



Center for Urban and Regional Affairs

## KRIS NELSON COMMUNITY-BASED RESEARCH PROGRAM

*... a program of the Center for Urban and Regional Affairs (CURA)*

# Industrial Land Use and Zoning in the Northeast Minneapolis Arts District

**Prepared in partnership with**  
The Northeast Minneapolis Arts District Board of Directors

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# EXECUTIVE SUMMARY

This report intends to provide an analysis of industrial land use and industrial zoning in the Northeast Minneapolis Arts District. Industrial land use and industrial zoning have played an important role in shaping and enabling the Arts District, which now supports approximately 1200 artists working across about 1.2 million square feet of building space. This report also engages with the building owners of arts use buildings in the Arts Districts. They provide insights into the benefits the Arts District creates for artists and business owners, and they articulate the value that the historically industrial buildings of the Arts District offer.

Throughout six interviews with Northeast Minneapolis Arts District arts building owners, common themes were identified.

- All building owners spoke to the benefits that the Arts District brings to their business and the success of artists working in the Arts District. Artists in the Arts District have ready access to raw materials for arts-production thanks to the many arts-adjacent businesses in and nearby the Arts District.
- The Arts District serves as an arts destination which increases the amount of potential customers, especially important to the many early-career artists in the Arts District.
- The historically industrial buildings of the Arts District which have been rehabilitated into arts centric buildings serve the needs of artists at every stage of their career. These buildings offer a variety of studio sizes, have lower rents in part thanks to the low needs of artist tenants in comparison with some commercial tenants, and allow for higher intensity arts production processes that might create noise or odor.
- Many of the building owners described an interview and assessment process for potential tenants to ensure a healthy community dynamic, suitability of the artist's medium and art process within the building, and to encourage innovation and mutual support among the building community. For some building owners this onboarding process also includes rent negotiation which allows artists to secure a rent and studio space that is appropriate for their needs and income.
- Many of the building owners acknowledge that they could generate higher rent profits if they rented to typical commercial tenants rather than artists. These building owners keep their buildings arts oriented due to their commitment to the arts and the longevity of the Arts District as a whole.
- The building owners hope that as land and building use in the Arts District shifts over time, opportunities for new arts buildings to be established will still exist.

This report found that industrial land use in the Northeast Minneapolis Arts District has been steadily decreasing since 1984, from 24% of all land use in the Arts District to 11% in 2016. Industrial land use in the Arts District was found to have a slower estimated total value growth rate than other land uses, especially when accounting for industrial land that changed use between 1984 and 2016. Slower estimated value growth rates could be an incentive for developers to buy industrial land with the intent of developing it for non-industrial uses. Zoning in the Northeast Minneapolis Arts District did not change significantly between 2010 and 2021, the period with available zoning data. Over this 11-year period, two parcels of land changed from industrial zoning. These two parcels which account for 2.83 acres of land were the N&E Apartments and the Hook & Ladder Apartments which changed to commercial and residential zoning respectively. Minneapolis 2040 Plan will overhaul aspects of land use and zoning by creating new land use classifications and implementing the Built Form overlay. In the Northeast Minneapolis Arts District 98 acres of industrial land, or 92% of industrial land in 2016, will be designated Production Mixed Use which allows for both production and non-production uses, encourages the adaptive re-use of older industrial properties, and allows for residential use.

This report concludes with case studies of U.S. cities that have strong Creative Index Values, similar to Minneapolis. Land use and zoning regulations in these cities advised the policy recommendation of this report; to explore the implementation of an Arts District Overlay in the forthcoming future land use of the Minneapolis 2040 Plan. This Arts District Overlay would create tools and policies for accomplishing the arts related action steps set out in the 2040 Plan. The Arts District Overlay would focus on stimulating the retention and development of arts-production spaces and encouraging adaptive reuse of historically industrial buildings in mixed-use developments with arts-production at the focal point. With Minneapolis' recent establishment of the Department of Arts & Cultural Affairs and the upcoming implementation of the Minneapolis 2040 Plan, there is an abundance of opportunity for our city to develop programs and capacities to support the powerful Minneapolis arts economy.

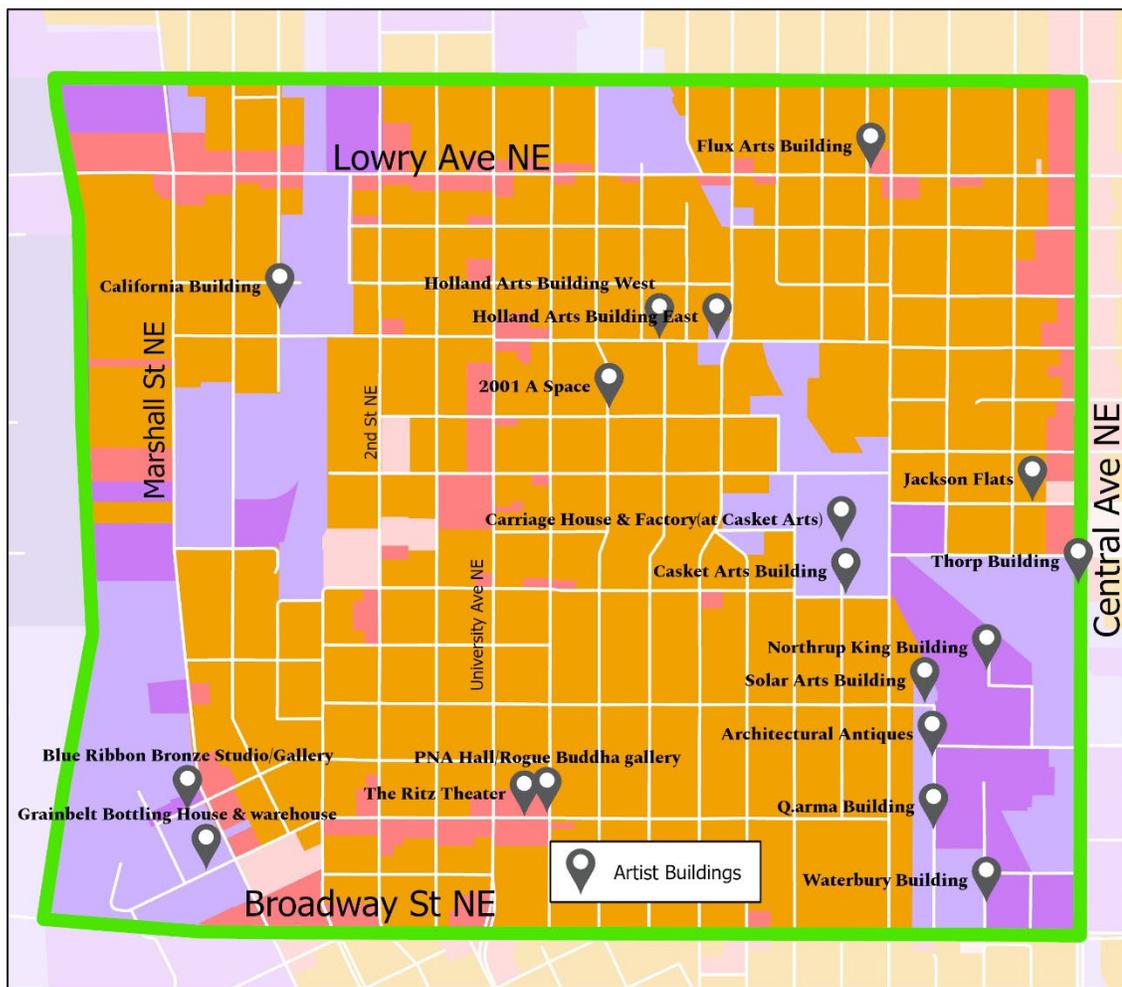
## Northeast Minneapolis Arts District Arts Building Owners Interviews

A crucial component to the success of the Northeast Minneapolis Arts District are the historic industrial production buildings which have been converted into artist production studio space. Many of these buildings were purchased and renovated by Twin Cities locals committed to the arts and the long-term sustainability of the arts economy in Minneapolis. Throughout the study period of this report, interviews were conducted with owners of buildings which currently contain arts uses. Building owners were identified from an inventory of businesses in the Arts District provided by this report's co-

supervisor, Josh Blanc. The inventory identified 18 buildings in the Arts District which currently contain arts use. These buildings range from having just one tenant to having over 300, and square footage ranges from 700 to almost 350,000. From this inventory, 13 building owners were contacted over the summer and six were interviewed. The main themes of these interviews have been synthesized below.

Figure 1. Northeast Minneapolis Arts District Arts Building Locations

### Northeast Minneapolis Arts District Arts Building Locations



0 0.25 0.5 Miles

Data Sources:  
Business Location Data - Josh Blanc

Created by:  
Kenneth Niemeyer  
8/2021



**Do you think being in a district that is designated an arts district has been important for your business -why or why not?**

Each building owner interviewed expressed the importance of the Northeast Minneapolis Arts District to the success of their business and their artist tenants. Thanks to the presence of arts-adjacent businesses, the Arts District grants easy access to supplies for arts production activities. Materials like metal, wood, grog, clay, paints, and much more can be found somewhere in or near the Arts District.

**"I can get everything I need to do my work in a mile radius because I work in the Northeast Minneapolis Arts District"**

Nicholas Legeros, Blue Ribbon Bronze Studio/Gallery

FIGURE 2. BLUE RIBBON BRONZE STUDIO/GALLERY. PHOTO CREDIT: NICHOLAS LEGEROS



The Arts District also contains a multitude of supporting businesses which enable the financial viability of artistry in the area. Web designers, marketers, event planners, graphic designers all provide services to artists in the Arts District so that their product can be sufficiently advertised, a necessity that some artists eschew or struggle to engage with. Artists in the Arts District enjoy patronage from residents of the Twin Cities, visitors from Greater Minnesota and neighboring states, and international tourists thanks to the prestige of the Arts District.

The active arts economy of the Arts District generates a multitude of benefits for those who work and live in and around the Arts District. Frequent arts-oriented events increase the foot traffic of potential buyers, especially important for early career artists who rely on retail purchases rather than large commissions which are more common for mid to late career artists. The shared arts economy generates increased points of contact between artists resulting in collaboration, innovation, and mutual support.

The Northeast Minneapolis Arts District has approximately 1.2 million square feet of building space in use by artists.

**"People come looking for art in the Northeast Minneapolis Arts District because they know they will see multiple artists, not just one. Scale matters."**

Greg Handberg, Artspace

FIGURE 3. ARTSPACE JACKSON FLATS. PHOTO CREDIT: JOSH BLANC



**What types of space are artists seeking out?**

Another important boon to the Northeast Minneapolis Arts District is the diverse collection of artist studios and arts-production spaces that it has to offer. This creates space suited for artists at every stage of their career and of every art medium.

**"Our mission is to create work environments that are clean, safe, and bright for artists"**

Jennifer Young, California Building and other buildings

As identified by artists, lower cost studios are crucial to supporting early career artists who seek out smaller studio sizes that have substantial customer foot traffic. Buildings in the Arts District are prime for fulfilling this need as older industrial buildings which have been converted to arts buildings offer reasonable rents and sometimes the opportunity to subdivide studios among multiple artists. According to the building owners interviewed, artists do not typically have high demand for amenities like air conditioning, interior finishes, and expensive fixtures. This allows building owners to potentially save on build-out costs by renting to artists instead of commercial tenants who may have greater needs. The Arts District's historically industrial buildings, most

of which are industrially zoned, also have the added benefit of offering greater flexibility of use for potential tenants. Light industrial zoning, which underlays many of the arts buildings in the Arts District, allows for low impact uses that produce little disturbances olfactory, auditory, or otherwise<sup>1</sup>. Some arts buildings in the Arts District are zoned medium industrial, which allows for production with more intense influences on the surrounding properties. This means that building owners can lease to a much wider variety of artists.

FIGURE 4. THORP BUILDING. PHOTO CREDIT: JOSH BLANC



buildings have a diversity of artists and art mediums that are suitable to the building or studio type and who contribute to the mutual success of the arts building. With many different types of art production taking place in one building, the audience of customers that the building can draw becomes much wider. The interview process that building owners undertake also aims to create a community dynamic where artists support one another. Knowledge exchange between early career and mid to late career artists generates innovation and a support structure.

**"We want to create a community dynamic for the whole building, for our mutual benefit and for the shared economy of the arts ecosystem."**

Layl McDill, Flux Arts Building

Many of the building owners interviewed also included rent rate negotiation as part of the tenant onboarding process. Rather than have a flat rate per square footage, building owners were willing to have a dialogue over artist needs and how that would affect price. Subdivision of studio space between artists is sometimes negotiated by the building owner but can also be negotiated solely by the artists. For several buildings, non-artist businesses paid a higher rent than artists, or non-artist businesses were required to pay a common area maintenance fee while artists were not.

