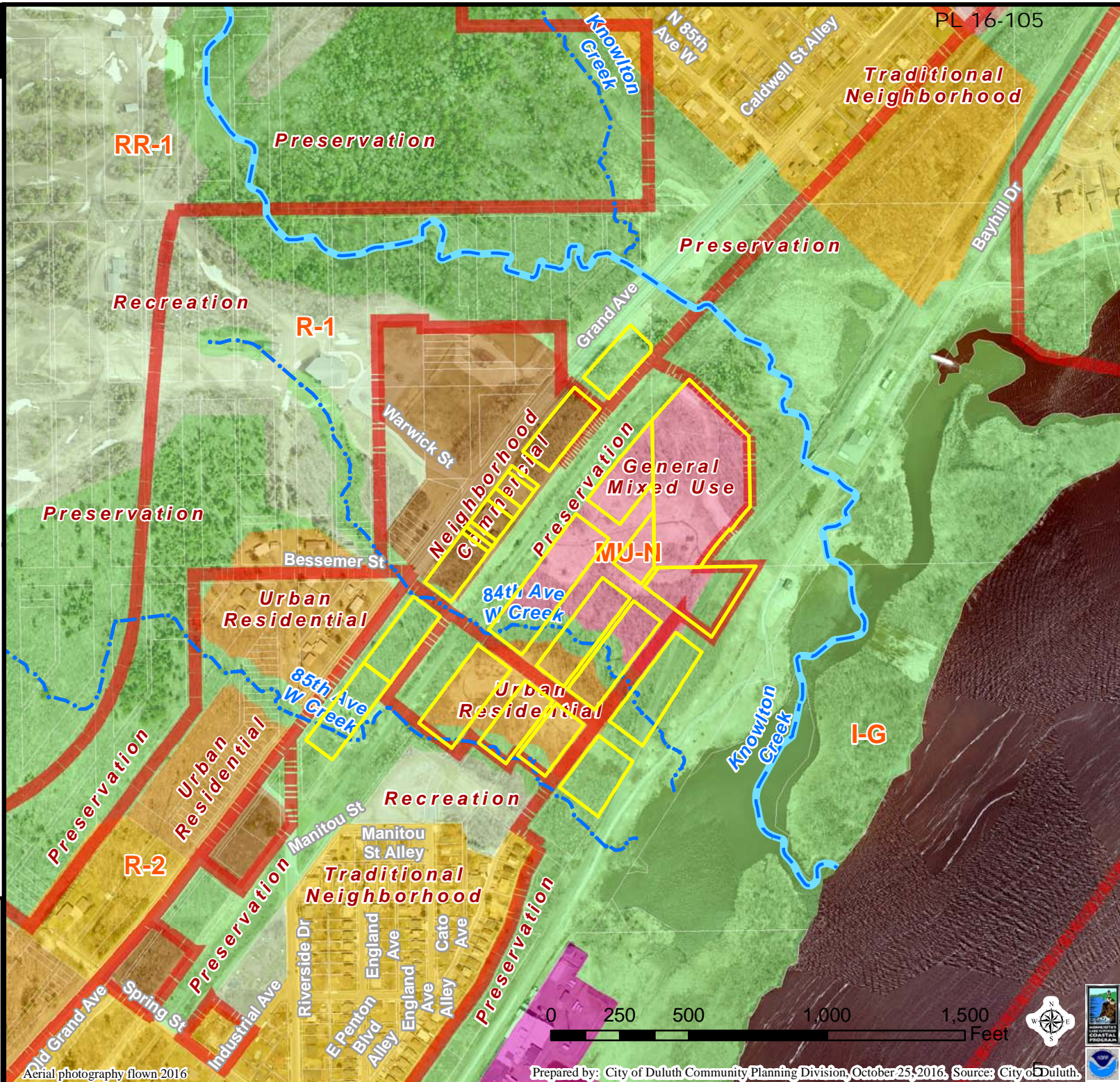


General Industrial



Transportation and Utilities

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Aerial photography flown 2016

Prepared by: City of Duluth Community Planning Division, October 25, 2016, Source: City of Duluth.



Spirit Valley Land Company

Kayak Bay MUP Application

Narrative of Public Benefits

The Concept Plan for the development of Kayak Bay South of Gran Avenue will provide the following Public Benefits:

- Access to the St Louis River
- Opportunity for residential Housing
- Maintain the Natural setting (38% Left as OpenSpace)
- Improve Public access to Trails
- Improve Spirit Mountain's year around Public Experience
- Public Retail Amenities

Access to the St Louis River

Public access to the St Louis River along the Grand Avenue Corridor is currently limited. The Kayak Bay concept plan provides a Public road and trail to the river. The plan anticipates public parking near the river's edge along with a landing providing access to paddle sport activities.

