

Ord. No. 1405, Rezoning - *Public Hearing*
Res. No. 2023-07, Comp Plan Amendment
Res. No. 2023-08, Plat

Roers Companies

City Council – January 9, 2023



The Request

The petitioner is requesting 3 land use items to allow for the redevelopment of the Moon Plaza property at 6257 University Avenue:

1. *Rezoning from C-3, General Shopping to S-2, Redevelopment District*
2. *Comp Plan Amend – change the land use designation from Commercial to Multi-Family*
3. *Plat to create 1 new lot*



History

1965 – Moon Plaza built

Over the years it has been home to wide variety of retail and office users

- Dry cleaner, a beauty salon and barber shop, small grocery stores, military recruiting offices, a café, and many others.

The property has been a topic of criticism for many years, even dating back to 1985.



1975



1984



History

Over the last two Comprehensive Planning processes, staff has heard from many people in the community, who want to see something done with the outdated Center.

Concerns: the poor condition of the structure and its façade, an overabundance of parking, and lack of landscaping.

Proposed Project

The petitioner describes the project as a transformation of an aged retail strip center into a new 169-unit affordable housing development.

There will be a mix of 1, 2 and 3-bedroom units, with rents affordable to households earning 60 percent of area median income (AMI).

60% (AMI) = annual income of \$56,320 for a family of 2 and \$70,380 for a family of 4

Common area amenities will include a community room, outdoor patio, resident storage areas, a dog wash station, a game room, a playground, a dog run, and a seating and gazebo area.



Comprehensive Plan Analysis

The 2030 and 2040 Comp Plan put the property in one of the City's redevelopment districts.

The 2040 Plan designates the future land use of the property as Commercial.

The petitioner's request is to change the land use designation to Multi-Family.

The parcels to the north will remain guided in the Comprehensive Plan as commercial and zoned C-3, General Shopping.



Comprehensive Plan Analysis

Multi-Family within the Comp Plan is identified as “lots or parcels containing MF units, from 9-40 units/per acre.”

The Comp Plan notes that some redevelopment areas may require a higher density. The proposed project will be 46 units per acre, which can be justified due to:

- The proximity of the project to transit opportunities, including the Route 10 bus stop (future “F Line” BRT) and the Northstar Commuter Train stop at 61st Avenue and Main Street.
- Concentration of Services in the area: library, bank, pharmacy

Proposing to create 169 units of affordable housing is consistent with the Comprehensive Plan.

Rezoning Analysis

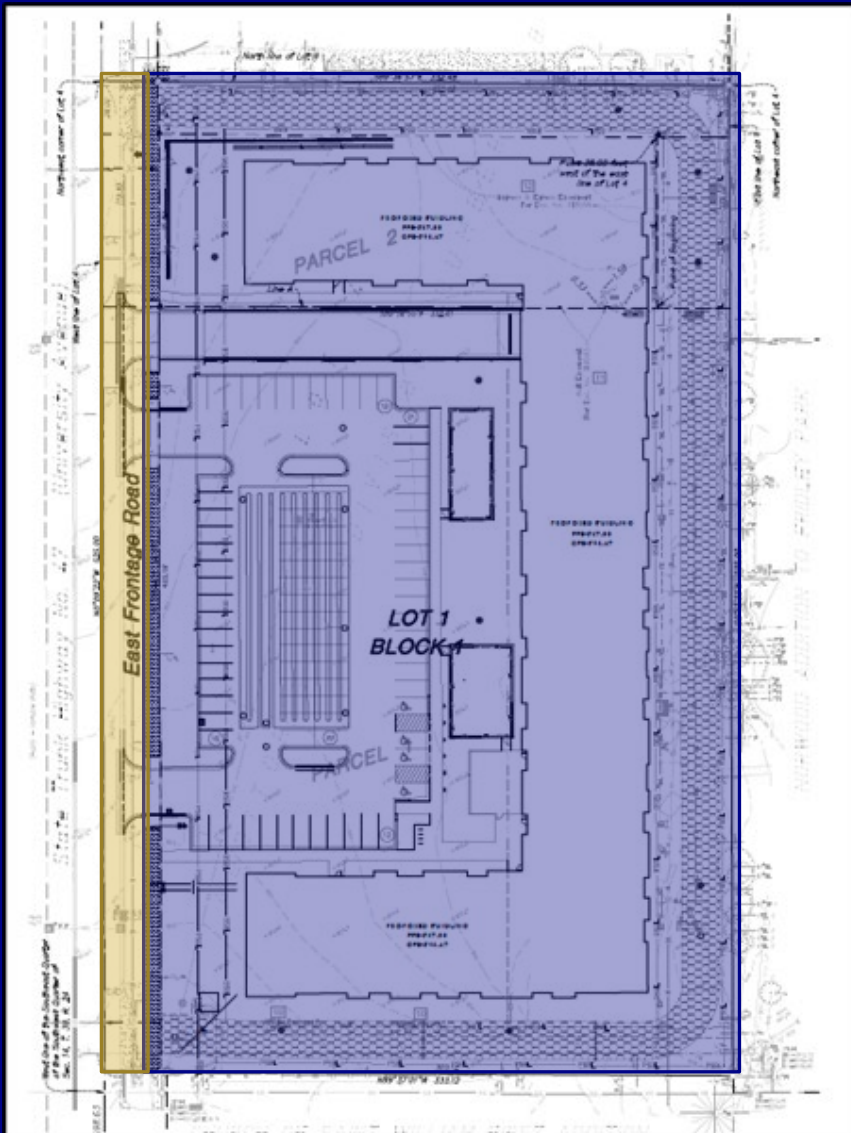
The City's zoning ordinance and zoning map help the City achieve the vision laid out in the Comprehensive Plan.