Building owners interviewed were having no trouble keeping their studios filled with paying tenants, and in fact several buildings maintain long waiting lists of interested artists. According to the building owners, artists often sought out long leases with secure rents and only left the building when their needs changed. Frequently this was due to a need for a larger studio square footage as artists reached a mid-career point.

**"We have never had a vacant suite. If an artist leaves, we have one that moves in the next day."**

Duane Arens, Solar Arts Building

**What do you look for in tenants to enhance the resources or the building dynamic?  
Are there different rent price points for different types of tenants?**

All building owners whose buildings had rentable studios described an in-depth interview and assessment process for potential tenants of their building. This process ensures that

When selecting for tenant types, most building owners had a preference for active artist tenants. A majority of the buildings had historically housed industrial production companies and sometimes these tenants continued to lease even when the building was purchased by an owner committed to arts use. Some building owners explained that the non-arts businesses generally left the buildings over time, and the buildings became more exclusively geared toward arts use. Other building owners found that certain industrial companies provided sustainability for the building and depending on the company, served needs of some artists. These building owners did their best to keep the industrial companies in the building or seek out companies with similar intensity uses when one tenant departed.

<sup>1</sup> Minneapolis Code § 550.30

## What are you hoping for the future of your art centric building?

The 2018 Creative Arts Index<sup>2</sup> found that a common goal of arts use building owners was to create positive impact. During interviews with building owners of the Northeast Minneapolis Arts District, this common goal was frequently espoused.

### "I'm committed to working with artists, because that's what I've always done"

Bill Carlson, Lumino Center

The financial impacts of owning an arts centric building are also detailed in the 2018 Creative Arts Index. Building owners don't receive a discount on building materials or maintenance for their commitment to the arts. Some of the building owners interviewed recounted difficulties securing loans as banks assumed that arts businesses carry more risk than non-arts businesses. And building owners could potentially generate more rent by always seeking out the highest bidding tenant rather than saving space for early career artists who seek a lower cost rent. Most of the building owners interviewed acknowledged that they were deciding to essentially forego higher profit to support the arts economy of the Arts District. This financial decision extended to building owners' considerations for the future of their building. Some building owners expressed a willingness to lose value in a theoretical building sale if it meant they could find a buyer that ensured the building would continue to feature art-use in perpetuity. Building owners also expressed the immense value that a program like an arts use tax break or arts land trust could provide to the longevity of the Arts District.

## What effect do you think the 2040 Plan will have on your building's future, especially as it pertains to art?

Building owners in the Northeast Minneapolis Arts District want the 2040 Plan to support their economic development, ensure the long-term sustainability of the Arts District, and provide opportunities for more arts-production space in the Arts District. Financial support from public sources such as grants, rent subsidies,

and tax credits support the economic longevity of the Arts District.

Some building owners were concerned that the switch to form-based zoning will result in less opportunity for arts buildings to become established in the Arts District. Each building owner interviewed reported that establishing their business was made easier by their building being industrially zoned. Light and medium industrial zoning allows many types of arts-production to take place, as some production involves loud noise or noxious smells.

Arts buildings in the Arts District share a common origin story. Buildings which historically had industrial use and were therefore industrially zoned became underutilized or abandoned, falling into the hands of the city or realtors. Or building owners sought out former industrial buildings for their suitability for arts-production use. Building owners were able to purchase at good value with the expectation that extensive renovation work would be required. Since the buildings were industrially zoned, they suited the needs of arts use well. Building owners in the Arts District hope that this story can still play out even with the 2040 Built Form and future land use.

FIGURE 5. CASKET ARTS CARRIAGE HOUSE. PHOTO CREDIT: JOSH BLANC



<sup>2</sup> Kayzar, B. and G. Kayim (2018). The Minneapolis Creative Index 2018. Minneapolis, MN, Office of Arts, Culture and the Creative Economy at the City of Minneapolis.

## Mapping and Data Analysis

### Methodology

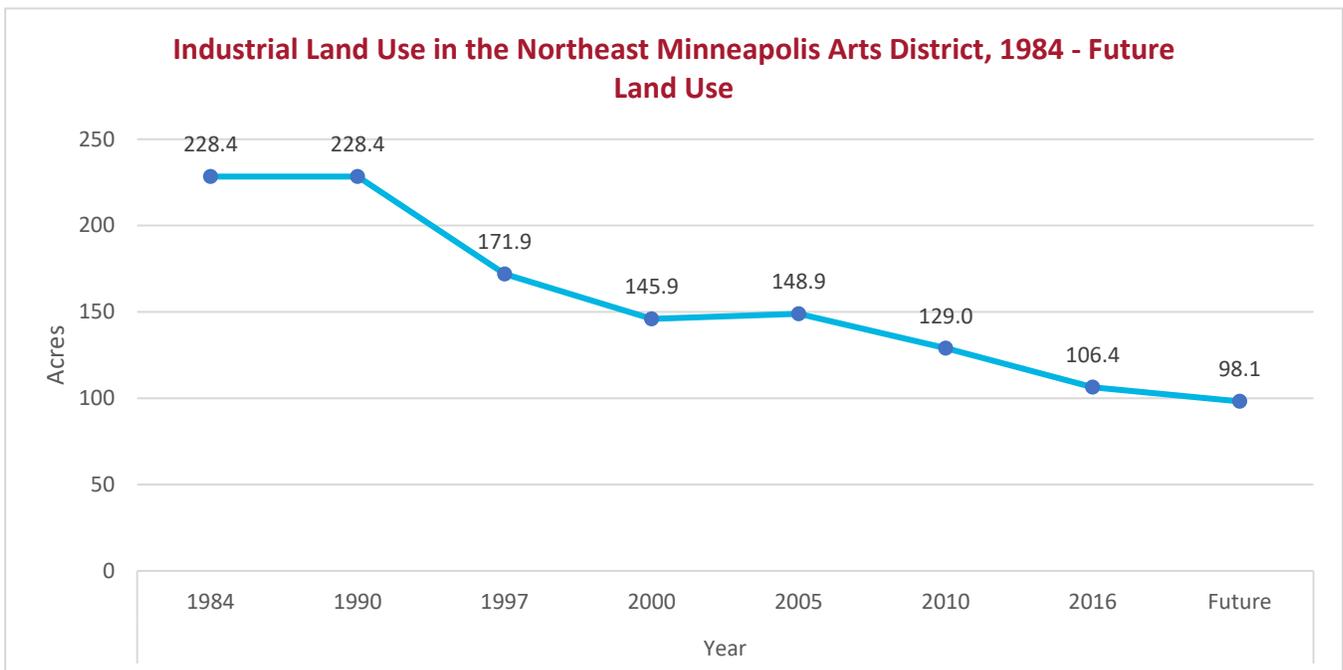
This report focused on an analysis of industrial land use and industrially zoned land in the Northeast Minneapolis Arts District. The data sources for this analysis were the Metropolitan Council, City of Minneapolis, and Hennepin County. Data on specific businesses in the Arts District were provided by Josh Blanc, the co-supervisor for this report. To gain a more complete understanding of industrial land in the Arts District, land use and zoning were both examined as they differ slightly. Zoning, administered in the Arts District by the City of Minneapolis, regulates what land use is permissible on a parcel. Land use, defined by the Metropolitan Council, gives insight into how a parcel of land is actually being used. While the amount of industrial zoning in the Arts District has not changed substantially since 2010, the amount of land with an industrial use classification has decreased significantly.

### Results and Discussion

The Northeast Minneapolis Arts District features about 1.2 million square feet of building space in use by around 1200 artists. This significant square footage is spread over the many arts buildings of the Arts District, which are mostly industrially zoned.

Industrial land use in the Northeast Minneapolis Arts District has been steadily decreasing since at least 1984, which is the earliest date with readily accessible data. This trend is also present in Minneapolis at large, albeit at a slower average rate. According to the Metropolitan Council, industrial land use in the Arts District has been decreasing by an average 11% percentage points about every 5 years since 1984. From 1984 to 2016, 53.4% of industrial land use in the Arts District shifted to a different use or became unused and classified as undeveloped. In Minneapolis, the rate of decreasing industrial land over the same period is slightly lower at 8.3% percentage points per period. From 1984 to 2016, 41.2% of industrial land use in Minneapolis shifted to a different use or became unused and classified as undeveloped.

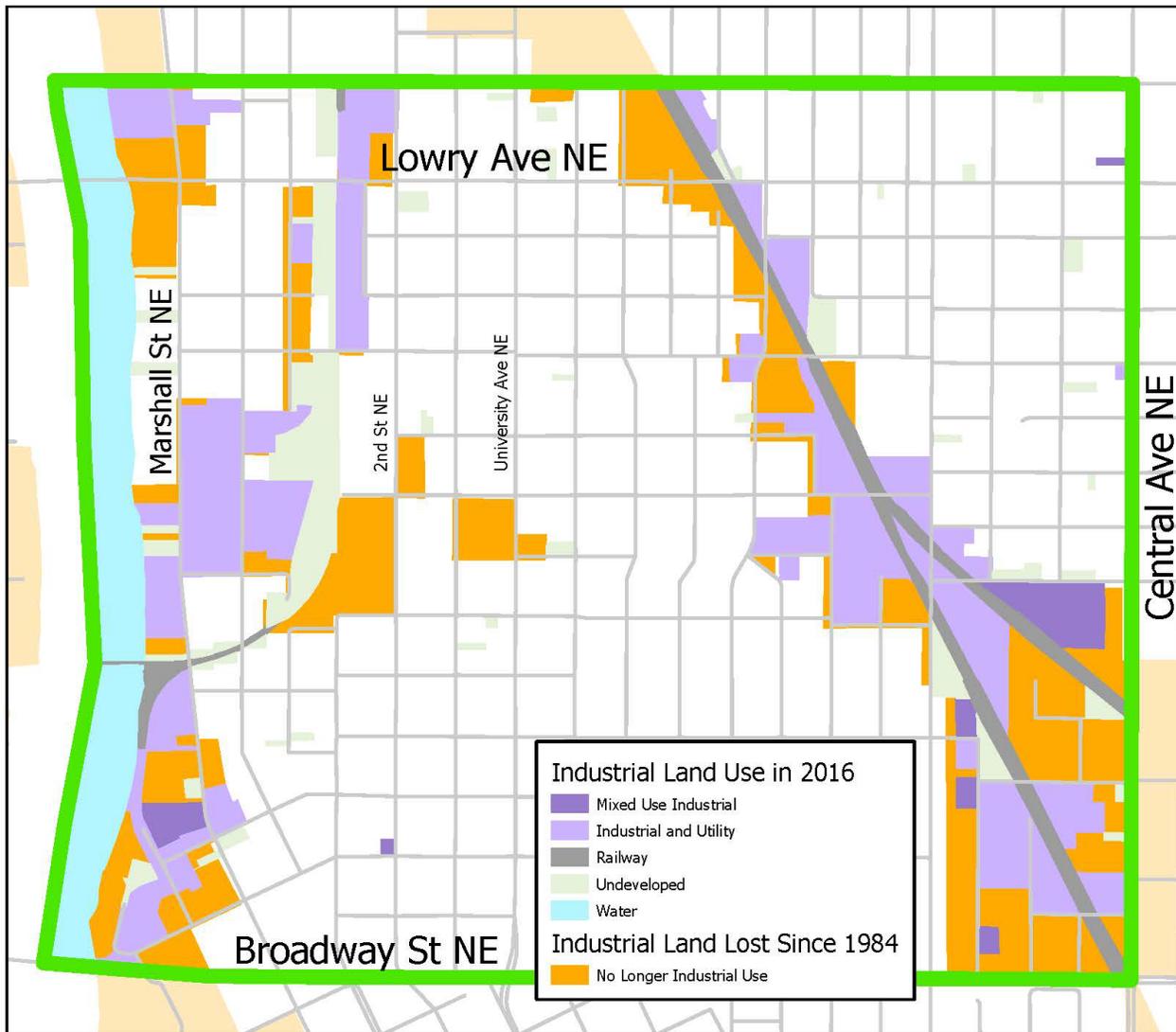
Figure 6. Industrial land use in the Northeast Minneapolis Arts District from 1984 to the 2040 Plan future land use.



This shift of land use should be weighted with the consideration that in 1984 there were 228 acres of industrial land use in the Arts District and 4,997 acres of industrial land use in Minneapolis. In 1984, the share of land in Minneapolis which had an industrial land use was 13.6% and decreased to 8% by 2016, down to 2939 acres. In 1984 in the Arts District, industrial land accounted for 24.3% of all land use and decreased to 11.3% by 2016, down to 106 acres.

Figure 7. Industrial land use that has changed use between 1984 and 2016.

