



MAYOR AND COUNCIL COMMUNICATION

DATE: 12/6/2016

REGULAR

ITEM #: 22

AGENDA ITEM: Revise Comprehensive Plan to Meet Population Targets and Growth Plan
SUBMITTED BY: Stephen Wensman, Planning Director
THROUGH: Kristina Handt, City Administrator
REVIEWED BY: Kristina Handt, City Administrator
Emily Becker, City Planner

BACKGROUND:

Prior to the release of the 2015 Metropolitan Council System Statement, the City negotiated for reductions to the 2040 population forecasts. After the 2015 System Statement was released by the Metropolitan Council, City Staff had anticipated subsequent land use plan amendments to reduce the overall amount of housing planned within the I-94 corridor urban service districts.

ISSUE BEFORE COUNCIL:

To discuss whether the comprehensive plan needs to be amended to reduce amount of housing planned within the I-94 corridor urban service districts

PROPOSAL DETAILS/ANALYSIS:

2015 System Statement.

MN State Statute requires cities to have comprehensive plans that are in conformity with metropolitan system plans. The Metropolitan Council approves such plans and has issued a system statement which provides:

- forecasted population, households, and employment through the year 2040;
- guidance on appropriate densities to ensure that regional services and costly regional infrastructure can be provided as efficiently as possible; and
- affordable housing need allocation.

All three of these provisions must be met equally with the comprehensive plan update.

The 2015 System Statement for Lake Elmo was issued by the Met Council in 2015 with forecasts for the next comprehensive plan update:

	2010 (actual)	2014 (est.)	2020	2030	2040
Population	8,061	8,594	10,500	14,100	18,200
Households	2,776	2,865	3,800	5,300	7,100
Employment	1,941	2,366	2,900	3,350	3,800

The Metropolitan Council has also determined the regional need for low and moderate income housing for the decade of 2021-2030. Lake Elmo's share of the region's need for low and moderate income housing is 508 new units affordable to households earning 80% of area median income (AMI) or below. Of these new units, the need is for 27 affordable households earning at or below 30% of AMI, 179 affordable to households earning 31% to 50% of AMI, and 302 affordable to households earning 51% to 80% of AMI. These forecasts are for new units which translates to a Met Council requirement to have land area guided for Medium Density and High Density Residential in the Comprehensive Land Use Plan.

Affordable Housing Need Allocation for Lake Elmo

At or below 30% AMI	27
31 to 50% AMI	179
51 to 80% AMI	302
Total Units	508

As part of forecasted growth, a percentage of it is required to be sewerer growth:

Forecast Year	Forecast Component	Population	Households	Employment
2010	MCES Sewered	0	0	623
2010	Unsewered	8,061	2,776	1,318
2020	MCES Sewered	2,912	1,059	2,338
2020	Unsewered	7,588	2,741	562
2030	MCES Sewered	6,160	2,240	2,788
2030	Unsewered	7,940	3,060	562
2040	MCES Sewered	9,408	3,421	3,238
2040	Unsewered	8,792	3,679	562

Again, the population/housing, employment, affordable housing and sewerage/unsewered targets must all be met with the comprehensive plan update.

Metropolitan Council's Residential Density Calculations.

The Metropolitan Council keeps a running tabulation of land guided for urban residential growth, and affordable housing. The current tabulation is as follows:

Category	Density Range		Gross Acres	Min Units	Max Units
	Min	Max			
Urban Low Density	2.5	4	519.49	1299	2078
Urban Medium Density	4	7.5	381.69	1527	2863
Urban High Density	7.5	15	143.37	1075	2151
Village Urban Low Density Res (V-LDR)	1.5	2	245.95	369	492
Village Urban Medium Density Res (V-MDR)	2.5	5	121.7	304	609
Village Mixed Use (VMX)	6	10	164.4	543	1644
TOTALS			1576.6	5117	9836

Sewered Analysis.

From the System Statement and the above table, the City currently has in excess of 1,696 planned sewerage residential units than required for the 2040 Comprehensive Plan and 20 more affordable units than was required for the 2030 comprehensive plan that could possibly be carried forward to meet the 2040 requirement. According to Lisa Barajas from the Metropolitan Council, the City's Comprehensive Land Use Plan has sufficient land guided at Urban High Density to meet the City's 2030 affordable housing need, but the HDR category will need to be guided for slightly higher densities, from 7.5 to 8 du/acre, in order to meet affordable thresholds. In general, to meet affordable criteria a comprehensive plan needs to:

Option 1: Guide sufficient land at a minimum density of: • 8 units/acre to meet a community's total need

Option 2: Guide sufficient land at a minimum density of: • 12 units/acre to meet need at 50% or less AMI (combines the two lower affordability bands) • 6 units/acre to meet need at 51%-80% AMI

Also, according to Lisa Barajas, as currently guided, the City has an excess of 14 acres of HDR guided land to meet the City's 2015 System Statement's affordable requirement.

Rural Analysis.

The 2030 comprehensive land use plan guides enough land in the rural areas to meet the city's 2040 unsewered housing targets (roughly 3,691). The recent change to the OP Ordinance has the potential to increase the number of rural households by an additional 494 units. The recently discussed proposal to guide rural parcels 20 acres or less to Residential Estates might add another 418 rural units (see attached 11/14/16 Planning Commission report – Residential Districts – Allowed Density for a more detailed analysis of rural development density).

For comparison purposes, if the rural properties less than 20 acres were to be developed cooperatively as OP developments, rather than as RE development, the number of new units would be 380, rather than 418 listed above.

FISCAL IMPACT:

N/A

RECOMMENDATION:

Councilmember Fliflet is requesting that the Council discuss the need to revise comprehensive plan to meet 2015 population targets and growth targets identified in the 2015 System Statement.

ATTACHMENTS:

- 2030 Affordable Housing in System Statement email.
- 11/14/16 Planning Commission Report - Residential Districts – Allowed Density
- OP exhibit for rural properties less than 20 acres in size.