

## MEMORANDUM

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*To:* City Planning Commission, Committee of the Whole  
*Prepared By:* Joe Bernard, Planning Project Manager, (612) 673-2422  
Jason Wittenberg, Planning Manager, (612) 673-2297  
*Date:* March 11, 2021  
*Subject:* Zoning Code Text Amendment: Off-Street Parking, Loading, and Mobility

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### Background

Council Member Gordon and Council Member Fletcher introduced an ordinance on June 26, 2020, to amend regulations for off-street parking and loading and travel demand management (TDM) practices. The intent of these amendments is to implement policy guidance in Minneapolis 2040 that calls for the elimination of off-street parking minimums, and re-evaluation of parking maximums to align with city goals. Minneapolis 2040 and the Transportation Action Plan also call for the creation and implementation of new TDM strategies for development that should apply to more projects than they do today. Finally, these same documents call for right-sizing of the city's loading requirements to better reflect the needs of business in a changing economy and built environment. The Planning Commission Committee of the Whole previously reviewed the overarching goals and approach to this zoning code text amendment at the August 20, 2020, meeting.

Elimination of minimum parking requirements does not signal the end of development providing parking in Minneapolis. Paired with strengthened limits on maximum parking allowed, increased bicycle parking requirements, and a more consistent and robust travel demand management ordinance, these changes are intended to shift the city's regulatory approach away from a focus on controlling the perceived negative externalities to development, and toward requiring and incentivizing the types of development that will reduce the occurrence of negative externalities in the first place. These amendments focus on achieving city mode split goals and goals to reduce greenhouse gas emissions, but also directly address the Minneapolis 2040 goals of...

- Climate change resilience and Clean environment through reduction on the reliance of automobiles, and supporting the growth of electric vehicle infrastructure.
- Affordable and accessible housing and Complete neighborhoods by improving the financial feasibility of development at varying scales in locations throughout Minneapolis.
- High-quality physical environment through design standards that support a variety of transportation modes.
- More residents and jobs by regulating the efficient use of land.
- Eliminate disparities by ensuring access to a variety of transportation options, technologies, and destinations through new development.

## History of parking ordinance changes

Minneapolis has amended parking regulations regularly in the past twenty years, incrementally changing the amount of parking required for various types of development and in varying locations throughout the city. Select locations in Minneapolis have had no minimum parking requirement for over ten years, and parking requirements for more geographies have been incrementally eliminated over time. Based on experience reviewing projects in these locations, staff expects that parking will still be built in many developments, so these amendments are also intended to address how developments can otherwise help to achieve the City's transportation goals.

1999 – Downtown Parking Overlay District is adopted, prohibited new commercial parking lots and introduced restrictions on new surface lots downtown

2004 – Transit Station Area Pedestrian Oriented Overlay Districts are adopted, prohibited new commercial parking lots near light rail stations

2009 – Parking reform package that included

- Reduced parking requirements for commercial uses, requiring zero spaces for smaller establishments
- Maximum parking standards adopted citywide
- Minimum bicycle parking requirements established for most uses
- Eliminated minimum parking requirements in the downtown zoning districts

2015 – Parking reform package that included

- Elimination of parking requirement for residential buildings with 3 – 50 units located near high frequency transit, 50 percent reduction for larger residential buildings
- Ten percent reduction in parking requirements for residential buildings in proximity to standard transit service

2016 – On select corridors, nonresidential uses no longer required to provide off-street parking

2017 – New limits on the amount of parking frontage allowed on any floor facing public streets, applies primarily to parking garages in larger buildings

2019 – Minneapolis 2040 is adopted, signaling the City's intent to eliminate parking minimums, evaluate and institute parking maximums, and revamp the travel demand management ordinance.

## Parking and Loading Rationale

Parking and Loading ordinance reform is aimed at achieving the policy goals in Minneapolis 2040 and the Transportation Action Plan, and is supported by the findings of a wide variety of publications and academic research. Ordinance reform also aligns with related efforts to generally improve the built environment in a manner that is supportive of alternative forms of transportation.