The City has the authority to "rezone" property from one designated use to another, so long as the zoning meets the intent of the Comp Plan.

Rezoning the property to S-2, Redevelopment District for the multi-family housing development will revitalize the property, which is what the City was hoping to achieve through the last two Comprehensive Planning processes.

This redevelopment will also be consistent with the zoning and uses on the surrounding properties.





Plat Analysis

- The Plat will create one lot and dedication of the west 30 ft. for Right-of-Way
- Lot 1, Block 1 = 158,961 sq. ft. or 3.65 acres in size
- Right-of-Way dedication = 15,750 sq. ft. or .36 acres.



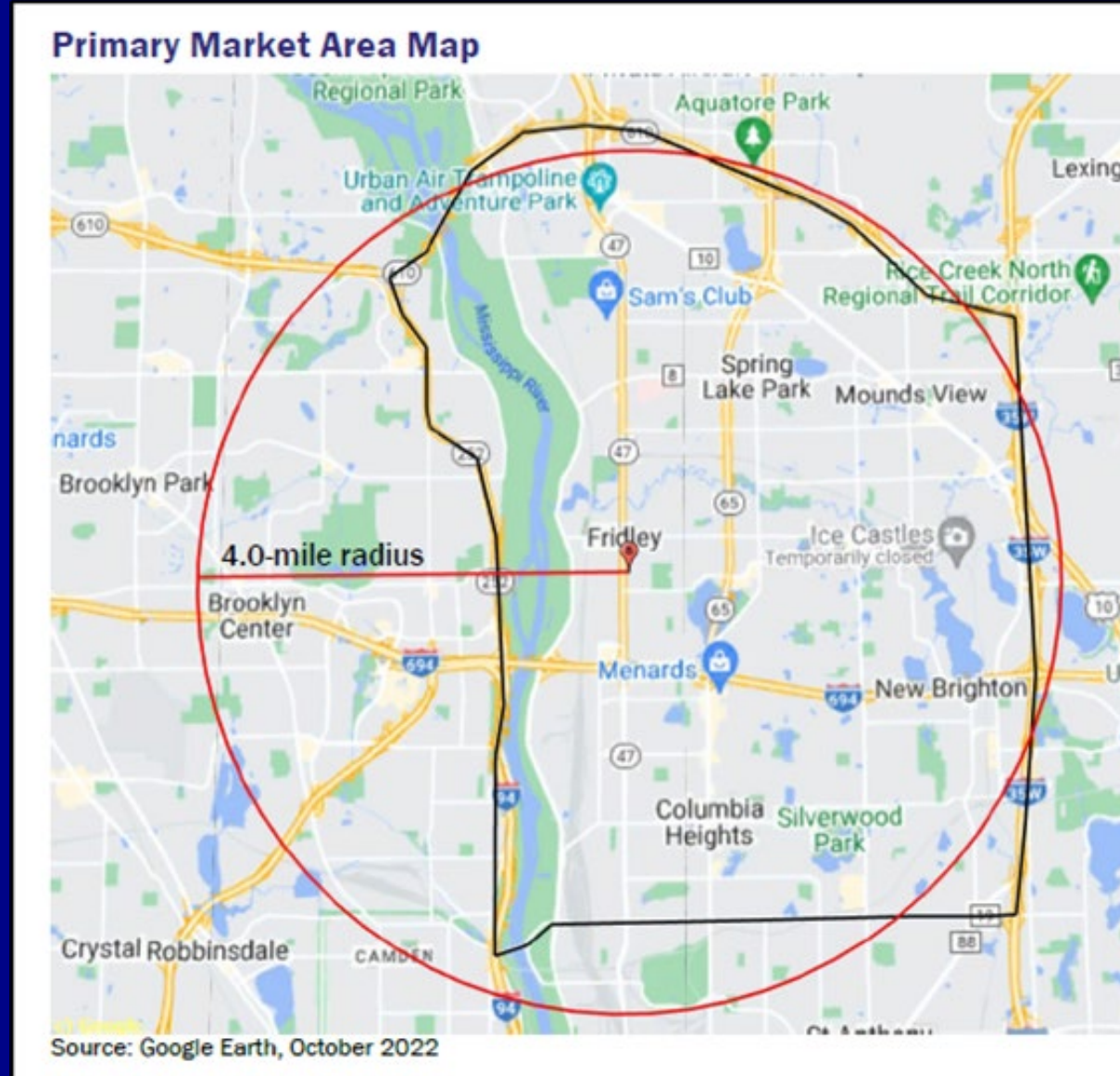
Site Plan

- 169-unit MF project – Mix of 1, 2, and 3 bedrooms
- 265 parking stalls – 167 underground and 98 surface stalls
 - Deficient per code requirements, but similar ratio, 1.57 stalls per units to other MF project recently constructed
- Lot Coverage will be reduced from 87% to 56% - Fire access road still is under consideration
- Height = 51 ft. 8 in. along east elevation, 42 ft. 7 ½ in. on north and south elevations – code allows 65 ft.
- Storm water will be managed through an underground infiltration vault – Project will need to meet code requirements and the Mississippi Watershed Management Organization reg's.

Housing Study

Report indicates a need for at least 175 units at 60% AMI

Comparable properties have 0-6% vacancy rates, which includes Ursa, the affordable building at Fridley Station Village



Traffic Study

The petitioner hired Swing Traffic Solutions to complete a Travel Analysis.

They analyzed the connections from the Service Drive to University Ave, Mississippi St, 5th Street, and 61st Ave.

Each intersection is given a letter designation from "A" representing the best operation conditions to "F", representing the worse.

Generally, Level of Service "D" represents the threshold for "acceptable" overall intersection operation conditions during a peak hour.



Traffic Study

In the No Build Scenario (property stays the same) and the Build Scenario (new development), each intersection gets a letter grade from "A" to "C", so both would operate well during peak hours.

