PLAT MONITORING PROGRAM

RESIDENTIAL PLATTING IN DEVELOPING COMMUNITIES IN THE TWIN CITIES REGION, 2015

METROPOLITAN COUNCIL

October 2016

About the Program

The Plat Monitoring Program tracks and monitors development in 45 communities in the region, mostly located within areas designated as "Suburban Edge," "Emerging Suburban Edge," and "Rural Center" in *Thrive MSP 2040* (Figure 1), the metropolitan area's development guide. The objective of the Plat Monitoring Program is to measure the success of local implementation of Council policy by providing an annual report on sewered residential development in some communities, including the average density, the mix of new sewered residential development, the number of units platted, the amount of land developed, and the land use consumption. This data creates a baseline for land supply and tracks the housing mix and density of new residential developments. Twelve communities participated in the pilot program in 2001, reporting on sewered residential plats approved in 2000. The pilot program focused on communities with the corresponding designations of "Developing" and "Rural Center" in the *2030 Regional Development Framework* (Figure 2). The Program continues to grow to cover more communities as the Twin Cities Region develops.

The program provides baseline data on residential development trends in participating communities and was designed to help answer the following questions:

- Is residential development consistent with Metropolitan Council policies?
- How are communities accommodating residential development in comparison to their local comprehensive land use plans?
- What is the mix of housing types that communities are approving each year (single family vs. multi-family)?
- How is residential land being developed within the Metropolitan Urban Service Area (MUSA)?

Since 2001, the Council annually reports on residential development in participating communities using data collected through the program. The Program assists communities and the Metropolitan Council in assessing a community's consistency with the Council's residential density policy, which requires sewered residential development to occur at a minimum density of 3 to 5 units per net developable acre for communities with the Suburban Edge, Emerging Suburban Edge, and Rural Center designations. By maintaining a record of approved sewered subdivisions, the Council and metropolitan communities can evaluate the success of communities in implementing the density policy and the extent to which the wastewater treatment system is being used efficiently. In addition, participating communities receive credit for residential plats meeting the Council's density policy and receive increased development

Figure 1. Thrive MSP 2040

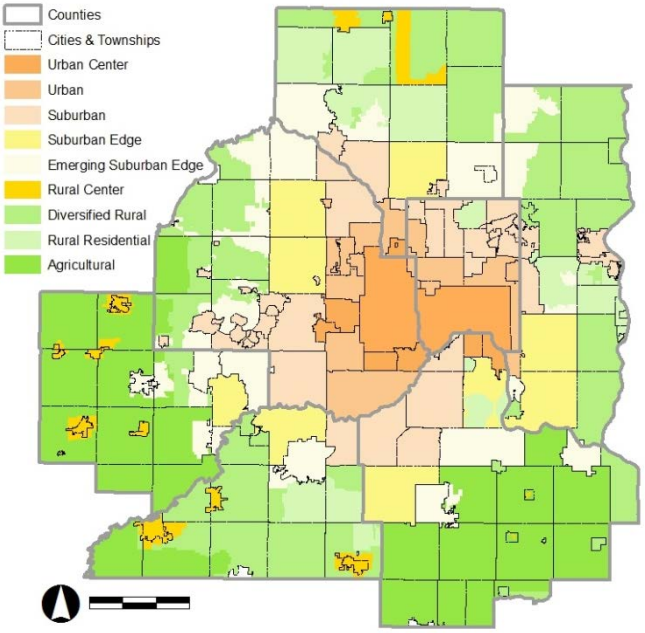
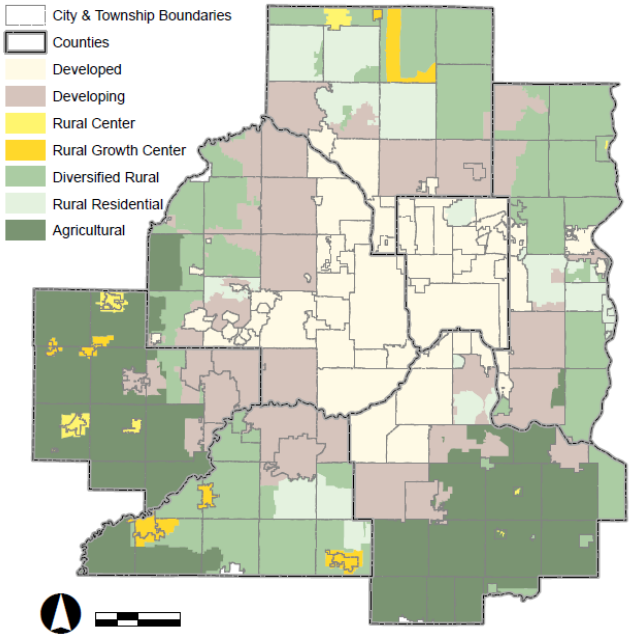