- The cost of producing parking is paid for by residential owners and renters, whether they use it or not. This results in inflated housing costs, particularly for lower income households. [citation]
- Providing an overabundance of parking incentivizes automobile use at the expense of more efficient and environmentally friendly forms of transportation. This ultimately results in greater demands being placed on roadways and an increase in greenhouse gas emissions. [citation 1, 2]
- Dedication of large portions of land to inactive uses such as parking reduces the efficiency with which land is used, reducing the ability of residents to satisfy their daily transportation needs within a small geographic footprint.
- Walkable urban design best practices are made less effective when they must accommodate parking, drive aisles, and curb cuts for automobiles.
- Parking reform has the added benefit of reducing the number of staff hours spent administering parking-related provisions in the zoning ordinance, with the intended trade-off of spending more time working with developers and businesses to meet the City's transportation goals.
- Regulatory relief for businesses is also intended with these changes. Much of the built environment in Minneapolis predates the proliferation of automobile use, and as such many existing properties do not have existing dedicated parking. Eliminating requirements can make it easier for businesses to establish themselves in existing properties throughout Minneapolis.

## Proposed Parking and Loading Ordinance Changes

- Eliminate Minimum Parking Requirements citywide for all uses.
- Expand existing residential parking maximums beyond downtown to apply citywide, particularly in areas more supportive of alternative modes of transportation and areas of high travel demand such as Downtown, the University of Minnesota, and near Transit Stations
  - Current: residential parking maximum is 1.5 spaces per dwelling unit in downtown, with no maximum elsewhere
  - Proposed: residential parking maximum of 1.5 spaces per dwelling unit in Transit and Core built form districts, 2 spaces per dwelling unit elsewhere, 1-3 unit development exemption
- Reduce maximum parking limits
  - Current: Most uses have a maximum parking limit, non-residential uses are typically limited to 1 space per 200 square feet of gross floor area. Downtown the parking maximums are more strict, with many non-residential uses being limited to 1 space per 1,000 square feet of gross floor area.
  - Proposed: Reduce the maximum parking limits, and institute a tiered approach that acknowledges the geographic context of development.

- In Core 50 and Transit 30: Maximums in these locations largely replace the previous Downtown limits. Non-residential uses are typically limited to 1 space per 1,000 square feet of gross floor area.
  - In Transit 10, 15, and 20: Non-residential uses are typically limited to 1 space per 500 or 600 square feet of gross floor area.
  - All other areas: Non-residential uses are typically limited to 1 space per 300 square feet of gross floor area.
- Increase bike parking requirements
  - Current: requirements vary based on location and use, but the minimum for residential is 1 space per 2 dwelling units (the UA Overlay requires 1 space per 1 bedroom), and select non-residential uses typically have a minimum requirement of 3 spaces, some higher based on intensity of use.
  - Proposed: increase the minimum requirement for residential to 1 space per 1 dwelling unit (UA Overlay is unchanged). Apply a minimum requirement of 3 spaces for most non-residential uses, and increase the minimum requirement for select uses based on typical demand.
- Increase requirements for locker and shower facilities in commercial development
  - Current: requirement is triggered for uses greater than 500,000 square feet, and only downtown. Requirement for a 500,000 square foot use is for 30 long-term bicycle parking spaces, 4 showers, and 15 full-size lockers.
  - Proposed: requirement is triggered for uses greater than 200,000 square feet (some exceptions), applies citywide. Requirement for a 500,000 square foot use is 250 long-term bicycle parking spaces, 8 showers, and 100 lockers.
- Require electric vehicle charging for new parking (currently not required)
  - 10% of spaces for residential, office, and hotel must have L2 chargers
  - 5% of other non-residential spaces must have L2 chargers
  - Most spaces will have a requirement to provide electric vehicle charging infrastructure that helps prepare for an increase in future use
  - Smaller residential developments are not required to supply chargers, but must be EV ready
  - Staff is still considering the balance between providing equitable access to EV charging spaces and the potential cost impacts to affordable housing development
- Reduce loading requirements for select uses, particularly those seen as contributing to achieving Minneapolis 2040 goals (example: reducing loading requirements for grocery stores can increase the feasibility for them locating in more areas of the City). New flexibility is also suggested, to allow for the Travel Demand Management process to negotiate loading strategies that may reduce the overall loading requirement.
- Institute a maximum of 100 spaces for surface parking lots, intended to address outlier situations where maximum parking regulations result in an inadequate limit.