Opportunity for Residential Housing

The Grand Avenue Corridor offers a limited amount of "new" for sale and rental Housing to the public. The concept Plan anticipates an increase of 250 units of housing. Housing types will be established by the market.

Maintain the Natural Setting

The Site contains 26.80 acres. 17 acres was a golf course and is the site planned for the development. The balance of the site (10.16 acres/38%) will remain as Open Space as it has for centuries. The mature trees will remain in the storm water created ravines and adjacent to the Knolton Creek. The developer anticipates walking trails within the ravines, adjacent to the creek, and a connection of the Riverside community to Kayak Bay.

Improve public access to Trails

The public trails serving the Spirit Mtn and Riverside portion of the river corridor run parallel east-west routes and are not connected. Kayak Bay's Concept plan for north-south trails will allow the Cross City, Munger, Western Waterfront and Lake Superior Hiking Trails to be interconnected increasing usage for healthy outdoor activities.

Improve Spirit Mountain's year around experience

Publically owned Spirit Mountain current adventure offering are skiing and an improving biking experience. Kayak Bay offers a new experience with access to water sports on the St Louis River. The increased summer activities will be a great attraction for local residents and visitors. Increased user traffic will help the Spirit Mtn. Facility to remain financially sound.

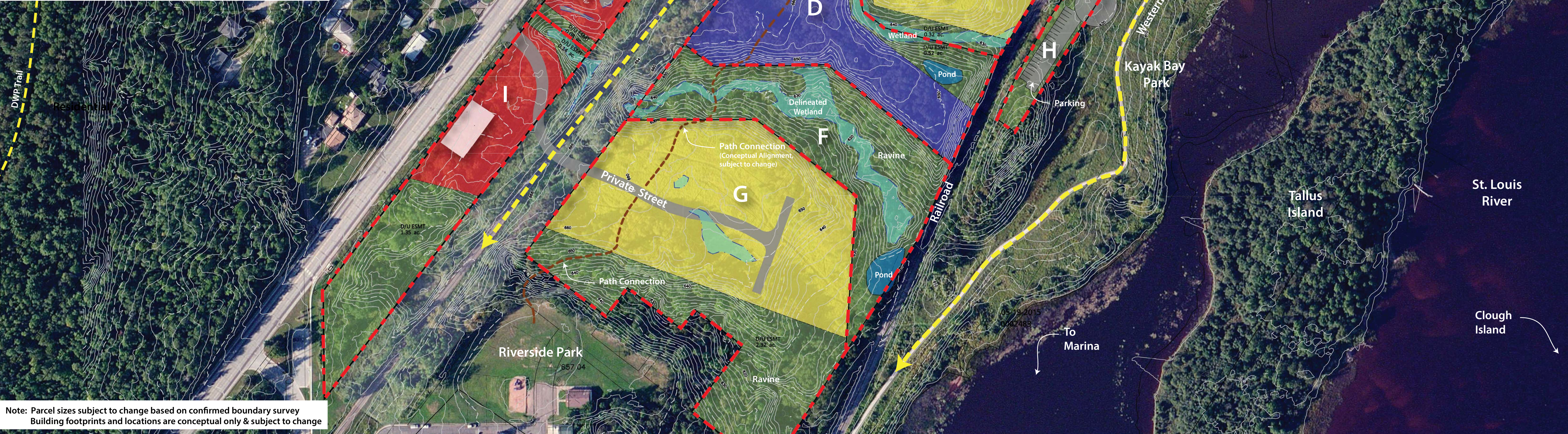
Public Retail Amenities

People of all ages enjoy the opportunity to be serviced by retail. Kayak Bay will offer adventure spots providers, related retail merchandise and services, an assortment of restaurants and a hotel for guests. All of these offerings are in short supply on the river corridor west of Hwy 35. Note there will be a place for the public to gather, be active and enjoy association with others.

Key:

- Retail
- Mixed Use
- Res - Med. Density
- Open Space (D/U Esmt)
- Public R/W
- Existing Easement
- Existing Wetland
- Stormwater Ponding
- Existing Public Trail
- Proposed Trail/Paths

| Parcel: | Size: | Open Space: | Net Area: |
|---------|----------|-------------|-----------|
| A | 1.10 ac | 0.08 ac | 1.02 ac. |
| B | 2.43 ac | 0.19 ac | 2.24 ac. |
| C | 5.27 ac | 1.84 ac | 3.43 ac. |
| D | 2.70 ac | 0.52 ac | 2.18 ac. |
| E | 1.42 ac | 0.32 ac | 1.10 ac. |
| F | 2.91 ac | 2.91 ac | 0.0 ac. |
| G | 6.65 ac | 2.32ac | 4.33 ac. |
| H | 0.49 ac | 0.49 ac | 0.0 ac. |
| I | 2.67 ac | 1.49 ac | 1.18 ac. |
| ROW | 1.16 ac | - | 1.16 ac. |
| Total: | 26.80 ac | 10.16 ac | 16.64 ac. |