Figure 2. 2030 Regional Development Framework



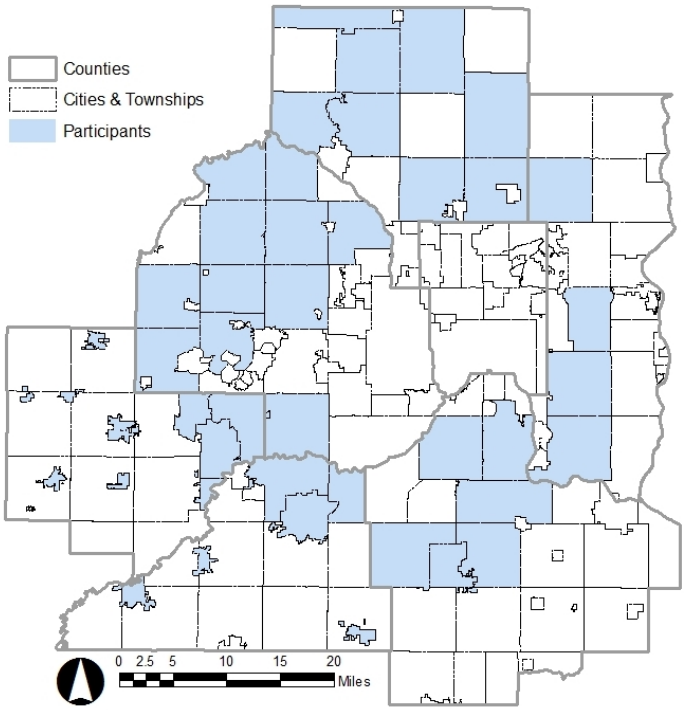
flexibility within the MUSA for approving plats that exceed the density policy. For example, if the overall net density of a participating community is higher than 4 units per acre, that community can approve lower residential densities, so long as the overall net density remains above 3 units per acre. The credit from the program is crucial information in reviewing comprehensive plan updates and amendments to provide more flexibility for the communities as they consider guiding lower density land uses. It is also a key implementation tool in Council's review of Sanitary Sewer extension permit applications.

Analysis

This report analyzes sewered residential development in 45 cities and one township (see Figure 3). This report also shows the trends for all the participating communities since the inception of the program for years with submitted data, including year-to-year density and housing mix comparisons.

From 2000 to 2015, participant communities platted an average of 5,098 single-family and multi-family housing units each year, peaking in 2003 with over 10,000 housing units platted. This number declined from 2004 to 2009, with the lowest number of plats ever recorded in the history of the program when only 286 units were platted. Since 2009, the participating communities have seen an overall increase in the number of platted units, with 4,952 units in 2015. A total of 117 plats were recorded by 45 participating communities in 2015.

Figure 3. 2015 Participating Communities



Total housing units and housing mix

In 2015, communities faced a slight increase in platting numbers compared to 2014. As shown in Figure 4, platting activity had been increasing steadily since 2009, totaling around 5,000 units in the past three years.

Figure 4. Total Units Platted, 2000-2015

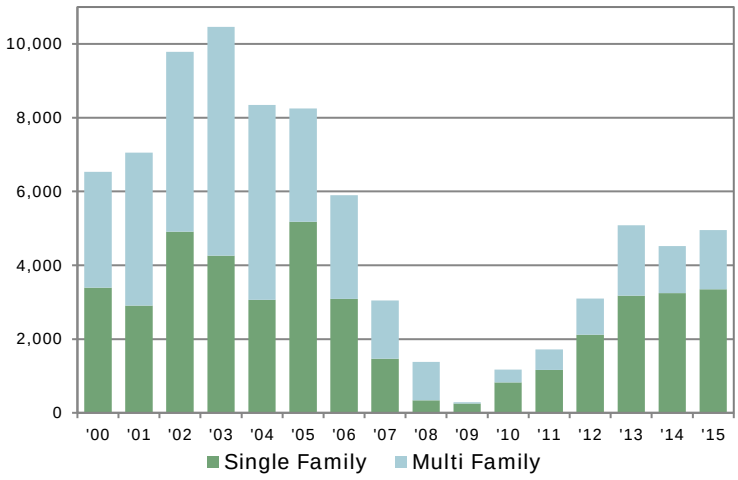
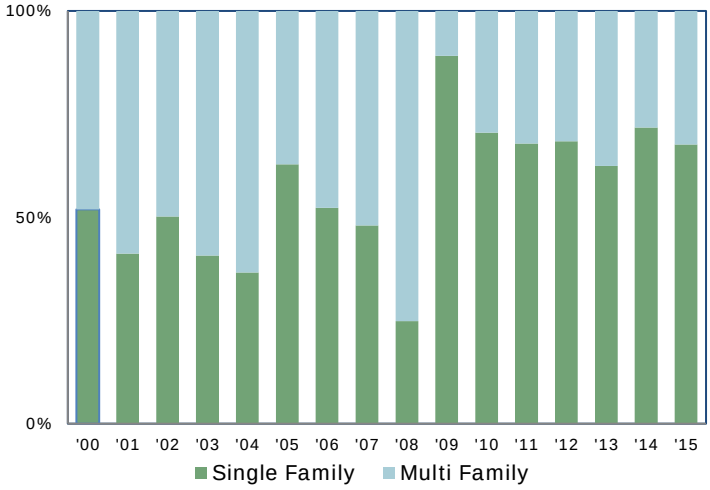


Figure 5. Housing Mix, 2000-2015



During 2015, 68% of the platted units were single family, for a total of 3,349 units, which is a higher number than 2014. There was also an increase in the number of multi-family units platted, changing the share of multi-family housing from 28% in 2014 to 32% in 2015 with 1,603 units. The composition of housing mix since 2000 (Figure 5) shows that, while there is variability from year to year, overall there is almost an equal number of multi-family and single family units platted over the course of the Program, for a total of 81,567 units. 52% of all units platted were single family and 48% were multi-family since 2000.