## Travel Demand Management (TDM) Rationale

Minneapolis 2040 and the Transportation Action Plan highlight a series of transportation goals. The following review focuses on the TDM practices that have the greatest impact on achieving those goals, particularly as they relate to reducing greenhouse gas emissions. These goals can primarily be achieved through encouraging mode shift away from single occupancy vehicles to other forms of transportation. A review by the Federal Highway Administration highlights the importance of acknowledging that most effects of TDM best practices are very local, and are difficult to evaluate at a citywide or even corridor level. [citation] Other actions and investments by government entities are needed to maximize the impacts of TDM plans. Minneapolis 2040 and the Transportation Action Plan addresses many of these other actions that are necessary such as provision of adequate pedestrian, bicycle, and transit infrastructure, and transit supportive development regulations.

Strategies to address travel demand brought on by new development typically fall into a small handful of categories.

- Support, promotion of, or information related to alternative forms of transportation
- Direct provision of alternative forms of transportation
- Financial incentives and physical improvements aimed at encouraging users to choose other forms of transportation

When paired with provision of a strong public transit system, supportive land uses, and streets designed to accommodate varied modes of transportation, these strategies become more effective. Conversely, when abundant and free parking is provided, these strategies become less effective. [citation]

This is important context to consider when adopting strategies that will be most effective in Minneapolis. Studies and literature reviews highlight the primary importance of development occurring within an existing land use framework with a mix of uses and/or transit service. These conditions are present in Minneapolis to a greater extent than anywhere else in the metro area. Development within Minneapolis by its nature will produce fewer single occupancy vehicle trips and induce fewer greenhouse gas emissions than development elsewhere in the region. Travel demand management best practices should therefore be seen as existing in the greater context of a supportive land use and built form policy and transit investment framework. In that light, staff proposes TDM requirements that will supplement larger efforts to support walking, cycling, and transit – these regulations should not be seen as working in a vacuum to achieve the city’s transportation and climate action goals.

## Proposed Travel Demand Management Ordinance Changes

- Subject more development to the travel demand management process
  - Current: TDM plans are required for projects with 100,000 square feet or more of new or additional nonresidential gross floor area. Planning and Public Works staff require TDM plans of other projects at their discretion.
  - Proposed: Establish and regulate three types of TDM standards.
    - TDM, minor: Residential projects 50 – 249 units, and non-residential development containing 25,000 or more square feet of gross floor area and less than 200,000 square feet of gross floor area.
    - TDM, major: Residential projects with 250 or more units, non-residential development containing 200,000 or more square feet of gross floor area, and

reception and meeting halls, shopping centers, and principal parking facilities with 50 or more parking spaces.

- TDM, discretionary: Can be required of any development when determined by the planning director that the proposal presents unique transportation challenges due to the nature of the use or location
- De-emphasize the role of the traffic study in TDM plans
  - Current: Developments requiring TDM plans are subject to supplying an engineering report which includes a traffic study.
  - Proposed: Smaller scale development will comply with TDM requirements by providing TDM strategies in a non-discretionary process that does not require a traffic study. Larger projects will still need to supply a traffic study.
- Establish a TDM process geared toward shaping development that results in reduced automobile trips, increased walking, cycling, and transit trips, and reduced greenhouse gas emissions. Developments triggering a required TDM process must implement strategies totaling a points value based on the size and use of the proposal as outlined below.

| <b><i>Buildings and Uses</i></b>   | <b><i>Minor, Major, or Discretionary<br/>TDM Plan Required</i></b> | <b><i>Points</i></b> |
|--|--|----------------------|
| Any building or use containing than fifty (50) or more and less than two-hundred fifty (250) new or additional dwelling units or rooming units.  | Minor  | 4                    |
| Any non-residential development containing more than twenty-five thousand (25,000) square feet and less than two-hundred thousand (200,000) square feet of new or additional gross floor area. | Minor  | 6                    |
| Any building or use containing two-hundred fifty (250) or more new or additional dwelling units or rooming units.  | Major  | 8                    |
| Any non-residential development containing two-hundred thousand (200,000) square feet or more of new or additional gross floor area.   | Major  | 10                   |
| Establishment or expansion of a reception or meeting hall containing five-thousand (5,000) square feet of new or additional gross floor area.  | Major  | 6                    |
| Establishment or expansion of a shopping center containing ten-thousand (10,000) square feet of  | Major  | 6                    |