## Industrial Land Use Lost Since 1984



0 0.25 0.5 Miles

Data Sources:  
Land Use, Twin Cities Metropolitan Area, 1984, 2016 - Metropolitan Council

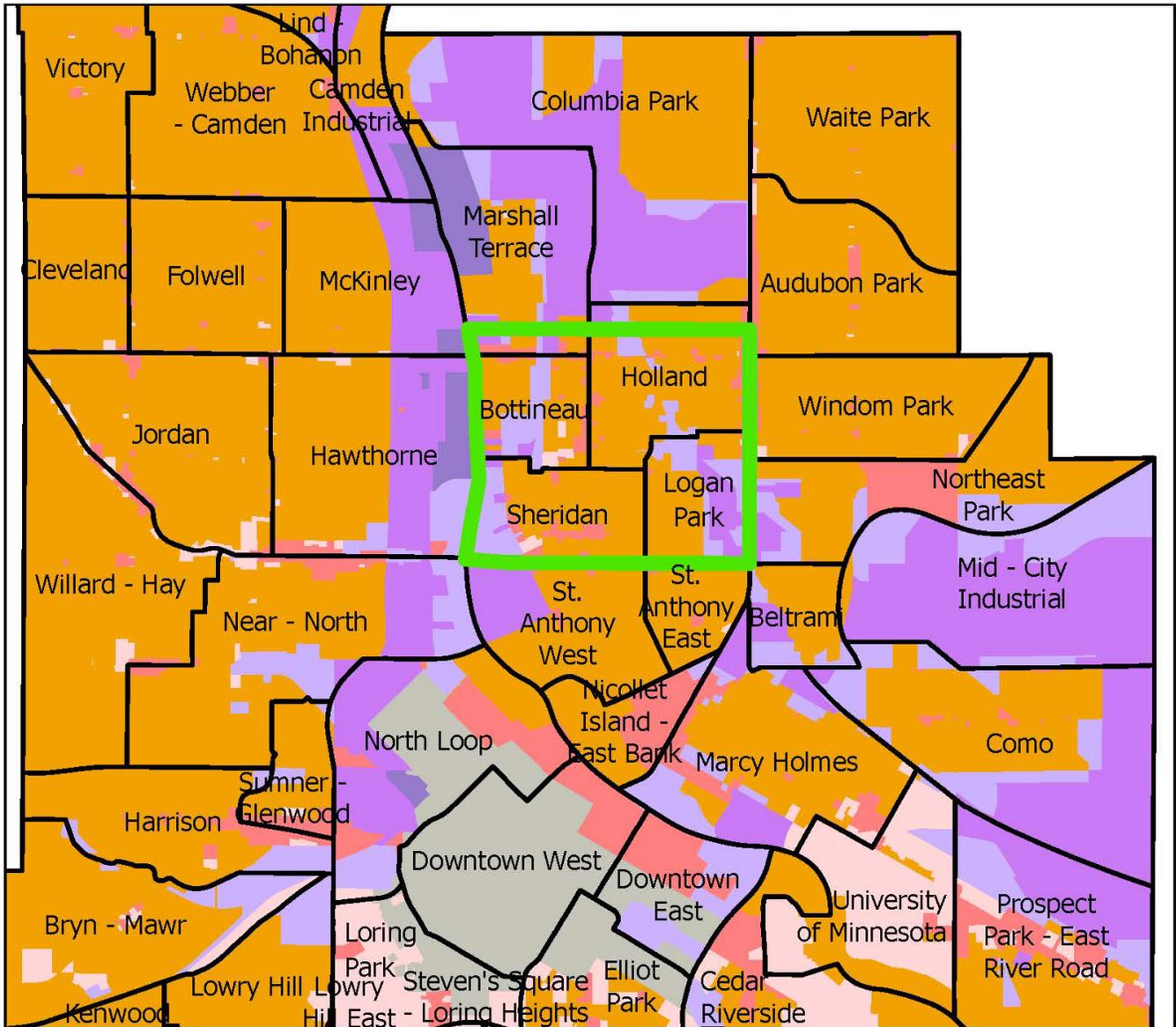
Created by:  
Kenneth Niemeyer  
8/2021



Compared with industrial land use in the rest of the city, the Northeast Minneapolis Arts District industrial land is 'landlocked' by other uses and is dwindling over time. This comes in contrast with neighborhoods which are entirely industrial like the Mid - City Industrial Area north of Como or the industrial corridor which stretches from the North Loop to the Camden Industrial Area.

Figure 8. Northeast Minneapolis Arts District and nearby neighborhoods.

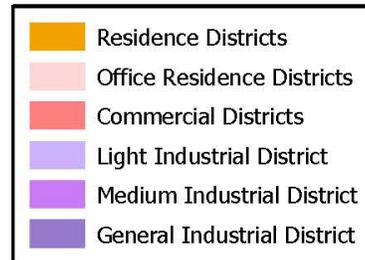
## Northeast Minneapolis Arts District and Nearby Neighborhoods



0 1 2 Miles

Data Sources:  
Minneapolis Primary Zoning, 2021 - Minneapolis GIS

Created by:  
Kenneth Niemeyer  
8/2021



Land in the Northeast Minneapolis Arts District which had an industrial use classification in 2012 and retained an industrial use classification in 2021 had a far lower average estimated value growth rate than land with commercial or residential use classifications. Industrial parcel values grew by 24% over the 10-year period compared to commercial parcels which grew by 31% and residential parcels which grew by 59%. This disparity becomes even wider when only looking at parcels which shifted from industrial use to a different use over the 10-year period. These parcels' values grew by 53%, keeping pace with other parcel use types in the Arts District. Every industrial parcel that changed use during the 10-year period went from an industrial use class to a commercial use class. During the 10-year period, only one parcel of land converted from another land use to industrial. This parcel was a commercial use parcel which became tax forfeited land and was subsequently re-classified as "vacant land-industrial." Because industrial use land has a slower growth rate than other land uses, developers may be financially motivated to buy industrial land and convert it to different uses. Industrial use land's slow growth rate is also what keeps it more affordable for use as art space.

FIGURE 9. NORTHRUP KING BUILDING. PHOTO CREDIT: JOSH BLANC



Zoning change in the Northeast Minneapolis Arts District from 2010 to 2021 was not as significant as land use change. Over this 11-year period, only two parcels of land changed from industrial zoning. These two parcels which account for 2.83 acres of land were the N&E Apartments and the Hook & Ladder Apartments which changed to commercial and residential zoning respectively. Similar to land use, the share of total acreage in the Arts District that is industrially zoned is higher than in the city of Minneapolis at large. In 2021, industrial zoning accounted for 13% of total acreage in

Minneapolis and 25% of total acreage in the Northeast Minneapolis Arts District.

Figure 9. Percentage of each zone in Minneapolis primary zoning in 2021.

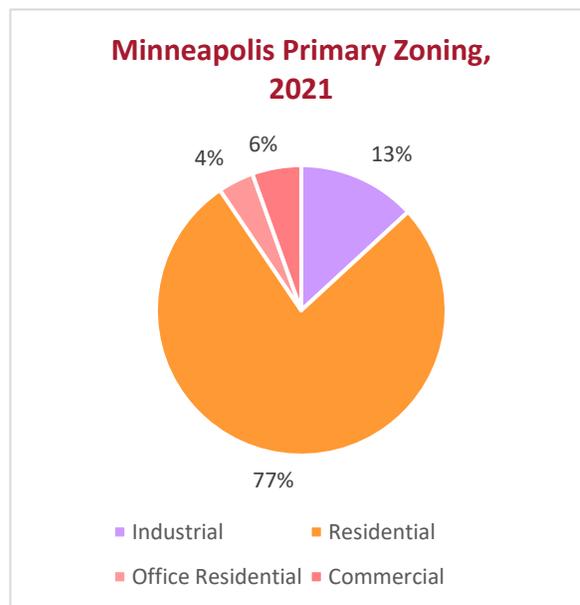
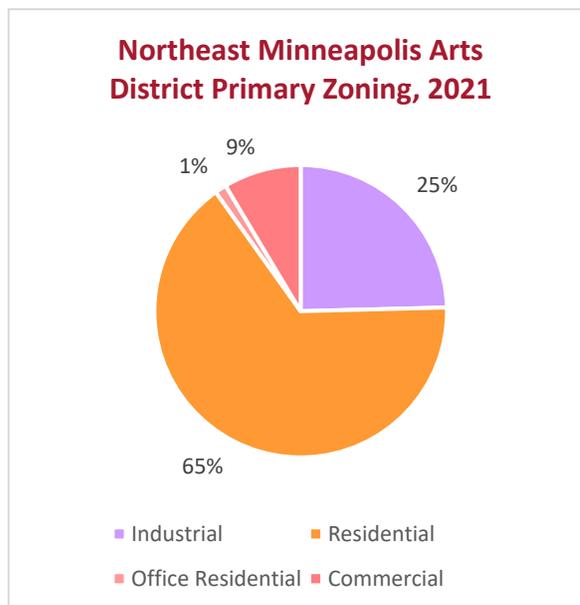


Figure 10. Percentage of each zone in Northeast Minneapolis Arts District primary zoning in 2021.

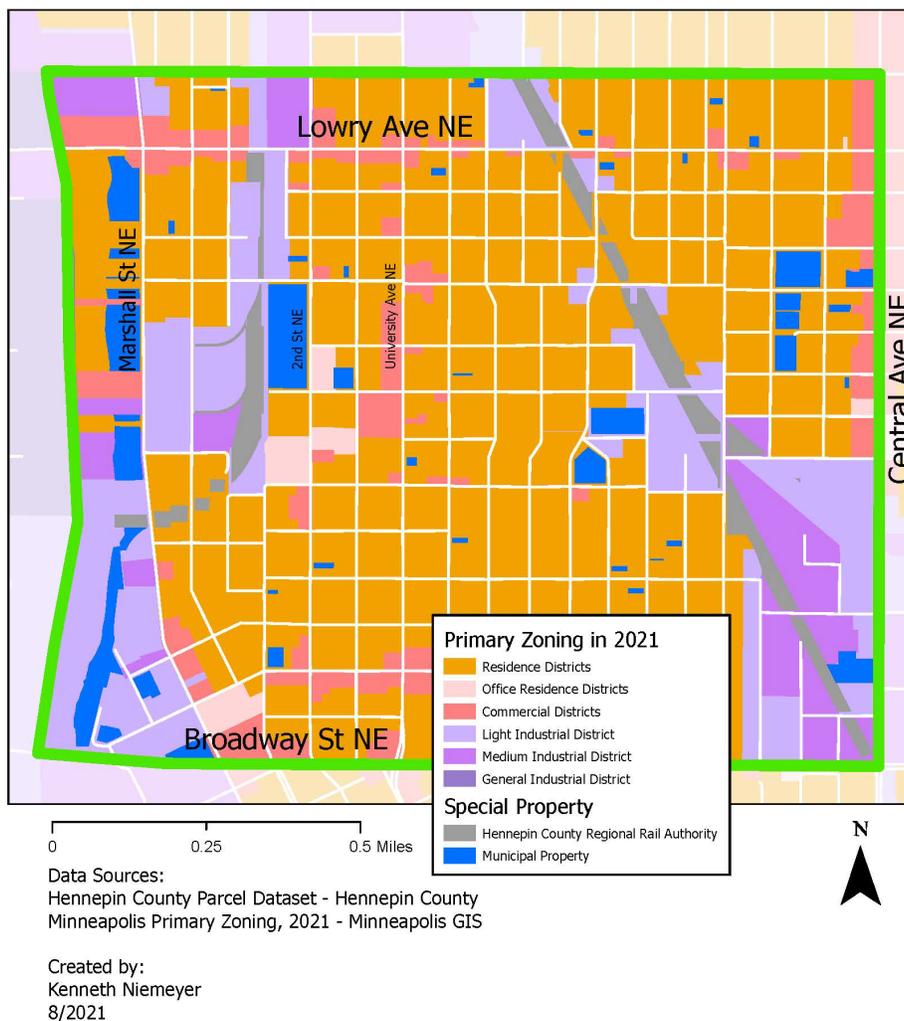


To have an accurate inventory of the remaining industrially zoned land in the Northeast Minneapolis Arts District, it is important to be aware of some special property that exists in the Arts District. The following special properties were identified by filtering Hennepin County parcels for tax exempt uses.