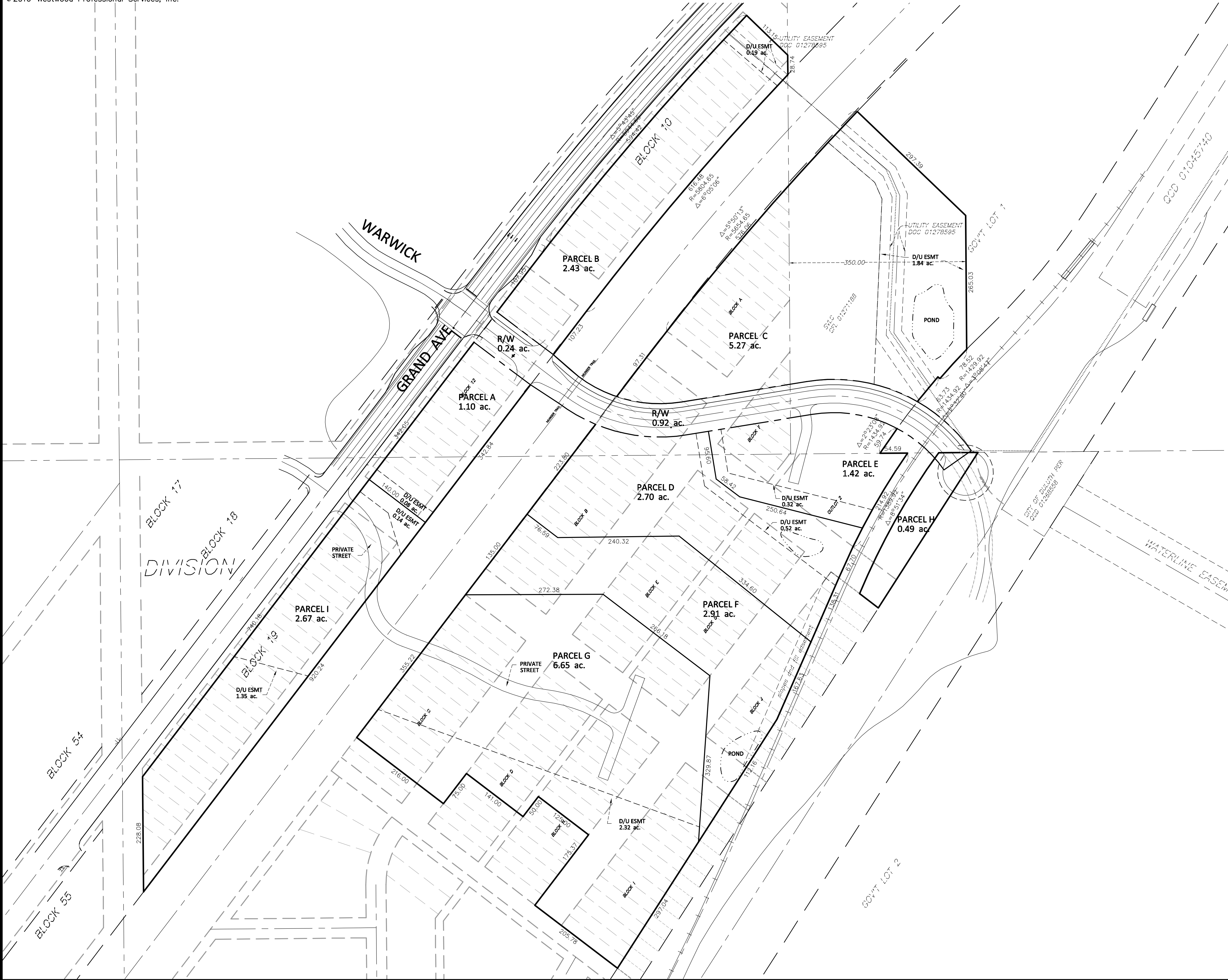
Call 48 Hours before digging:
811 or call811.com
Common Ground Alliance