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| new or additional gross floor area.  |               |     |
| Establishment or expansion of a principal parking facility with fifty (50) or more spaces.   | Major         | 6   |
| The planning director, in consultation with the city engineer, may mandate a travel demand management plan that includes an engineering report containing a traffic study for the establishment of any use, new building, or building expansion not specified in this chapter when it is determined by the planning director that the proposal presents unique transportation challenges due to the nature of the use or location. | Discretionary | N/A |

Specific proposed strategies are described below. The points awarded for a given strategy are tied to the effectiveness of that strategy in achieving desired outcomes and adopted city goals. Smaller projects will be able to satisfy these requirements by supplying fewer strategies, and residential projects will have a lower requirement than non-residential in recognition of the relative impact those uses have on transportation systems. The strategies are largely focused on physical improvements to property for two reasons, first is that physical improvements more often have a greater impact on desired outcomes, and second is that physical improvements are easier to monitor and enforce over time.

| <b>Strategy</b>      | <b>Points</b> | <b>Standards</b>  |
|----------------------|---------------|---|
| Zero vehicle parking | 6             | a. No off-street parking spaces for motor vehicles shall be provided for the development.<br>b. Accessible spaces, spaces for shared vehicles, and up to three (3) temporary drop-off and pick-up spaces shall be exempt from this requirement.   |
| Transit fare subsidy | 6             | a. The building owner or management company shall provide a transit fare subsidy to residents and employees utilizing a program administered through the regional transit agency.<br>b. For single-tenant non-residential uses, all full-time employees shall be offered unlimited-ride transit passes at a reduced rate. For multi-tenant non-residential uses, seventy-five (75) percent of the employees within the development shall qualify for unlimited-ride transit passes at a reduced rate. |

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|   |   | c. For residential uses, unlimited-ride transit passes shall be made available to all units within the development; not less than one (1) pass per unit.   |
| Limited parking                               | 3 | <p>a. No more than one-half (0.5) space per residential unit shall be provided when the residential use requires a TDM plan.</p> <p>b. Off-street parking less than or equal to thirty (30) percent of the maximum parking requirement for the development shall be provided when the non-residential use requires a TDM plan.</p> <p>c. A development shall not qualify for points for both the zero vehicle parking strategy and the limited parking strategy.</p>   |
| Pedestrian realm improvements                 | 3 | <p>a. Improvements shall be implemented in the public right of way that support pedestrian activity, and exceed minimum requirements, as approved by the planning director in consultation with the city engineer. In addition to any additional improvements determined by the planning director or city engineer, the development shall provide a minimum of two (2) of the following three (3) enhancements.</p> <p>1) A widened sidewalk that brings a substandard pedestrian space into compliance with adopted street design guidelines. Sidewalk must be paved with materials that meet or exceed city standards for sidewalk finishes.</p> <p>2) Street trees and landscaping installed in an enhanced planting bed.</p> <p>3) Street furniture appropriate for the site’s context, not disrupting the pedestrian thoroughway.</p> |
| Shower, locker, and long-term bicycle storage | 3 | a. The development shall provide shower and locker facilities, and long-term bicycle parking at a fifty (50) percent greater rate than otherwise required by this ordinance.   |
| Curbside demand solutions                     | 2 | a. The development shall provide curbside demand solutions such as on-street pick-up and drop-off parking spaces, accessible parking spaces, and/or valet parking as approved by the planning director in consultation with the city engineer.   |
| Shared vehicles                               | 2 | <p>a. Non-residential uses shall provide one (1) shared vehicle per one-hundred thousand (100,000) square feet of non-residential space, but not less than one (1) vehicle, when the non-residential use requires a TDM plan.</p> <p>b. Residential uses shall provide a minimum of one (1) shared vehicle per one-hundred (100) dwelling units when the non-</p>  |