- 30.27 acres of land in the Arts District are part of the Hennepin County Railroad Authority and therefore tax exempt.
- 3.67 acres of this land are classified as vacant land – industrial. 26.6 acres of this land are classified as vacant land – commercial. This means that railroad owned property accounts for 4.1% of all industrial land use in the Arts District.
- 50.69 acres of land in the Northeast Minneapolis Arts District are municipally owned property and therefore tax exempt. Of this land, 7.51 acres are industrial or industrial land – vacant. This means that municipal property accounts for 8.4% of all industrial land use in the Arts District.
- Railroad owned property, identified by its inclusion in Hennepin County Railroad Authority, was not included in this report’s land value calculation because these parcels are valued at \$0 by Hennepin County. They also are not included in the land use analysis as industrial land because the Metropolitan Council generally classifies railroad operated parcels as undeveloped land. The two special property types, rail property and municipal property, are mostly industrially zoned in Minneapolis zoning plates but generally do not serve as land considered to have potential for arts use as railroad parcels do not typically go up for sale<sup>3</sup>.

Figure 11. Northeast Minneapolis Arts District primary zoning in 2021

### Northeast Minneapolis Arts District Primary Zoning, 2021

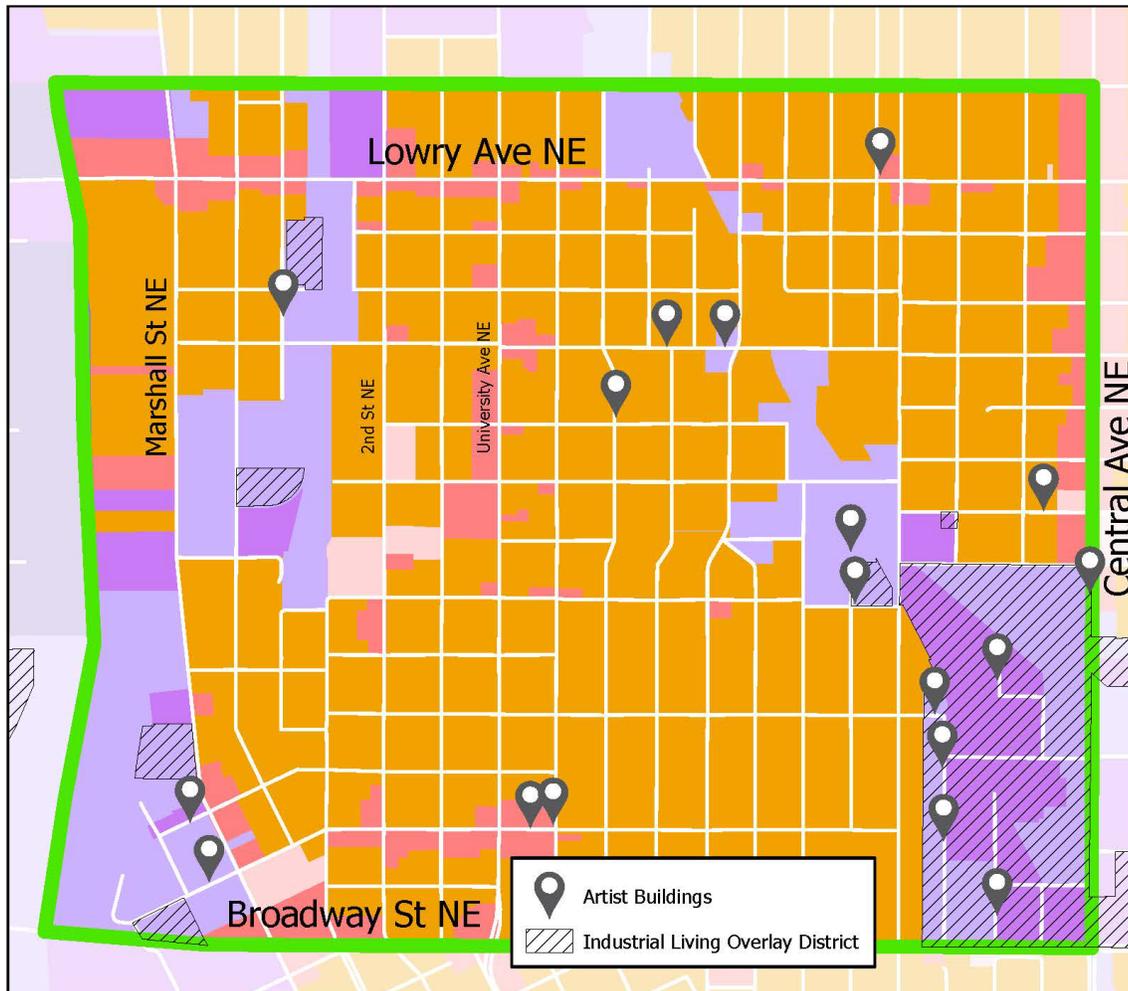


<sup>3</sup> Minneapolis zoning plates can be accessed here: <https://www2.minneapolismn.gov/business-services/planning-zoning/zoning-maps/>

The Northeast Minneapolis Arts District has a notable presence of zoning overlay districts. Overlay districts allow for special provisions that apply additions to, or exemption from, the underlying base zone. The Industrial Living Overlay District in the Arts District is intended to “encourage the rehabilitation and reuse of existing industrial structures and to provide for limited residential and retail uses in the I1 and I2 Industrial Districts where such uses are compatible with other uses in the area.”<sup>4</sup> This overlay district encompasses 83 acres or 35% of industrially zoned land in the Arts District and also overlays some of the arts buildings. Recent examples of developments made possible by the Industrial Living Overlay District are the Timber & Tie Urban Apartments and 2301 California St. NE. These projects are both primarily residential use but feature some dedicated production space to be either leased out or available to residential tenants.

Figure 12. Northeast Minneapolis Arts District Industrial Living Overlay Districts.

## Northeast Minneapolis Arts District Industrial Living Overlay Districts



0 0.25 0.5 Miles

Data Sources:  
 Zoning Overlay Districts - Minneapolis GIS  
 Business Location Data - Josh Blanc

Created by:  
 Kenneth Niemeyer  
 8/2021

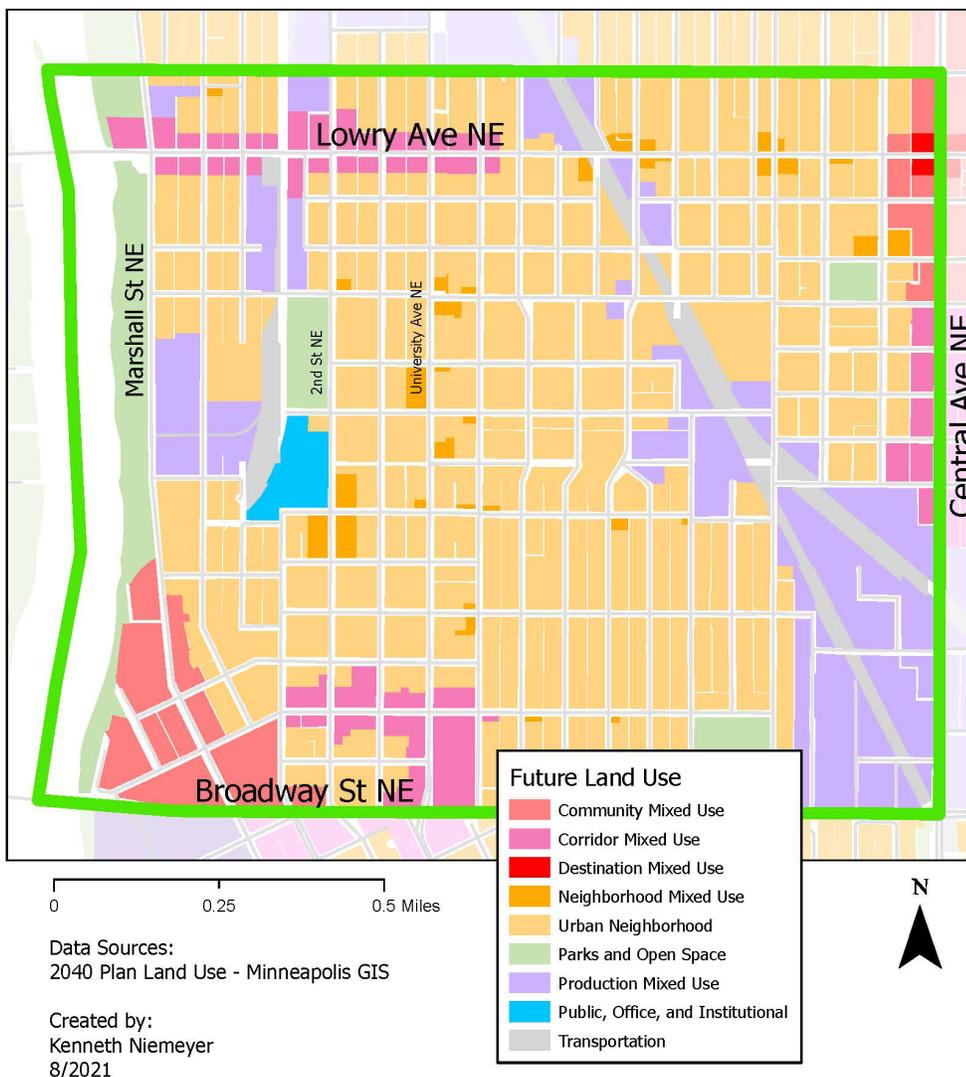
<sup>4</sup> Minneapolis Code § 551.330

With the Minneapolis 2040 Plan, land use designations will be receiving an overhaul. The differing industrial land uses will be consolidated into Production Mixed Use and the more intense Production and Processing. Within the boundaries of the Northeast Minneapolis Arts District, only Production Mixed Use is planned to exist. Production Mixed Use is defined by the 2040 Plan as allowing both production and non-production uses and encouraging the adaptive re-use of older industrial properties<sup>5</sup>. Production Mixed Use also allows for residential uses that are “part of mixed use buildings that provide production space and must incorporate mitigation strategies to address potential conflicts between existing production uses and new residences.”<sup>6</sup> There will be 98 acres of Production Mixed Use once the new land use is implemented. This will be an 8 acre decrease from the amount of industrial land use in 2016, or a 7.73% decrease.

The other component of the Minneapolis 2040 Plan is an overhaul for zoning. All properties in Minneapolis will have a Built Form district overlaying the primary zoning districts which currently exist. As described in the 2040 Plan, Built Form “guides the scale of development for every parcel in the city through Built Form Districts.”<sup>5</sup> Built Form Districts regulate physical aspects of a building such as height, bulk, and setback standards. Of the 98 acres of future Production Mixed Use land in the Northeast Minneapolis Arts District, 66 acres will be Corridor 6 and 32 acres will be Corridor 4. Corridor 6 is defined by the 2040 Plan as generally high frequency transit routes. Corridor 4 is defined as generally high frequency transit routes farther from downtown.

Figure 13. Northeast Minneapolis Arts District future land use.

### Northeast Minneapolis Arts District Future Land Use



<sup>5</sup> <https://minneapolis2040.com/topics/land-use-built-form/>

## Conclusion and Policy Recommendation

Industrial land use is steadily disappearing across Minneapolis and in the Northeast Minneapolis Arts District. This could limit the opportunity for future growth of the arts economy in the Arts District as many of the current arts buildings were made possible through the repurposing of historically industrial buildings. With the introduction of Built Form overlays and the future land use of the Minneapolis 2040 Plan, there is less regulatory assurance that arts-production can remain the focal point of developments in the Arts District. Arts-production could become an afterthought for developers. The following section presents case studies that highlight how other U.S. cities with prominent arts economies do or do not utilize zoning as a means to stimulate arts-oriented development and the arts economy. This report will conclude with policy recommendations and further research topics of importance for the Northeast Minneapolis Arts District.

### Case Studies

#### Washington D.C.

As part of the Metropolitan Statistical Area with the highest Creative Index Value in 2016, Washington D.C. unsurprisingly boasts a robust set of regulations to facilitate a sustainable and successful arts ecosystem.<sup>6</sup> D.C. implements the Uptown Arts-Mixed Use (ARTS) Overlay District in certain commercial and mixed-use districts in the city. The ARTS Overlay District among other things intends to create a walkable district which allows for pedestrian access to retail, entertainment, and residential uses; “Provide for an increased presence and integration of the arts and related cultural and arts-related support uses”; and encourage adaptive reuse of older buildings<sup>7</sup>. The ARTS Overlay District includes a definition of preferred arts uses and arts-related uses that are permitted by right or conditional approval in the four different types of the ARTS Overlay District. Each separate type of the ARTS Overlay District, numbered 1-4, have a different regulatory focus. For example, ARTS-2 emphasizes residential development while ARTS-3 emphasizes employment.

The Arts Overlay District serves not only to stimulate the continued success and guided growth of D.C.’s creative economy, it also serves as a regulatory acknowledgement of the art districts’ existence in the city. Minneapolis code, while including references to art use in zoning and land use regulation, does not have overlay districts specifically geared toward arts use or the Northeast Minneapolis Arts District.

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<sup>6</sup> Kayzar, B. and G. Kayim (2018). The Minneapolis Creative Index 2018. Minneapolis, MN, Office of Arts, Culture and the Creative Economy at the City of Minneapolis.