Property Description

See Attached Legals

Parcel Data

| Parcel | Gross Acres | D/U Easement Acres | Net Developed Acres | Permitted Uses | Maximum Density | Max. Height | Notes |
|--------|-------------|--------------------|---------------------|---------------------------|---|---------------------|-------|
| A | 1.10 ac | 0.08 ac. | 1.02 ac. | Retail/Comm/Office | 10,000 sf Retail 20,000 sf Office | 20' Rtl 35' Off. | |
| B | 2.43 ac. | 0.19 ac. | 2.24 ac. | Mixed Use (see detail) | 25,000 sf Retail / 40,000 sf Office / 100 units | 72' | |
| C | 5.27 ac. | 1.84 ac. | 3.43 ac. | Mixed Use (see detail) | 35,000 sf Retail / 50,000 sf Office / 150 units | 72' | |
| D | 2.70 ac | 0.52 ac | 2.18 ac. | Mixed Use (see detail) | 15,000 sf Retail / 30,000 sf Office / 100 units | 72' | |
| E | 1.42 ac. | 0.32 ac. | 1.10 ac. | Multi-family, Residential | 40 MF units / 15 Res Townhomes | 60' | |
| F | 2.91 ac. | 2.91 ac. | 0.0 ac. | Open Space | n/a | | |
| G | 6.65 ac. | 2.32 ac. | 4.33 ac. | Multi-family, Residential | 150 MF units / 50 Res Townhomes | 60' | |
| H | 0.49 ac. | 0.49 ac. | 0.0 ac. | Open Space/Parking | n/a | | |
| I | 2.67 ac. | 1.49 ac. | 1.18 ac. | Retail/Comm/Office | 20,000 sf Retail 35,000 sf Office | 20' Rtl 35' Off. | |
| R/W | 1.16 ac. | n/a | 1.16 ac. | Public Street | n/a | n/a | |
| Total | 26.80 ac. | 10.16 ac. | 16.64 ac. | | | | |



NOT FOR CONSTRUCTION

Kayak Bay
Village

Duluth, Minnesota

Westwood

Phone (952) 937-5150 7699 Anagram Drive
Fax (952) 937-5822 Eden Prairie, MN 55344
Toll Free (888) 937-5150 westwoodps.com
Westwood Professional Services, Inc.

I hereby certify that this plan was prepared by me or under my direct supervision and that I am a duly licensed LAND SURVEYOR under the laws of the State of Minnesota.

Craig W. Morse, RLS

Date: xx/xx/xx License No. 23021

Revisions:

Designed: CLJ
Checked: RMB
Drawn: HW
Record Drawing by/date:

Prepared for:

SVLC
8922 Essex Road
Chanhassen, Minnesota 55317

Date: 12/28/2016 Sheet: 1 OF 1

Draft Prelim.
Plat

Kayak Bay Village Regulating Plan

12/28/16

| <u>Parcel</u> | <u>Gross Acres</u> | <u>D/U Easement Acres</u> | | | <u>Maximum Density</u> | <u>Max. Height</u> | <u>Notes</u> |
|---------------|--------------------|---------------------------|------------------|-------------------------|---|---------------------|--------------|
| A | 1.10 ac. | 0.08 ac. | 1.02 ac. | Commercial (see detail) | 10,000 sf Retail 20,000 sf Office | 20' Rtl 35' Off. | |
| B | 2.43 ac. | 0.19 ac. | 2.24 ac. | Mixed Use (see detail) | 25,000 sf Retail / 40,000 sf Office / 100 units | 72' | |
| C | 5.27 ac. | 1.84 ac. | 3.43 ac. | Mixed Use (see detail) | 35,000 sf Retail / 50,000 sf Office / 150 units | 72' | |
| D | 2.70 ac | 0.52 ac | 2.18 ac. | Mixed Use (see detail) | 15,000 sf Retail / 30,000 sf Office / 100 units | 72' | |
| E | 1.42 ac. | 0.32 ac. | 1.10 ac. | Dwellings (see detail) | 40 MF units / 15 Res Townhomes | 60' | |
| F | 2.91 ac. | 2.91 ac. | 0.0 ac. | Open Space | n/a | | |
| G | 6.65 ac. | 2.32 ac. | 4.33 ac. | Dwellings (see detail) | 150 MF units / 50 Res Townhomes | 60' | |
| H | 0.49 ac. | 0.49 ac. | 0.0 ac. | Open Space/Parking | n/a | | |
| I | 2.67 ac. | 1.49 ac. | 1.18 ac. | Commercial (see detail) | 20,000 sf Retail 35,000 sf Office | 20' Rtl 35' Off. | |
| R/W | 1.16 ac. | n/a | 1.16 ac. | Public Street | n/a | n/a | |
| Total | 26.80 ac. | 10.16 ac. | 16.64 ac. | | | | |

Permitted Uses in Mixed Use District:

Parcels B, C & D (Mixed Use)

- Retail store Less Than 15,000sqft
- Bank
- Office
- Medical or Dental Clinic
- Lodging (Hotel or Motel)
- Multifamily Rental
- Multi-family Condos
- Restaurant up to 5,000 sqft or more
- Garden Material Sales
- Personal Service or Repair
- Dwelling, one or two Family, Townhomes
- Convention or Event Center

Parcels A & I (Commercial)

- Retail Store Less Than 15,000sqft
- Office
- Bank
- Medical or Dental Clinic
- Restaurant less than 5,000sqft
- Garden Material Sales
- Personal service or repair

Parcels G & E (Dwellings)

- Dwelling, one-two family
- Dwelling, townhouse
- Dwelling, Multifamily, Rental or Condos