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|                               |  | residential use requires a TDM plan, but not less than one (1) vehicle, when the non-residential use requires a TDM plan.   |
| Maintenance agreements        | 1                                      | a. The property shall participate in a maintenance agreement through a special service or business improvement district.  |
| Real-time transit information | 1                                      | a. The development shall post real-time transit information in a public space near or at the entrance to the development.   |
| Proposed by the applicant     | As determined by the planning director | The property owner or representative may propose a TDM strategy not detailed in this table. Points awarded shall be determined by the planning director in consultation with the city engineer. |

**Policy Support**

Specific policies from Minneapolis 2040 and the Transportation Action Plan that guide this work are noted below to offer a sense of the support and direction given by policy documents.

- Minneapolis 2040 Policy 6 – Pedestrian-Oriented Building and Site Design: Regulate land uses, building design, and site design of new development consistent with a transportation system that prioritizes walking first, followed by bicycling and transit use, and lastly motor vehicle use.
  - Action step l. – Eliminate the requirement for off-street parking minimums throughout the city, acknowledging that demand for parking will still result in new supply being built, and re-evaluate established parking maximums to better align with City goals.
  - Action step m. – Discourage access to and egress from parking ramps off major corridors, instead encouraging access at mid-block locations and at right angles to minimize disruptions to pedestrian flow at the street level.
  - Action step p. – Discourage the establishment of and minimize the size of surface parking lots. Mitigate the negative effects of parking lots through screening, landscaping, minimizing curb cuts, sufficient number of down-cast, glare-free light fixture, and other measures.
- Minneapolis 2040 Policy 16 – Environmental Impacts of Transportation: Reduce the energy, carbon, and health impacts of transportation through reduced single-occupancy vehicle trips and phasing out of fossil fuel vehicles.
  - Action step a. – Require creation and implementation of travel demand management strategies in new development such as facilities for bicycle commuters, transit passes, and market-priced parking.
- Minneapolis 2040 Action step 22.b. – Manage the supply and design of parking downtown in a manner consistent with objectives for climate protection, pedestrian activity, bicycling, and transit users.
- Transportation Action Plan: Walking, Strategy 7 – Partner with developers, utilities and property owners to provide high-quality pedestrian and public realm improvements.

- Transportation Action Plan: Street Operations, Strategy 4 – Leverage City resources and partnerships to promote, educate and encourage walking, biking and transit as alternatives to driving.
  - Transportation Action Plan – Street Operations Action 4.2. Update Travel Demand Management Plan requirements in the Zoning Code to apply to more development projects than they do currently, to address mode split goals and traffic growth rates, Metropass participation and mandatory self-reporting audits that occur every two years as well as any additional monitoring needed to improve safety.
- Transportation Action Plan: Street Operations, Strategy 5 – Price and manage use of the curb to encourage walking, biking and using transit, and to discourage driving alone.
  - Transportation Action Plan – Street Operations Action 5.5. Employ on-street and off-street parking strategies to support transit corridors (parking maximums for new developments, facilitated shared parking incentives, dynamic pricing, expanded metered parking).
- Transportation Action Plan: Freight, Strategy 1 – Utilize land use tools to improve the efficiency of deliveries.
  - Transportation Action Plan – Freight Action 1.1. Work with the Minneapolis Community Planning and Economic Development Department to revise the Zoning Code to improve the efficiencies of onsite deliveries by updating onsite loading requirements for new developments.
- Transportation Action Plan: Freight, Strategy 5 – Implement dynamic freight loading zones into citywide curbside management efforts.

### **Requested Feedback**

- Are the TDM strategies sufficiently geared toward addressing mode-split and GHG emissions?
- Are the right TDM strategies prioritized with more points awarded?
- What other TDM strategies should be considered?
- Are the thresholds and requirements for EV Charging appropriate?
- Are there specific uses that staff should pay special attention to in terms of vehicle parking maximums and bike parking requirements?

### **Attachments**

- Presentation slides