#### Baltimore, MD

While Baltimore’s zoning code does not differ significantly from Minneapolis, it does include an acknowledgment of the differing use intensities of certain art mediums. The Baltimore City Code ART. 32, § 1-302 defines the difference between “Arts studio” and “Arts studio: Industrial.”

**““Arts studio” means an establishment in which an art, a type of exercise, or an activity is taught, practiced, or studied, such as dance, martial arts, photography, music, painting, gymnastics, or yoga.”**

**““Arts studio: Industrial” means a studio for artisan-related crafts, such as small-scale metalworking, glassblowing, furniture making, pottery, leathercraft, and similar activities.**

These separate uses are applied differently to zoning codes. For example, Arts studio is permitted by right in every commercial district of Baltimore. In contrast, Arts studio: Industrial is only permitted by right in one high intensity commercial district type and through a planning board condition approval process in several others. Including this distinction of industrial art use in Minneapolis’ future land use or overlay districts could allow for more clear requirements on the type of art spaces that Minneapolis wants to enable.

#### Denver, CO

Most cities with strong Creative Index Values have a regulatory focus on preserving historical structures for the purpose of creating an entertaining visual experience for visitors who come to the art district. Denver, for example, has the Historic Structure Use Overlay District which reserves a special allowance for art studios. However, “All uses in the structure involved shall comply with the limitations on external effects applicable to uses in the district in which the structure is located.”<sup>8</sup> Meaning, if the historic structure is located in a residential use area, then many arts-production processes would be restricted in this hypothetical art studio. If Minneapolis were to implement an arts production-oriented overlay district, as recommended below, it should be specific to the historic building types that it applies to. For the Northeast Minneapolis Arts District, the overlay district would ideally overlay industrial or some commercial areas.

Denver zoning code also allows for Live/Work scenarios where artists can “create individual works of art and display them for

<sup>7</sup> D.C. Municipal Regulations § 11-1900.3

<sup>8</sup> Denver Zoning Code ART. 9.4.4.8

viewing purposes only; Art Galleries are not permitted.”<sup>9</sup> This does not serve the economic needs of artists sufficiently. Artists would still need to arrange for their art to somehow be seen by potential buyers if their income is dependent on their art production. Additionally, Live/Work art studios are still limited by whatever zoning the building in question has, limiting the acceptable intensity of arts-production. The benefit of arts production buildings is that since the use intensity of production supersedes the use intensity of retail, artists are typically permitted by right to sell their art in a production building.

## Policy Recommendation

Through engagement with the arts-oriented building owners in the Northeast Minneapolis Arts District, a common belief shared was that creating space for arts production was a more valuable goal than creating space for art sales.

Minneapolis’ current art land use and zoning code is lagging behind other cities that have comparably strong Creative Index Values but there is an opportunity to fix that with the implementation of the Minneapolis 2040 Plan.

Minneapolis 2040 Plan Policy 29 seeks to “ensure growth and sustainability in the creative sector economy by providing artists, creative workers, and cultural organizations with the resources and support they need to create and thrive.”<sup>10</sup> This policy includes an action step which reads “Explore strategies to retain buildings that offer artists and creative workers access to flexible and affordable spaces, spaces that serve unique production needs, and proximity that allows for interaction and learning from one another.”

Similar to the planned designation of Cultural Districts in the 2040 Plan which allows for the creation of investment tools, policies, and practices that directly respond to community needs, Minneapolis should designate Arts Districts which allow for tools and policies for accomplishing the arts related action steps set out in the 2040 Plan. Under the current zoning framework which will underlie the future land use of the 2040 Plan, this could be accomplished by creating a special overlay district, like the aforementioned Industrial Living Overlay District.

An Arts District Overlay would best benefit the Northeast Minneapolis Arts District by stimulating the retention and development of arts-production spaces and encouraging adaptive reuse of historically industrial buildings in mixed-use developments with arts-production at the focal point.

## Further Considerations

The interview and community engagement component of this research focused on the owners of arts-oriented buildings. These interviews provide valuable insights into the strengths of the Northeast Minneapolis Arts District and speak to some of the circumstances that enabled the creation and success of the Arts District. Missing from this story is the experiences of artists and community members who have lived and worked in the Northeast Minneapolis Arts District and contributed to its success. Due to the limited scope of this report, engagement with these communities did not occur. Further analysis of the Arts District’s strengths and future should include engagement of these communities.

Every building owner that interviewed for this report expressed interest in learning more about a potential Arts Land Trust Model which could ensure arts use in perpetuity following the sale of a building. Research for this report did not identify an existing Land Trust Model that focuses specifically on arts use. Exploring the feasibility, structure, and potential benefits of the Arts Land Trust Model warrants further research.

FIGURE 14. NORTHEAST MINNEAPOLIS ARTS DISTRICT. PHOTO CREDIT: MPLSART.COM



<sup>9</sup> Denver Zoning Code ART. 11.9.4.2

<sup>10</sup> <https://minneapolis2040.com/policies/arts-and-creative-spaces-venues-and-districts/>

# Appendix

## Maps

Northeast Minneapolis Arts District Arts Buildings

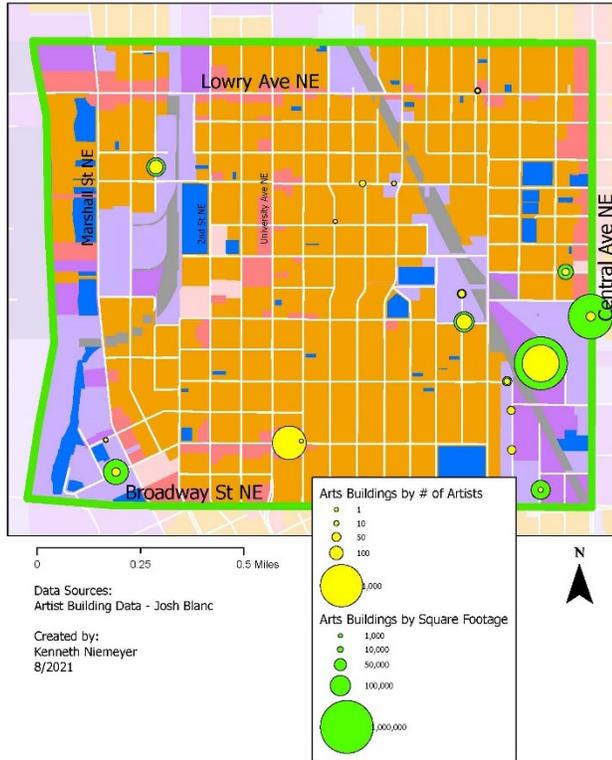


Figure 15. Northeast Minneapolis Arts District Arts Buildings by number of artists and building square footage.

Northeast Minneapolis Arts District Land Use, 1968

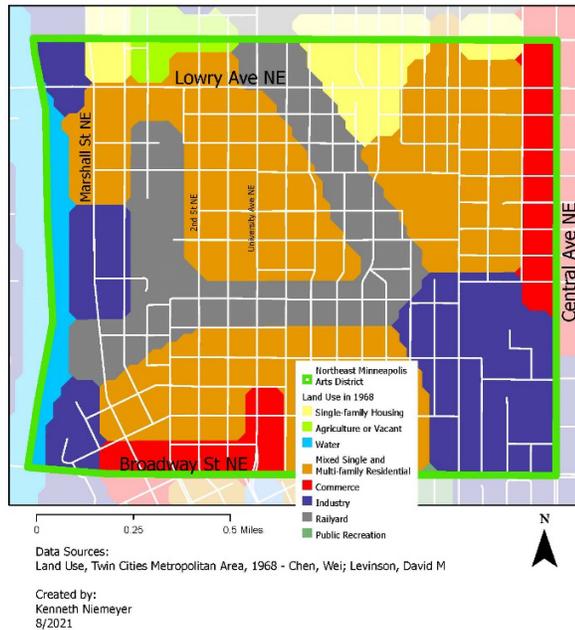


Figure 16. Northeast Minneapolis Arts District Land Use in 1968.

Northeast Minneapolis Arts District Land Use, 1984

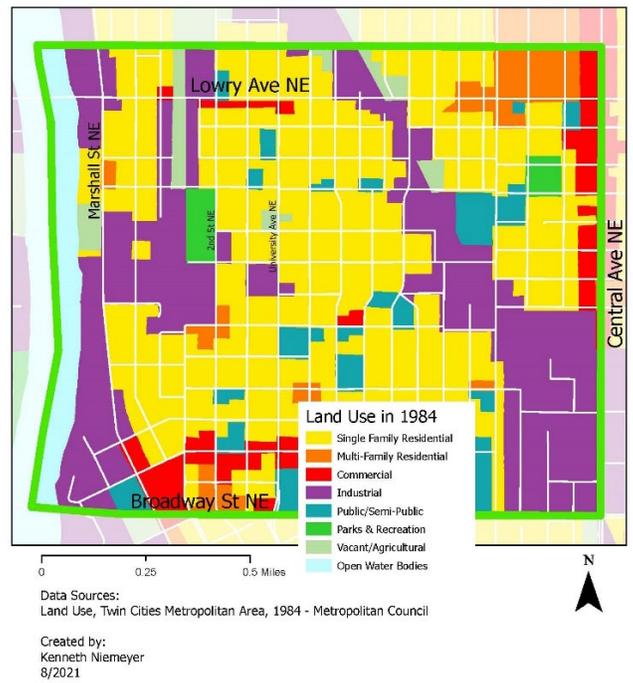


Figure 17. Northeast Minneapolis Arts District Land Use in 1984.

Northeast Minneapolis Arts District Land Use, 1990

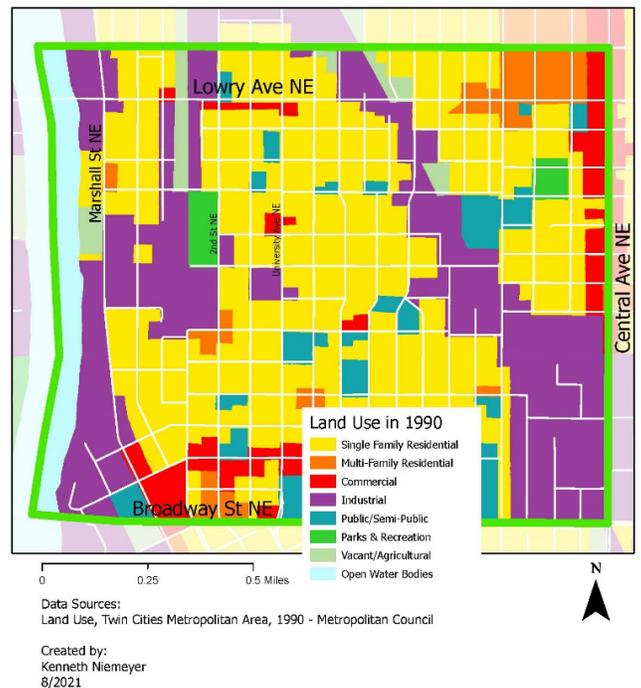
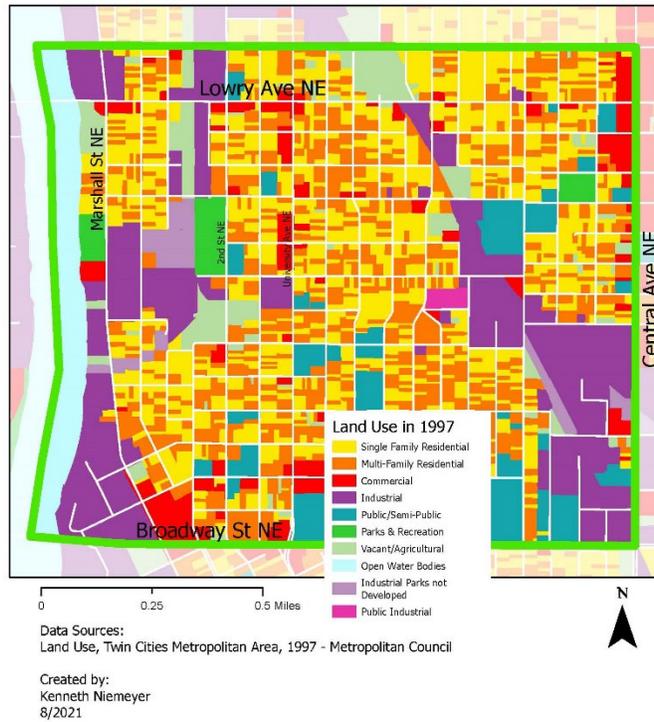


Figure 18. Northeast Minneapolis Arts District Land Use in 1990.