Proposed Kayak Bay Development, Mixed Use Planned (MU-P) Community Meeting

Meeting held on the evening of October 25th at the IRON mug:

- Total of 12 attended, 4 from the Neighbor list
- Discussed the steps from SAP-Zoning-MUP-Project
- Went over the MUP plan
- Confirmed it met the existing zoning
- Introduced the Bessemer Access and use on parcel G
- Neighbors were concerned there is no curb cut at Kayak Bay Road just Bessemer, explained Kayak comes latter along with the signals.
- Discussed the Spirit Mtn Master Plan Process.
- Confirmed there will be public access from Riverside Park to Kayak drive.
- Everyone understood the need for flexibility with the development
- Concerns of what type of retail will be on Grand
- Assured residential housing will be on F.
- If all goes well the road to Kayak Bay and project development will start in 2017.

Information Required for an Approved Regulating Plan

The regulating plan (approved by the Land Use Supervisor) shall cover all of the land in the proposed MU-P district and shall regulate all future development in the MU-P district. An approved MU-P plan is required before any building permits may be issued within the MU-P district. The MU-P plan shall include maps and text describing the following information:

- (a) General layout of development areas and building parcels in relation to the natural features to be protected and the proposed road, trail and bicycle circulation systems;
- (b) Lot sizes and widths, building setbacks, and maximum building heights for all proposed development parcels;
- (c) Previous base zone districts;
- (d) A traffic impact analysis;
- (e) A road, trail and bicycle circulation plan (including how the circulation may intersect with transit use) and a description of proposed road, trail and bike route widths, trail surfaces, a proposal for maintenance of each road and trail (which may include dedication to and maintenance by the city), and a statement as to whether public access will be permitted on each road, trail, and bicycle route;
- (f) A natural resources inventory and natural site features to be protected;
- (g) Common open space to be provided, the location of that open space, a calculation of proposed open space as a percentage of the total land area in the MU-P zone, a proposal for protection and maintenance of the open space over time and a statement as to whether public access to the open space shall be provided;
- (h) Permitted and special uses for the site, which shall be consistent with those shown in Table 50-19.8; special uses listed in the MU-P plan will need to apply for and receive a special use permit prior to building;
- (i) Maximum residential densities and maximum square footage for nonresidential land uses;
- (j) A plan describing the demand for and location of water, sewer, and utility service to the property, including any additional right-of-way needed to accommodate those utilities. In addition, the plan shall indicate all utilities that will be owned or maintained by the public, and if any of those services are to be provided by the city or a public or quasi-public district, and provide a statement as to whether the proposed facilities will meet the engineering and maintenance standards of that entity;
- (k) Details on buffering or transitioning between uses of different intensities both on- and off-site;
- (l) A plan for stormwater collection and treatment that includes a summary of land use and technical methods used to minimize storm water run-off from the site;
- (m) Off-street parking to be provided in driveways, surface lots and garages;
- (n) Any public amenities, other than common open space, to be provided by the applicant, together with a statement as to whether those amenities shall be available for public use;
- (o) Any required building types, form-based regulation or architectural design requirements, as well as a description of how those standards will be maintained and enforced over time;
- (p) If a project involves construction over a period of time in two or more phases, a phasing plan demonstrating that each phase meets density requirements, open space requirements, and provision of public amenities. Phasing plan shall include an approximate time frame for each phase of development. The applicant shall provide agreements, contracts, covenants, deed restrictions, and sureties acceptable to the city attorney for the completion of the development according to the approved MU-P plan;
- (q) Cross sections demonstrating the proportions of buildings and the relationship between those buildings, pedestrian spaces and the streetscape;

Uses Allowed in Mixed Use-Planned (MU-P) Zone District

Revised November 14, 2016

Permitted Uses

- | | |
|---|--|
| <ul style="list-style-type: none"> - Dwelling, one-family - Dwelling, two-family - Dwelling, townhouse - Dwelling, multi-family - Dwelling, live-work - Co-housing facility - Residential care facility/assisted Living (6 or fewer) - Residential care facility/assisted living (7 or more) - Rooming house - Bus or rail transit station - Club or lodge (private) - Government building or public safety facility - Museum, library or art gallery - Park, playground or forest reserve - Religious assembly, small - Religious assembly, large - Business, art or vocational school - School, elementary - School, middle or high - University or college - Medical or dental clinic - Nursing home - Agriculture, farmers market - Kennel - Veterinary or animal hospital - Convention or event center - Indoor entertainment facility - Theater - Hotel or motel - Bed and breakfast - Bank - Office - Data center | <ul style="list-style-type: none"> - Business park support activities - Preschool - Day care facility, small (14 or fewer) - Day care facility, large (15 or more) - Funeral home or crematorium - Personal service and repair, small - Personal service and repair, large - Building materials sales - Garden material sales - Grocery store, small (less than 50,000 sq ft) - Grocery store, large (50,000 sq ft or more) - Retail store not listed, small (less than 15,000 sq ft) - Retail store not listed, large (15,000 sq ft or more) - Automobile and light vehicle repair and service - Filling station - Parking lot (primary use) - Parking structure - Contractor's shop and storage yard - Research laboratories - Manufacturing, light - Electric power transmission line or substation - Major utility or wireless telecommunication facility - Solar, geothermal, or biomass power facility (primary use) - Water or sewer pumping stations/reservoirs |
|---|--|