The proposed project indicates acceptable operations with minimal vehicle delays and back-ups at adjacent intersections.

Planning Commission Recommendation

The Planning Commission held a Public Hearing for the Comp. Plan Amendment, Rezoning and Plat requests at their January 4, 2023 meeting.

They discussed parking, landscape and screening options, and the commercial retail market.

They recommended approval of all land use items with the stipulations as presented by staff.

HRA Recommendation

The HRA reviewed the S-2 Rezoning request at their January 5, 2023 meeting.

They made a motion to recommend approval of the rezoning to the Council.

Staff Recommendation

Staff recommends that the Council conduct the Public Hearing and approve First Reading of Ordinance No. 1405 for the Rezoning.

Staff recommends approval of the Comprehensive Plan Amendment Resolution No. 2023-07 – *after Met Council approval, request comes back to the Council for final approval.*

Staff recommends approval of the Preliminary Plat Resolution No. 2023-08.

Stipulation – Comp Plan Amendment

- 1. The City Council's approval of the Comprehensive Plan Amendment is contingent upon the Metropolitan Council's approval of said amendment.*

Stipulations - Rezoning

- 1. The property shall be developed in accordance with the site plan submitted for "Roers – 6257 University Apartments", by Kaas Wilson, dated 12/15/2022.*
- 2. The exterior building elevations shall be developed in accordance with the architectural exterior elevation's sheets submitted by Kaas Wilson Architects.*

Stipulations - Rezoning

3. *The petitioner shall meet all requirements set forth by:*
 - a. *The Building Code*
 - b. *The Fire Code*
 - c. *The City's Engineering department – related to grading, drainage, storm pond maintenance agreement, utilities, and utility connection fees*
 - d. *The City's Planning department – related to landscaping (meeting the 30% coniferous requirement), signage, parking, setback, and sidewalk/trail connections.*
 - e. *The Mississippi Watershed Management Organization*
 - f. *The Minnesota Department of Transportation*