Northeast Minneapolis Arts District Land Use, 1997



Northeast Minneapolis Arts District Land Use, 2005

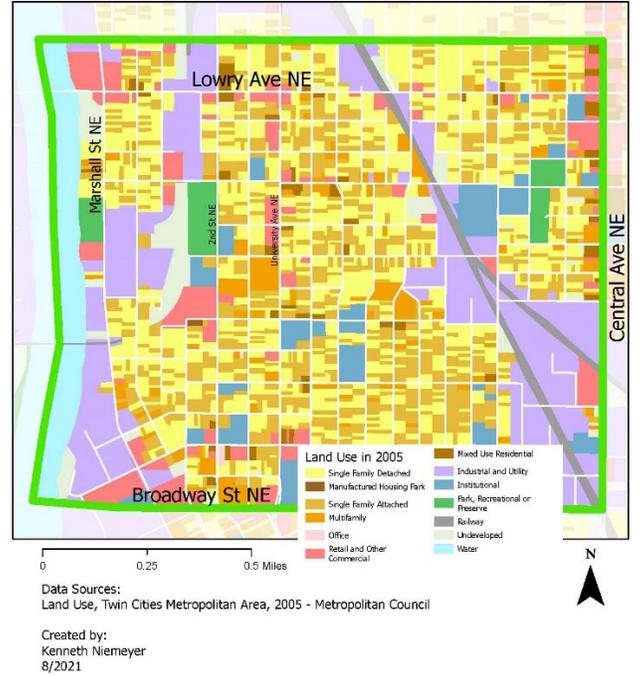
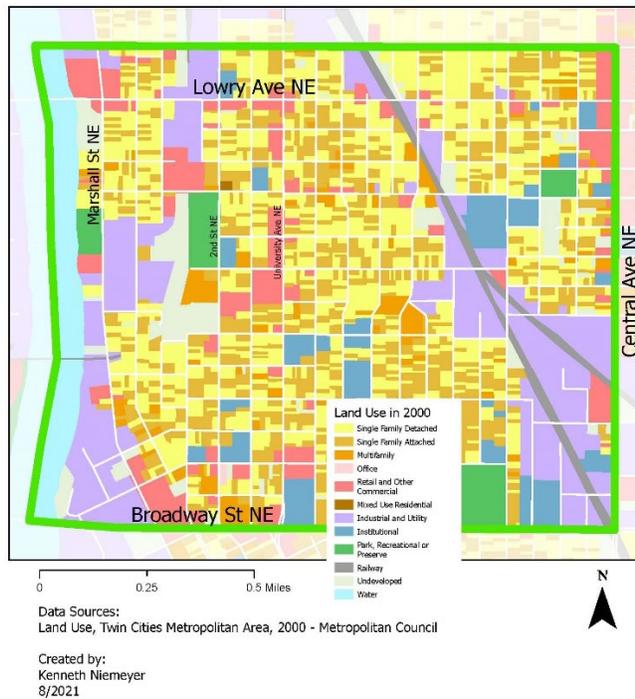
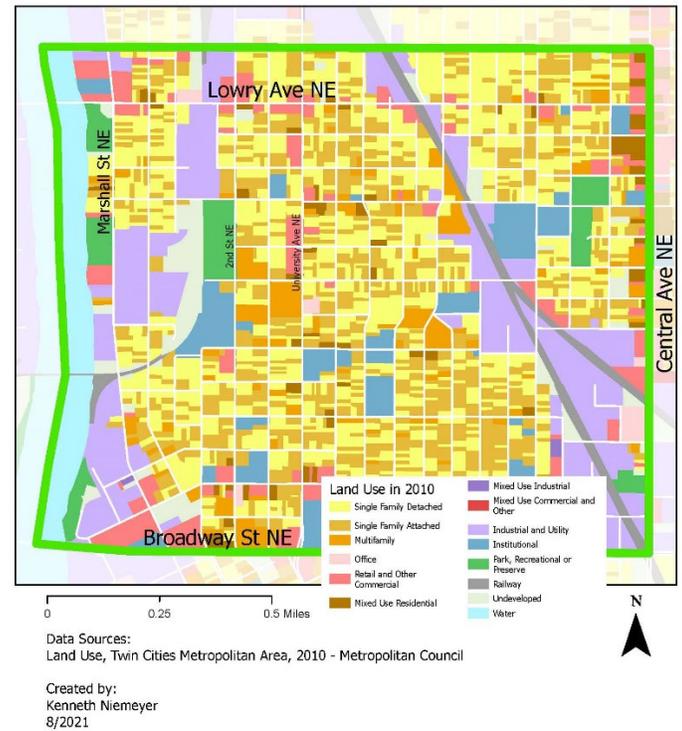


Figure 19. Northeast Minneapolis Arts District Land Use in 1997.

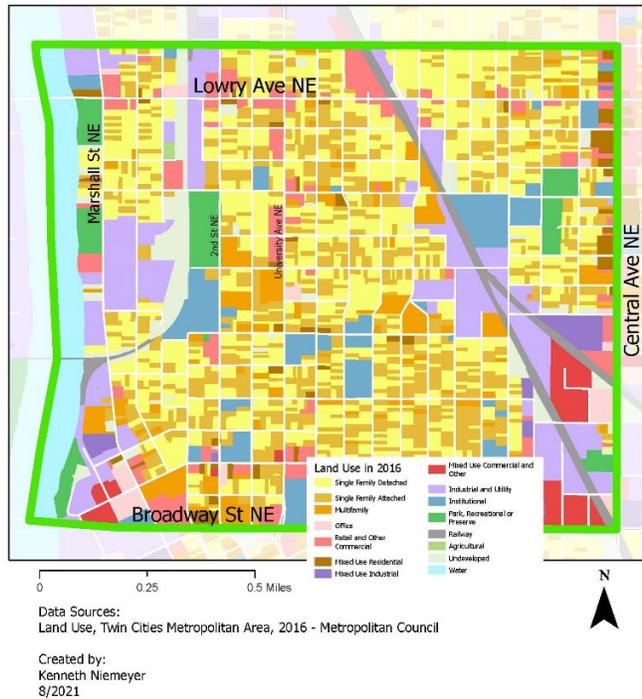
Northeast Minneapolis Arts District Land Use, 2000



Northeast Minneapolis Arts District Land Use, 2010



### Northeast Minneapolis Arts District Land Use, 2016



### Industrial Land Use Property Sales from 2016 to 2020

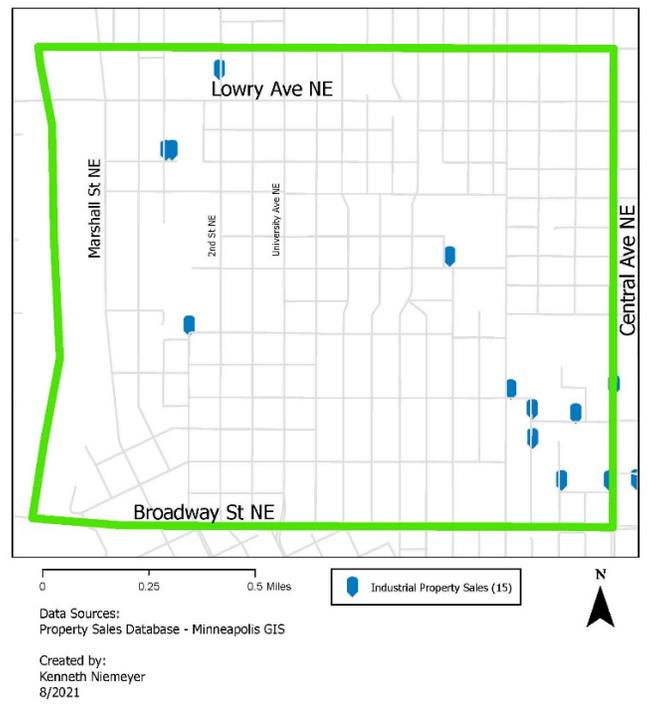
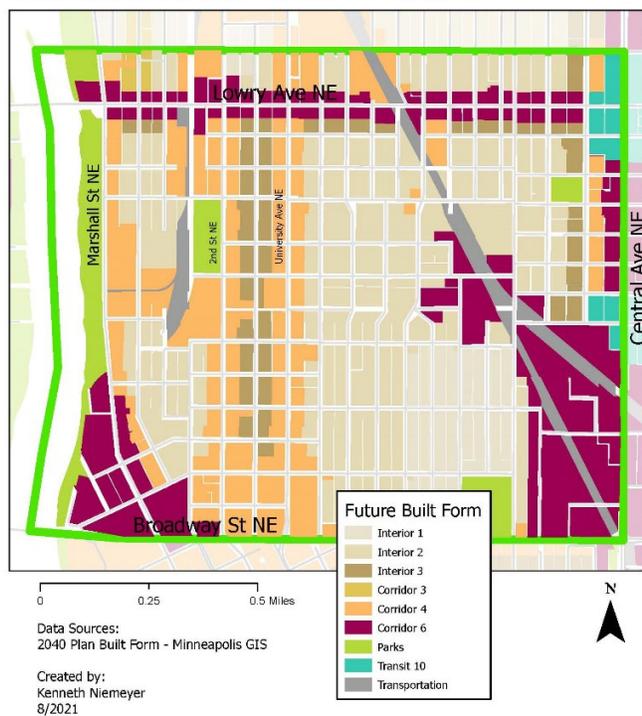
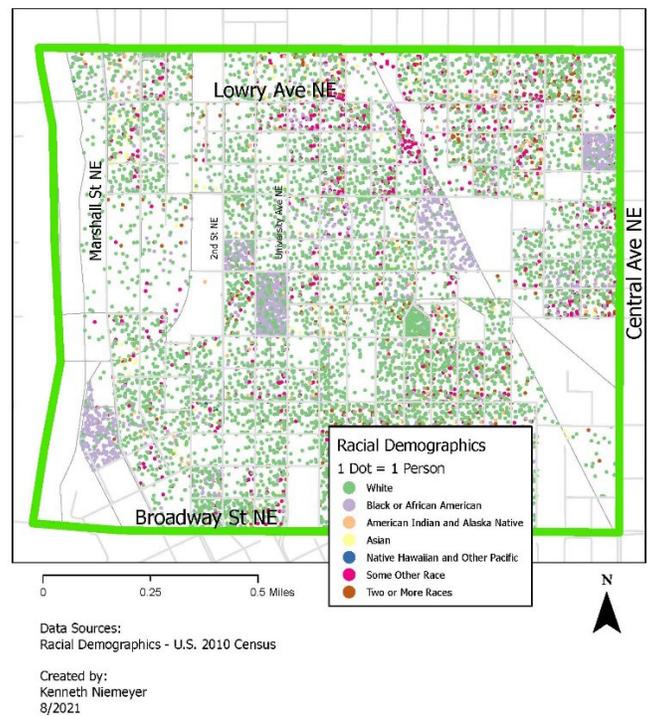


Figure 23. Northeast Minneapolis Arts District Land Use in 2016.

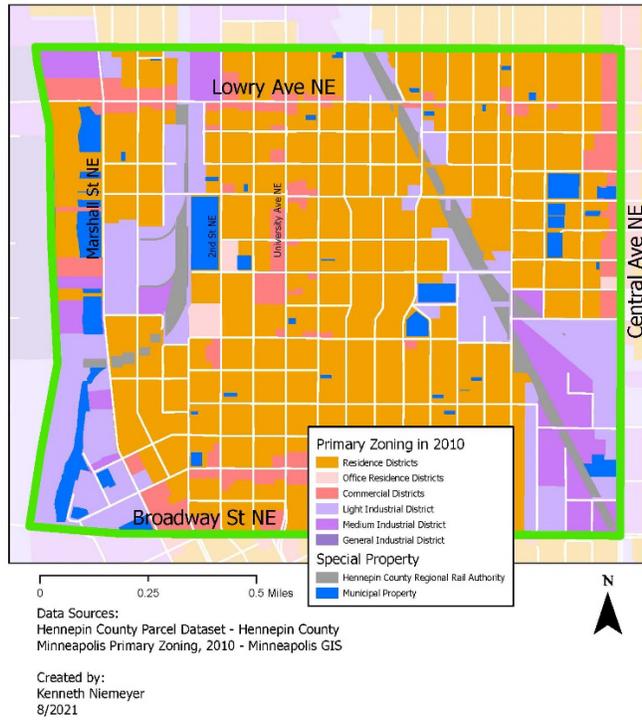
### Northeast Minneapolis Arts District Future Built Form



### Racial Demographics of the Northeast Minneapolis Arts District, 2010



Northeast Minneapolis Arts District Primary Zoning, 2010

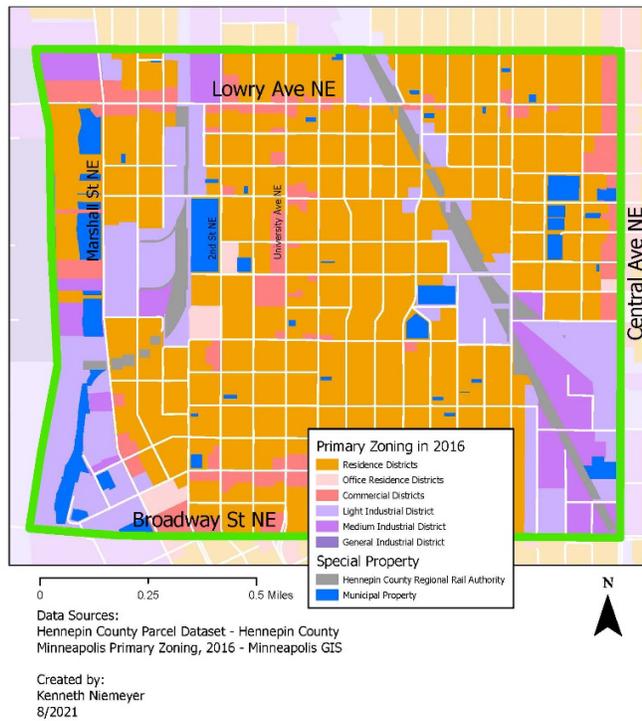


Northeast Minneapolis Arts District Antique Store Locations



Figure 27. Northeast Minneapolis Arts District primary zoning in 2010.