Special Uses

- Restaurant (less than 5,000 sq ft)
- Restaurant (5,000 sq ft or more)



**City of Duluth
Planning Division**

411 West First Street • Room 208 • Duluth, Minnesota 55802-1197
218-730-5580 • Fax: 218-730-5904 • www.duluthmn.gov

An Equal Opportunity Employer

MEMORANDUM

DATE: January 4, 2016
TO: Planning Commission
FROM: John Kelley, Planner II
SUBJECT: PL15-184 Rezoning - Riverside Small Area Plan

The Riverside Small Area Plan (SAP) was unanimously approved by City Council on October 26, 2015 by resolution 15-0738R. The SAP recommendations support areas of opportunity surrounding land use and housing, businesses, and economic development to strengthen recreational amenities as well as neighborhoods.

In order to implement the land use recommendations of the SAP, the proposal before the Planning Commission is to rezone lands within the study area to their appropriate zone districts as follows:

- Approximately 29 acres currently zoned Residential-Traditional (R-1) on the north side of Grand Avenue west of Spring Street to Bessemer Street and on the south side of Grand Avenue immediately east of the Riverside Neighborhood rezoned to Residential-Urban (R-2).
- Approximately 13 acres of land east of Bessemer Street and at the base of Spirit Mountain Ski Area, and on the south side of Grand Avenue directly across from the lower chalet area will be rezoned from R-1 and Industrial-General (I-G) to Mixed Use-Neighborhood (MU-N).
- Approximately 3 acres at the corners of Riverside Drive and Grand Avenue, and Spring Street and Grand Avenue from R-1 to MU-N.

The proposed rezoning reasonably relates to the future land use map designations of Urban Residential, Neighborhood Commercial and General Mixed Use. These changes in zoning will regulate the types of uses that were envisioned for the area during the SAP process while minimizing potential negative impacts to surrounding area (see attached future zoning map).

Current Zoning/Existing Land Use

The current zoning of the SAP area is predominantly R-1, with a small area zoned MU-N in the Riverside neighborhood and I-G to the south and east. Existing land use within the study area consists of single-family homes, recreation, and commercial activity including the Riverside Marina, the lower base area for the Spirit Mountain Recreation Area, and light industrial use

including the Tate & Lyle plant. Adjacent land use is primarily residential and recreation (see attached current zoning map).

Future Land Use

During the SAP process, stakeholders identified the desire for additional housing opportunities, commercial space to support the local neighborhoods needs and the needs of local recreational amenities. The future land use map was amended to reflect land use categories recommended in the SAP. The map generally calls for land use categories that will allow for a mix of commercial and residential use along both sides of Grand Avenue and Warwick Street. The map also suggests nodes of neighborhood commercial at Spring Street and also Riverside Drive.

Comprehensive Plan Findings

The Comprehensive Plan Land Use Map presents a geographic representation of the City's preferred future land use scenario. The map summarizes the community's discussion of how development, preservation, and public realm investment should play out over the next twenty years. Alterations to the existing Future Land Map were identified during the SAP process through information collected at public meetings, online engagement tools, and through the citizen advisory committee. Based on these discussions, the land use map was amended to reflect the desired future conditions of the Riverside area. The Future land use categories for the SAP are as follows:

Traditional Neighborhood: Characterized by grid or connected street pattern, houses oriented with shorter dimension to the street and detached garages, some with alleys. Limited commercial, schools, churches, and home-businesses. Parks and open space areas are scattered through or adjacent to the neighborhood. Includes many of Duluth's older neighborhoods, infill projects and neighborhood extensions, and new traditional neighborhood areas.

Low Density Residential: Single-family housing with urban services. Typified by curvilinear streets, houses with longer side parallel to street, and attached garages. Includes a range of house sizes and lot sizes. Non-residential uses are mainly uses such as schools and churches. Parks and open space are located within or adjacent to the neighborhood.

Urban Residential: Greatest variety of building types, medium to high densities. Applicable to larger infill areas close to downtown, entertainment or activity centers, and waterfront residential areas. May include student housing areas, live/work units, and limited neighborhood retail. Connected or adjacent to parks and open space.

