

## ORDINANCE

By Bender and Schroeder

### Amending Title 20 of the Minneapolis Code of Ordinances relating to Zoning Code.

The City Council of the City of Minneapolis do ordain as follows:

Section 1. That Section 530.90 contained in Chapter 530, Site Plan Review, be amended to read as follows:

**530.90. Conditions and guarantees for site plan review.** (a) *In general.* The city planning commission or zoning administrator may impose such conditions on any proposed site plan and require such guarantees as it deems reasonable and necessary to protect the public interest and to ensure compliance with the standards and purposes of this zoning ordinance and the applicable policies of the comprehensive plan.

(b) *Performance bond or letter of credit.* The city planning commission or zoning administrator may require a performance bond or letter of credit to be supplied by the applicant guaranteeing completion of required site improvements as a condition of site plan approval. The amount of such bond shall be set at one hundred twenty-five (125) percent of the estimated cost of the improvements.

(c) *Inclusionary housing.* Approval of a site plan review application for any building or use subject to the inclusionary housing requirements of Chapter 535, Regulations of General Applicability, shall be conditioned upon compliance with the inclusionary housing requirements specified in the City's Unified Housing Policy in effect on the date a complete site plan review application is submitted.

Section 2. That Section 535.930 contained in Chapter 535, Regulations of General Applicability, be amended to read as follows:

**535.930. - Purpose.** Regulations governing inclusionary housing are intended to promote affordable housing and to fulfill the goals of the city's housing policies, including ~~providing moderately priced housing in mixed income developments that would exceed the residential density or development capacity of the primary zoning district~~ increasing access to affordable housing and promoting mixed income communities throughout the city.

Section 3. That Section 535.940 contained in Chapter 535, Regulations of General Applicability, be amended to read as follows:

**535.940. - Applicability.** (a) *In general.* ~~Dwelling units complying with the affordability standards indicated in this article shall be provided in conjunction with any of the following applications:~~

~~(1) Zoning amendment of any property from a district that does not allow multiple family dwellings to a primary or overlay zoning district that allows multiple family dwellings.~~

~~(2) Zoning amendment, variance, density bonus, or other application or combination of applications that would increase the allowed residential or mixed use floor area of the land area in question by sixty percent (60%) or more compared to the floor area allowed on the same property or properties prior to the application(s).~~

Approval of any site plan review application to allow a building or use containing twenty (20) or more new or additional dwelling units, including multiple-family dwellings, cluster developments, and planned unit developments, shall be conditioned upon compliance with the inclusionary housing requirements specified in the City's Unified Housing Policy in effect on the date a complete site plan review application is submitted.

~~(b) *Affordability standards.* The minimum percentage of dwelling units subject to the affordability standards, percentage rate of area median household income, and minimum number of years that the affordable housing units shall remain affordable shall be required as specified in the Unified Housing Policy.~~

~~(c) (b) *Exceptions.*~~

~~(1) *In general.* Any multiple-family dwellings residential uses exempt as specified in the Unified Housing Policy.~~

~~(2) *Multiple family dwellings in the R3 and R4 Multiple Family Districts.* Multiple family dwellings in the R3 and R4 Multiple Family Districts shall be exempt from the requirements of this article except where an application for variance and/or density bonus is approved to exceed the maximum floor area in the R3 or R4 Districts by sixty percent (60%) or more.~~

~~(2) *Extraordinary circumstances.* The city council shall have the authority to grant exemptions from inclusionary housing requirements where it finds extraordinary circumstances and sufficient public benefit to justify the exemption.~~

~~(3) *Zoning amendment without proposed residential uses.* Applications for zoning amendment outlined by this section that are not accompanied by a proposed multiple-family residential use shall be exempt from the requirements of this article provided that any land use application with a multiple-family use within three (3) years of approval of the rezoning shall be subject to the requirements of this article.~~

~~(c) *Phased implementation.*~~

~~(1) *Residential uses with twenty (20) to forty-nine (49) units.* The applicability of inclusionary housing requirements to developments with not less than twenty (20) but no more than forty-nine (49) dwelling units shall be delayed in a manner specified in the Unified Housing Policy.~~

~~(2) *Residential condominiums.* The applicability of inclusionary housing requirements to individually-owned dwelling units, such as condominiums or for-sale townhomes, shall be delayed in a manner specified in the Unified Housing Policy.~~

Section 4. That Section 535.950 contained in Chapter 535, Regulations of General Applicability, be and is hereby repealed.

~~**535.950. — Computation of affordable dwelling units.** Where determination of the number of affordable dwelling units results in a fractional unit, any fraction of one-half (½) or less may be disregarded, while a fraction in excess of one-half (½) shall be counted as one (1) dwelling unit.~~

Section 5. That Section 535.960 contained in Chapter 535, Regulations of General Applicability, be amended to read as follows:

**535.960. 535.950. - Recording of site plan approval.** All final site plan approvals subject to conditions of inclusionary housing shall be filed with the Office of the Hennepin County Recorder or Registrar of Titles ~~and evidence of proper filing shall be submitted to the zoning administrator prior to the issuance of any building permits.~~ Evidence of proper filing and selection of a compliance option available under the City's Unified Housing Policy shall be submitted to the zoning administrator prior to the issuance of any building permits. Evidence of compliance with the City's Unified

Housing Policy shall be submitted to the zoning administrator prior to the issuance of any relevant certificate of occupancy.

Section 6. That Section 535.970 contained in Chapter 535, Regulations of General Applicability, be amended to read as follows:

**~~535.970.~~ 535.960. - Effective date.** ~~The effective date for Article XIV, Inclusionary Housing shall be January 1, 2019. Any application for land use or preservation approval that is deemed complete before the effective date shall be exempt from the provisions of this article.~~ The effective date of these ordinance amendments herein described shall be January 1, 2020. Any application for land use or preservation approval that is deemed complete prior to the effective date of this ordinance shall be subject to the applicable inclusionary housing regulations in effect at the time of application.