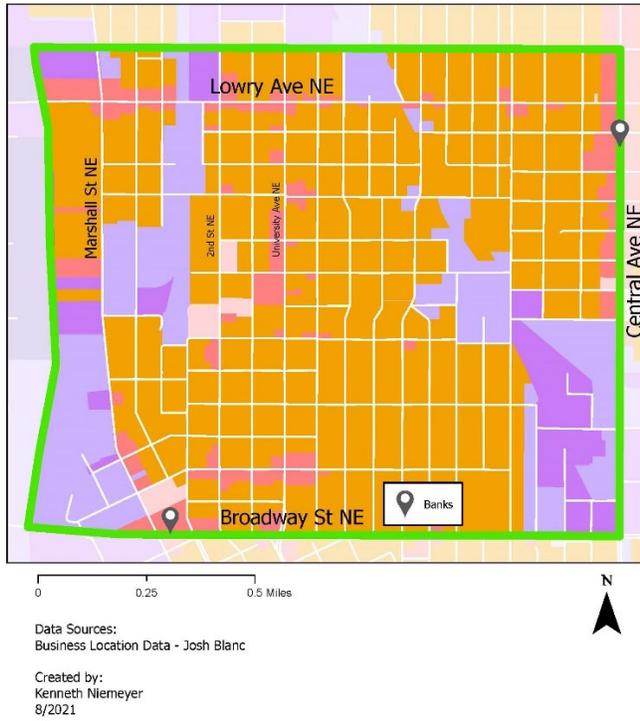
Northeast Minneapolis Arts District Primary Zoning, 2016



Northeast Minneapolis Arts District Auto Mechanic Locations



Northeast Minneapolis Arts District Banks



Northeast Minneapolis Arts District Bars

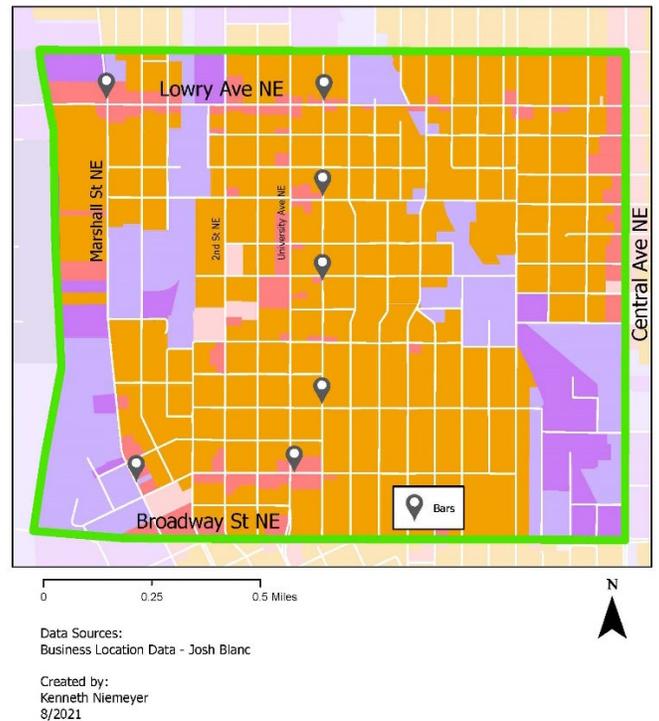
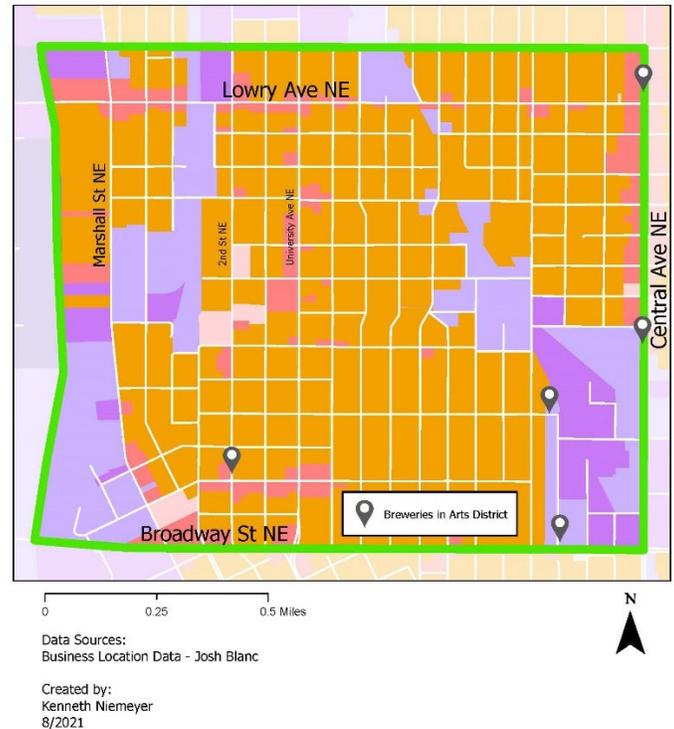


Figure 31. Northeast Minneapolis Arts District bank locations

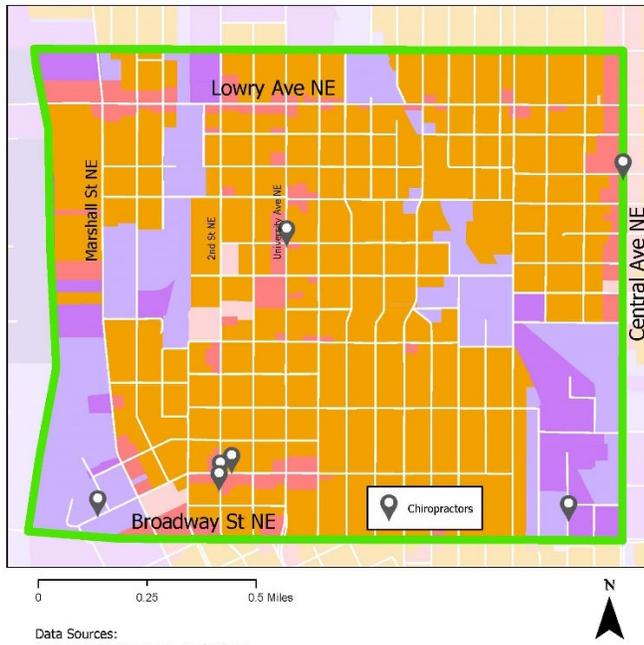
Northeast Minneapolis Arts District Barber and Salons



Northeast Minneapolis Arts District Breweries



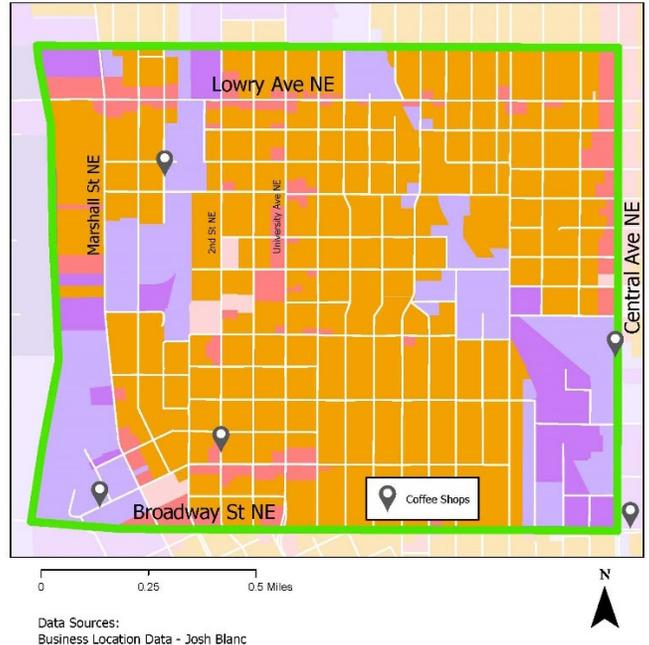
Northeast Minneapolis Arts District Chiropractors



Data Sources:  
Business Location Data - Josh Blanc

Created by:  
Kenneth Niemeyer  
8/2021

Northeast Minneapolis Arts District Coffee Shops

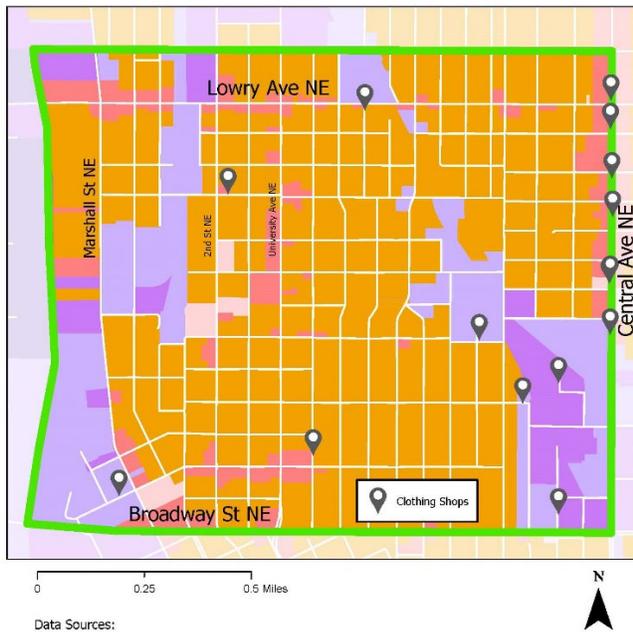


Data Sources:  
Business Location Data - Josh Blanc

Created by:  
Kenneth Niemeyer  
8/2021

Figure 35. Northeast Minneapolis Arts District chiropractor locations.

Northeast Minneapolis Arts District Clothing Shops



Data Sources:  
Business Location Data - Josh Blanc

Created by:  
Kenneth Niemeyer  
8/2021

Northeast Minneapolis Arts District Design and Architecture



Data Sources:  
Business Location Data - Josh Blanc

Created by:  
Kenneth Niemeyer  
8/2021

Northeast Minneapolis Arts District Fitness



Northeast Minneapolis Arts District Restaurants



Figure 39. Northeast Minneapolis Arts District fitness locations.