Commercial Waterfront: Waterfront-dependent commercial uses sometimes mixed with residential or adjacent to higher density residential. Includes tourist- or recreation-oriented uses. Commercial areas can be adjacent to industrial waterfront. Abuts other commercial uses and recreation areas, preservation areas. Access to regional arterial traffic and water access.

Neighborhood Commercial: Small- to moderate scale commercial, serving primarily the adjacent neighborhood(s). May include specialty retail; community gathering businesses such as coffee shops or lower intensity entertainment; offices; studios or housing above retail (storefront retail with vertical mixed use). Typically situated in or adjacent to residential neighborhoods. May

transition to neighborhood mixed use.

General Mixed Use: The broadest mix of uses, including light industrial, office, commercial, and residential use, with performance standards to ensure compatibility. Includes areas that are in transition from industrial uses and large redevelopments that require master plans and phased development. General or heavy industrial can be included when a large site is master planned to allow appropriate separation of uses.

Recreation: Park and open space areas dedicated to active recreation, such as neighborhood parks, community centers, downhill ski areas, playgrounds, ball fields, water recreation, and associated facilities such as parking.

Preservation: Lands with substantial restrictions. High natural resource or scenic value, or severe development limitations. Primarily public lands but limited private use is anticipated subject to use and design controls. Examples include: most city parklands and primary viewsheds; shorelands of lake, rivers, streams; wetlands and floodplains; high-value habitat; low-intensity private or public uses.

Governing Principles in support of rezoning:

Principle #2 - Declare the necessity and secure the future of undeveloped places
Undeveloped areas are an essential part of Duluth's municipal fabric - urban plazas, neighborhood parks, large tracts of public ownership and private lands zoned for minimal development. These minimally or undeveloped areas collectively create an open space system. These areas contribute to Duluth's cultural, health, recreational, and economic value and community identity. This open space system provides vistas, encourages active recreation, provides natural infrastructure as storm water retention, plant and animal habitat and water quality, and is the strongest visual element defining Duluth's sense of place.

Principle #4 - Support emerging economic growth sectors
Emerging economic sectors add economic, cultural and social diversity. These include higher education, medical, value-added manufacturing, commercial outdoor recreation, historic resources interpretation, arts and music, information technology and visitor services.

Principle #5 - Strengthen neighborhoods
The present city is an historical amalgam of villages and other independent units of government, contributing to the present condition of Duluth being strongly defined by its neighborhoods. This condition should be reinforced through land use, transportation and public service delivery patterns which strengthen neighborhood identity. New institutional expansions, major public infrastructure or large commercial or industrial uses should not divide historic neighborhood patterns.

Principle #8 - Encourage mix of activities, uses and densities
Cities have evolved as a mix of land uses, building types, housing types, and activities. Accommodating choice while protecting investment is a balance to strike in land use regulation. Mixed uses provide opportunity for a diversity of activity that segregated, uniform uses do not provide.

Summary of Code Requirements

- UDC Sec. 50-37.3.A: Any property owner may petition the Planning Commission to amend the district boundaries in which the property is located.
- UDC Sec. 50-37.3.B: Planning Commission shall review the application, conduct a public hearing ... with public notice ... and make a written recommendation to council.
- UDC Sec. 50-37.3.C: The Planning Commission shall review the application, and Council shall approve the application or approve it with modifications, if it determines that the application:
 1. Is consistent with the Comprehensive Land Use Plan;
 2. Is reasonably related to the overall needs of the community, to existing land use, or to a plan for future land use;
 3. Is required by public necessity, convenience, or general welfare, or good zoning practice;
 4. Will not create material adverse impacts on nearby properties, or if material adverse impacts may be created they will be mitigated to the extent reasonably possible.

Discussion:

- 1.) The Minnesota Planning Act provides that zoning (an "official control") should implement the general objectives of the Comprehensive Plan and appellate courts have issued decisions that zoning must comply with the Comprehensive Plan or else be considered arbitrary and capricious.
- 2.) Good zoning practice requires that zone districts be consistent with the future land use categories identified for the area. The proposed zoning districts are established to provide for commercial uses and to accommodate a mix of residential housing types for the area.
- 3.) The proposed zoning districts of MU-N and R-2 reasonably relates to the future land use map designations of Neighborhood Commercial, General Mixed Use, and Urban Residential.
- 4.) No letters were received from the public. No other public, agency, or City comments have been received.

Based on the above findings, staff recommends that Planning Commission recommend approval of the UDC Map Amendment, for the following reasons:

Staff Recommendation (include Planning Commission findings, i.e., recommend to approve):

- 1.) This proposal is consistent with the Comprehensive Land Use Plan.
- 2.) The rezoning to the recommended zone districts is consistent with the land use implementation strategy of the approved Riverside Small Area Plan.
- 3.) The proposed zone districts are consistent with the future land use categories.