Stipulations - Rezoning

- 4. If the square footage of the footprint of any of the buildings proposed changes by more than 10%, a S-2 master plan amendment shall be required.*
- 5. The parking formula for this project requires that the 167 underground parking stalls are assigned to a rental unit through that unit's lease at no additional/severable cost to assure adequate parking overall on this development site.*
- 6. The petitioner is strongly encouraged to participate in Xcel Energy's Energy Design Assistance program to identify energy and cost-saving strategies and to evaluate the potential for solar energy.*

Stipulations - Rezoning

7. *The petitioner is strongly encouraged to consider accommodations for electric vehicle (EV) charging.*
8. *The internal refuse rooms shall be designed to include the future collection of organics. The petitioner is encouraged to work with Anoka County Recycling and Resource Solution on signage for waste receptacles.*

Stipulation - Plat

- 1. The University Avenue Service Drive right-of-way dedication shall occur with final plat approval.*

| Income Limit | 1 Person HH | 2 Person HH | 3 Person HH | 4 Person HH |
|--------------|-------------|-------------|-------------|-------------|
| 100% | \$82,740 | \$94,560 | \$106,390 | \$118,200 |
| 80% | \$62,600 | \$71,550 | \$80,500 | \$89,400 |
| 65% | \$53,536 | \$61,184 | \$68,832 | \$76,480 |
| 60% | \$49,280 | \$56,320 | \$63,360 | \$70,380 |

The chart below shows the 2022 income limits for the Minneapolis-St. Paul Metropolitan Area, at 60% to 100% of AMI, based on household (HH) size, put together by the US Department of Housing and Urban Development (HUD).

The text in red, "65%" is Fridley's median income for 2022.

Ownership vs. Rental - Fridley

| Year | Ownership | Rental |
|---|-----------|--------|
| 2021 – with Holly Center | 60% | 40% |
| Through August 2020 – with Cielo, Senior and Market Rate at train station and Senior at old City Hall | 61% | 38% |
| 2016 | 64% | 36% |
| 2006 | 65% | 35% |
| 1998 | 66% | 34% |
| 1990 | 67.5% | 32.5% |
| 1980 | 67% | 33% |
| 1970 | 74% | 26% |
| | | |

| City | % Ownership | % Rental |
|------------------|-------------|----------|
| Hopkins | 33% | 67% |
| New Hope | 55% | 45% |
| St. Louis Park | 56% | 44% |
| Brooklyn Center | 62% | 38% |
| Richfield | 63% | 37% |
| Edina | 73% | 27% |
| Fridley | 62% | 38% |
| Columbia Heights | 64% | 36% |
| Robbinsdale | 65% | 35% |
| Crystal | 74% | 26% |
| Golden Valley | 74% | 26% |

Ownership and Rental – other City comparison

Multi-Family Housing Comparison

| | Units | Parking | | Acres | Units/ Acre | Structure Height (to truss) | | 1 Bedroom Unit | |
|------------------------|------------|--------------|-------------|--------------|----------------|--------------------------------|----------|----------------|-----------------|
| | | Total | Per Unit | | | Feet | Stories | Sq Ft | Rent |
| <i>Altair</i> | 95 | 118 | 1.24 | | | 41 | 4 | 752 | \$ 1,614 |
| <i>Aura</i> | 107 | 123 | 1.15 | | | 41 | 4 | 713 | \$ 1,417 |
| <i>Ursa</i> | 73 | 111 | 1.52 | | | 37 | 4 | 803 | \$ ~1,242 |
| Fridley Station | 275 | 352 | 1.28 | 7.9 | 34.6 | See above | | | |
| Axle | 262 | 385 | 1.47 | 8.42 | 31.1 | 43 | 4 | 743 | \$ 1,350 |
| Willows Bend | 136 | 134 | 0.99 | 2.42 | 56.2 | 43 | 4 | 651 | \$ 2,495 |
| Cielo | 269 | ~ 484 | 1.80 | 7.72 | 34.8 | 38 | 4 | 810 | \$ 1,300 |
| SpringBrook | 360 | 717 | 1.99 | 21.05 | 17.1 | ~32 | 3 | 789 | \$ 1,097 |
| Moon Plaza | 169 | 265 | 1.57 | 3.66 | 46.2 | 51.7 | 5 | 749 | \$ 1,242 |