



MAYOR & COUNCIL COMMUNICATION

DATE: 7/06/2010
REGULAR
ITEM #: 8
DISCUSSION

AGENDA ITEM: Unsewered Area Population Projections and Density Analysis – Review of 2030 Comprehensive Plan Information

SUBMITTED BY: Kyle Klatt, Planning Director

THROUGH: Bruce Messelt, City Administrator

REVIEWED BY: Kelli Matzek, City Planner
Daniele Bailey, Planning Intern

SUMMARY AND ACTION REQUESTED: The City Council is asked to review the housing and population projections from the Lake Elmo Comprehensive Plan, and to specifically discuss the status of these projections as they relate to the City's rural (unsewered) development areas. Staff has attempted to expand upon the population projection chart from the Comprehensive Plan (page III-17) to provide additional information concerning the number and location of both sewer and unsewered households throughout the time period addressed by the Plan.

The attached charts contain a significant amount of information that will be more thoroughly discussed at the City Council meeting on July 6th. No Council Action is requested at this time, though direction regarding further analysis/refinement is requested, as appropriate.

REVIEW OF COMPREHENSIVE PLAN PROJECTIONS: One of the attached charts developed by Staff provides information on the population and number of households in Lake Elmo as of the year 2000 and then projected in 5-year increments out to 2030. The Comprehensive Plan does not give any specific information; however, regarding how many of these units will be located in rural areas (non-sewered). By deducting the number of projected sewer units from the total household estimates, we can begin to make some assumptions about where these non-sewered units will be located. There are a couple of issues; though, that complicate this analysis: 1) some existing non-sewered units will be converted to sewer units in the future, and 2) the conversion of the existing village housing units in 2030 overstates the number of units currently located in the Village.

Removing the existing housing units to be converted to sewer (which includes the Cimarron Manufactured Housing Park and the existing Village Area units) is a fairly straight-forward process. What is more problematic is the overestimate of the current housing in the Village. A

study conducted in 2007 showed that there were 194 housing units within the Village area, which is 306 less than would hook up to the regional sewer in 2030 according to the Comprehensive Plan. In order to address this problem, Staff revised the rural area unit counts to address the over count. The net affect of this recalculation is a more accurate baseline concerning unsewered housing units for the years 2000 and 2009.

The problem with attempting to adjust the numbers used in the Comprehensive Plan is that the 306 Village units either need to be added to the unsewered development areas or the sewer development areas in order for the overall housing unit and population projections to reach the respective targets of 8,727 and 24,000 set in the Comprehensive Plan. For the purposes of the analysis below, Staff made the assumption that these units would be added to sewer service areas, but did not attempt to redistributed the 306 units on the attached charts (for the numbers to be accurate, the total number of Village units would need to be reduced by 306 or the unsewered areas would need to be increased by 306 units).

In order to address this problem, the City has three primary options:

- Add the 306 units into the sewer development areas in the Village or along the I-94 corridor. This action would either keep the overall Village total housing unit amount the same (by increasing the new sewer units to 906) or would result in a final distribution of 4,406 sewer units along I-94 and 794 sewer units within the Village area (4,100 units plus the 306 unit shortfall and 1,100 units minus the 306 unit shortfall).
- Add the 306 units into the unsewered development areas guided RAD or RAD2 on the future land use map. This action would address the overall population total for the City in 2030, but would cause the City to fall short of achieving the sewer household projections for 2030 (4,894 verses the required 5,200).
- Reconsider the calculations for employment Residential Equivalency (REC) Units throughout the City to claim credit for existing employment within the Village area. It is possible that the City's total projected REC units might remain the same under this scenario, but there would need to be 1,500 employees in the Village area in order to reach this total. In addition, the population projections would need to be adjusted downward under this scenario, which would not be consistent with the 2005 Memo or Understanding between the City and Met Council.

RURAL AREA ANALYSIS: Based on the information assembled by Staff, the City will need to add 1,259 unsewered housing units to rural areas by 2030 to achieve the overall population targets in the Comprehensive Plan. This number was achieved by taking the number of non-sewered households projected in 2030 and subtracting from this amount the City's current household numbers as of 2009 (and removing the known number of units that will be sewer in Cimarron and the Village area).

From there, Staff worked to identify the amount of land available for rural development in the future by taking all land guided RAD, RAD2, and RED on the future land use map and then subtracting out land that has already been developed in these areas.

The total amount of available land that is devoted to unsewered residential development (RAD, RAD2, RE) is 3,816 acres. This total includes land that is not developable, for instance land that has been placed into a conservation easement or water surface areas, and parcels that are not likely to be redeveloped in the future due to the small size of the lot or other circumstances that make consolidation or several parcels unlikely. Staff has estimated that at least 145 acres of this land is not developable and removed this amount from the final calculations presented below.

In order to evaluate whether or not the City is on pace to reach the rural population targets in the Comprehensive Plan, Staff has developed three distinct scenarios related to future rural development to specifically address how many units might realistically be developed in the City's rural areas between now and 2030. These scenarios include the following:

- An aggressive development scenario that assumes all land over 10 acres in size will be developed as part of an open space project in the future.
- A more moderate scenario that assumes only parcels over 20 acres in size will be developed in the future.
- A conservative development scenario that assumes only parcels over 40 acres in size will be developed in the future.

Based on these scenarios, Staff is projecting that the following future household growth may be anticipated within rural development areas:

<u>Scenario</u>	<u>Households</u>
Aggressive	1,578
Moderate	1,442
Conservative	1,070
Comprehensive Plan	1,259

ADDITIONAL INFORMATION: Given the complex nature of this information, Staff is planning to take time with the City Council to review and discuss attached report and charts at the July 6th meeting.

RECOMMENDATION: The City Council is not asked to undertake any specific action at this time. Staff is seeking feedback concerning the methodology used to achieve the population

scenarios described above, and any additional comments regarding the Comprehensive Plan's population and household projections.

ATTACHMENTS:

- 1) Household Projection Chart
- 2) Future Rural Development Analysis
- 3) Comprehensive Plan Population Projections

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Administrator
- Report/Presentation..... Planning Director
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate Mayor Facilitates
- Discussion Mayor & City Council