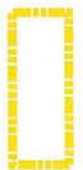
Are to be rezoned

Legend

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| Future Land Use | Preservation | Recreation | Rural Residential | Low-density Neighborhood | Traditional Neighborhood | Urban Residential | Neighborhood Commercial | Neighborhood Mixed Use | General Mixed Use | Central Business Secondary | Central Business Primary | Auto Oriented Commercial | Large-scale Commercial | Business Park | Tourism/Entertainment District | Medical District | Institutional | Commercial Waterfront | Industrial Waterfront | Light Industrial | General Industrial | Transportation and Utilities |
|------------------------|--------------|------------|-------------------|--------------------------|--------------------------|-------------------|-------------------------|------------------------|-------------------|----------------------------|--------------------------|--------------------------|------------------------|---------------|--------------------------------|------------------|---------------|-----------------------|-----------------------|------------------|--------------------|------------------------------|

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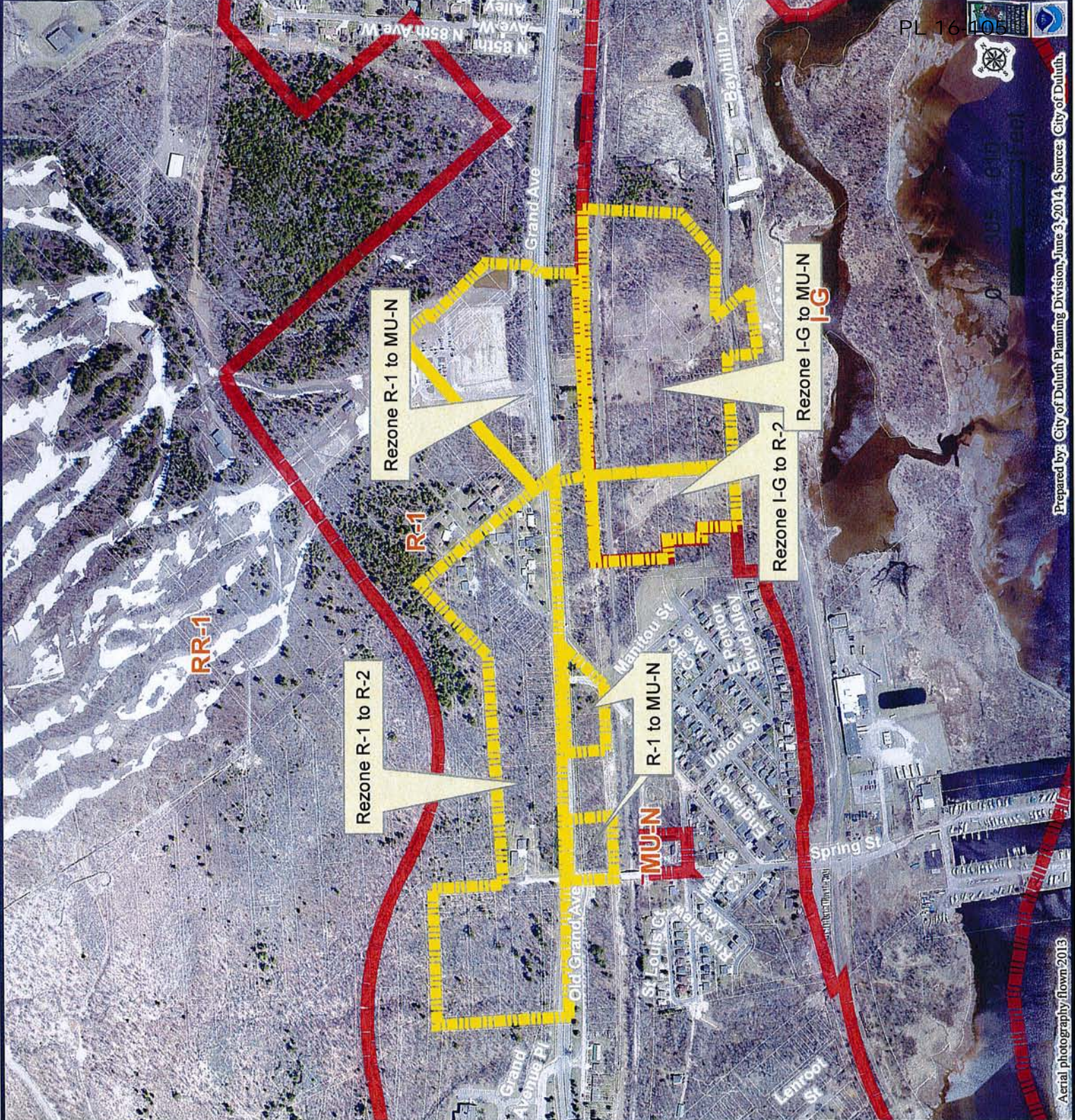


Are to be rezoned

Legend

Zoning Boundaries

Zoning Boundaries



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