Northeast Minneapolis Arts District Gift Shops

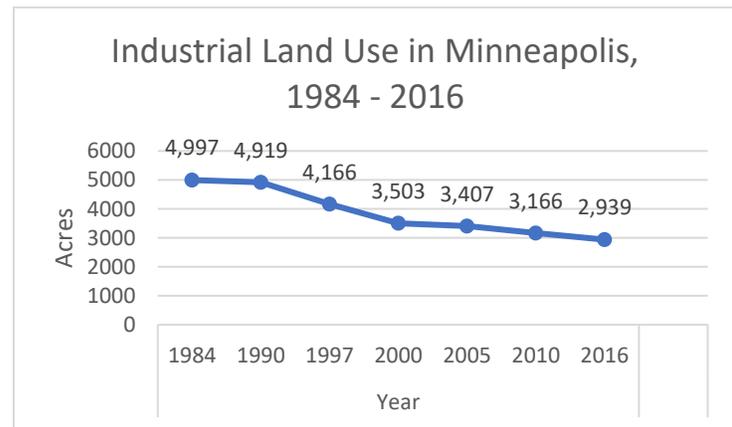


Figure 42. Industrial land use in Minneapolis from 1984 to 2016.

| Industrial Land Use Change, 1984-Future and 1984-2016 |           |           |           |           |           |        |                        |
|---|-----------|-----------|-----------|-----------|-----------|--------|------------------------|
| <b>Northeast Minneapolis Arts District</b>            |           |           |           |           |           |        |                        |
| Difference in Acreage                                 |           |           |           |           |           |        |                        |
| 1984-1990   | 1990-1997 | 1997-2000 | 2000-2005 | 2005-2010 | 2010-2016 | Future |                        |
| 0.0   | -56.4     | -26.0     | 2.9       | -19.9     | -22.6     | -8.2   |                        |
| Percent Change  |           |           |           |           |           |        |                        |
| 1984-1990   | 1990-1997 | 1997-2000 | 2000-2005 | 2005-2010 | 2010-2016 | Future | Average Rate of Change |
| 0   | -24.71%   | -15.13%   | 2.02%     | -13.36%   | -17.53%   | -7.73% | -10.92%                |
| <b>Minneapolis</b>                                    |           |           |           |           |           |        |                        |
| Difference in Acreage                                 |           |           |           |           |           |        |                        |
| 1984-1990   | 1990-1997 | 1997-2000 | 2000-2005 | 2005-2010 | 2010-2016 |        |                        |
| -77.3   | -753.4    | -662.7    | -95.7     | -241.6    | -226.7    |        |                        |
| Percent Change  |           |           |           |           |           |        |                        |
| 1984-1990   | 1990-1997 | 1997-2000 | 2000-2005 | 2005-2010 | 2010-2016 |        | Average Rate of Change |
| -1.55%  | -15.32%   | -15.91%   | -2.73%    | -7.09%    | -7.16%    |        | -8.29%                 |

Figure 43. Industrial land use acreage and percent change for each observed period in Minneapolis and the Northeast Minneapolis Arts District.

| The following averages and acreages exclude land with a \$0 evaluation                           |           |                          |                              |                  |                    |  |
|--|-----------|--------------------------|------------------------------|------------------|--------------------|--|
| Based off zoning in 2012, regardless of zoning in 2021, 0% and -100% percent change filtered out |           |                          |                              |                  |                    |  |
|  | 2012-2021 | Accounting for Inflation |                              |                  |                    |  |
|  | Acres     | Average Value Change     | Average Percent Value Change | Total value      | \$ change/per acre |  |
| Northeast Minneapolis Arts District  | 500.4     | \$107,754                | 57.00%                       | \$ 346,861,226   | \$ 693,237         |  |
| Industrial   | 76.0      | \$452,950                | 36.57%                       | \$ 20,382,736    | \$ 268,053         |  |
| With Vacant Land   | 89.4      | \$271,535                | 24.30%                       | \$ 20,365,135    | \$ 227,772         |  |
| Residential  | 362.1     | \$101,187                | 55.73%                       | \$ 301,336,262   | \$ 832,214         |  |
| With Vacant Land   | 367.1     | \$103,854                | 58.98%                       | \$ 312,287,716   | \$ 850,688         |  |
| Commerical   | 31.9      | \$131,868                | 30.11%                       | \$ 13,318,712    | \$ 417,514         |  |
| With Vacant Land   | 43.8      | \$103,711                | 31.29%                       | \$ 14,208,375    | \$ 324,096         |  |
| Parcels that went from industrial in 2012 to some other use                                      |           |                          |                              |                  |                    |  |
|  | Acres     | Average Value Change     | Average Percent Value Change | Total value      | \$ change/per acre |  |
| Went away from industrial  | 37.57     | \$ 705,416.21            | 53%                          | \$ 14,813,740.40 | \$ 394,297.06      | Every industrial parcel that underwent change during the 10 year period went from an industrial use class to a commercial use class  |
| Remained industrial  | 51.84     | \$ 102,803.59            | 13%                          | \$ 5,551,394.10  | \$ 107,087.08      |  |
| Became industrial  | 0.58      |                          |                              | \$ (267,525.00)  |                    | During this 10 year period, only one parcel of land converted from another land use to industrial. This was a tax forfeited land that was vacant and went from commercial to vacant industrial |

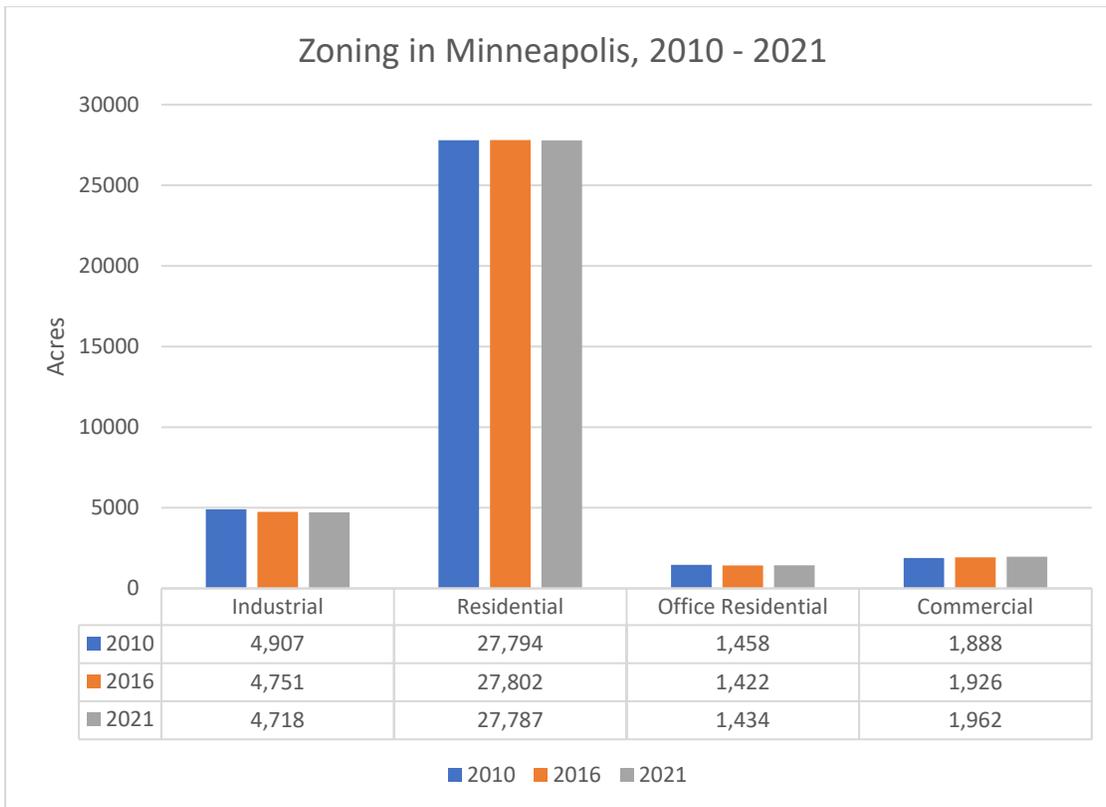


Figure 45. Zoning in Minneapolis from 2010 to 2021.

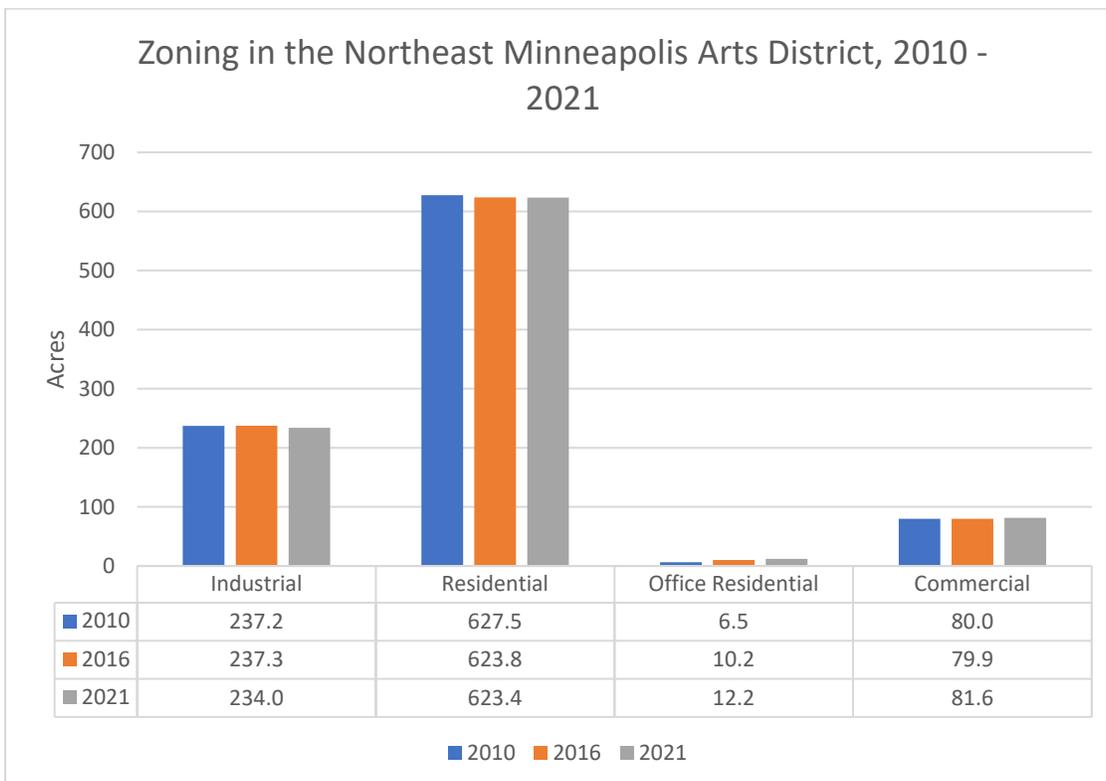


Figure 46. Zoning in the Northeast Minneapolis Arts District 2010 to 2021.

## Recruitment Email

Dear [Building Owner]

My name is Kenneth Niemeyer and I am a graduate research assistant working for the NE Land Trust Task Force this summer. The Land Trust Task Force of the Northeast Minneapolis Arts District/Northeast Community Development Corporation is undertaking an important study to understand how current building owners within The District currently use their property for arts purposes and what plans they would have for their buildings in the future. The study is titled “Understanding Current Awareness and Potential Uses of Real Estate and Land Trust Tools for the Arts in Northeast Minneapolis.”

Another component of the research is to understand building owners' awareness of Land Trust models and the extent to which they see a land trust as an effective tool to preserve Northeast Minneapolis buildings for arts-related or other manufacturing purposes. We would be extremely grateful for your insights and realize that you are someone who can provide us with invaluable first-hand information from your own perspective and experiences.

We have prepared a set of interview questions but the interview can be informal. We are simply trying to capture your thoughts and perspectives on being a building owner who supports the arts community in Northeast Minneapolis. Your responses to the questions will be aggregated so as to be kept anonymous, or quoted/attributed in a report only with your consent.

If you are willing to participate please let me know and I can schedule a meeting with you over Zoom or in person, whichever you prefer.

Thank you!

## Interview Template Questions

- What type of artists lease larger spaces? sculptors, painters, ceramic, printing etc?
- How often do you experience artists upsizing and downsizing their studios?
- What do artists tend to say why they want to lease space in your building(s)? i.e. first time space, need larger or smaller space, amenities offered in building, etc.
- What do artists state as a reason they leave your building? i.e. need larger space, need different amenities, too large of space for their current needs?
- In your experience what do artists require when leasing a studio space? i.e. water, heat, windows, AC, tall ceilings, electrical, loading dock, large doors etc.
- What do you look for in tenants to enhance the resources or the building dynamic?
- What other types of businesses have you found are complimentary to the artists in your building?
- Are there businesses you have found that do not mix with your arts production tenants?
- What type of non-artist ( industrial use) tenants are you leasing to?
- What is a typical non-artist industrial space in your building?
- As tenants turn over, what type of new tenants are you trying to attract?
- Are there different rent price points for different types of businesses?
- Are utilities included in rent structure, or is it case by case? ie ceramic studio has kiln while a painter does not.
- Do you charge for CAM (common area maintenance)?
- Do you think being in a district that is designated an arts district has been important for your business - why or why not?
- How could the Northeast Minneapolis Arts District be of assistance to your art building/business?
- What are you hoping for the future of your art centric building as it passes to the next generation?
- Do you have an exit plan in place?
- The Northeast Minneapolis Arts District is exploring a Land Trust concept for art-centric properties, or properties that could become art-centric. Would you be interested in learning more?
- Have you considered or would be open to a Land Trust concept for your building and or the land?
- How much land surrounds your property?
- Are you interested in placing public art at your site?
- Are there regulations by the city or other governments that impede your ability to offer better services or products for artists?
- Are you concerned about zoning changes to the neighborhood and how they might affect your business - why or why not?
- What affect do you think the 2040 plan will have on your building's future, especially as pertains to art?
- Is there anything you would like to add?