Consistency with Local Comprehensive Plans

Every year since the start of the program, participant communities have approved plats that are consistent with the guiding in their local comprehensive plans. The allowable density is measured based on the corresponding land use designation and density range described in local comprehensive plans for the platted properties.

As shown in Figure 6, the actual number of units platted in 2015 is well within the range of overall allowable units for the participant communities as a group. The lowest allowable units is the sum of the number of units anticipated if all 117 plats were subdivided at the lowest allowable density defined in the local comprehensive plan. Likewise, the highest allowable units would have been expected if all the plats were subdivided at the highest allowable density based on the local comprehensive plan land use designation.

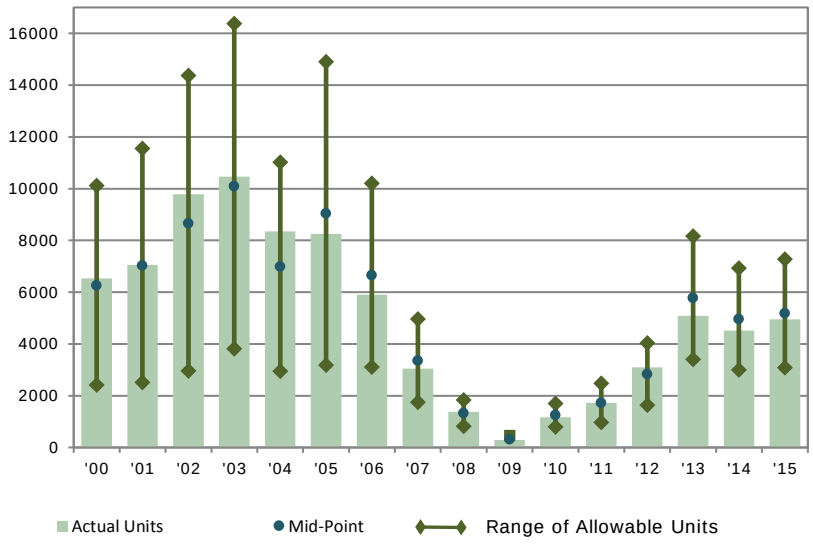
Figure 6. Number of Units Platted & Allowable Number of Units, 2015

Lowest Allowable Units	3,085
Highest Allowable Units	7,276
Actual Units Allowed	4,952

Since 2000, participant communities have generally platted at a density around the mid-point of the overall density range. In 2015 the total number of actual units platted fell just below the mid-point of allowable units, following the same trend in 2013 and 2014.

The annual fluctuation of the number of units around the mid-point is not significant over the course of the program. However, since 2005, the number of platted units has almost always been below the mid-point of allowable density range, except in 2008 and 2012. This trend shows demand in the market for lower densities, even during the market rebound, as well as reflecting the propensity of some communities encouraging lower density developments.

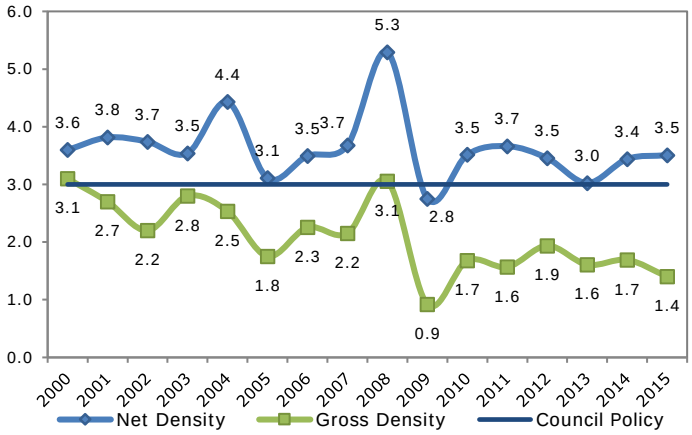
Figure 7. Planned and Actual Units



Overall Density and Council Policy

Based on the Council's *Thrive MSP 2040* and Council policies, Suburban Edge, Emerging Suburban Edge, and Rural Center communities are to maintain an average density of at least 3 dwelling units per acre. From 2000 to 2015, Plat Monitoring Program participants, as a group, have generally platted sewered residential developments at or above 3 units per developable acre, with the exception of 2009, when recorded average density fell below 3 units per acre (2.8 units per developable acre).

Figure 8. Overall Densities, 2000-2015



During the reporting year of 2015, 29 communities had two or fewer plats reported, while only two communities approved over 10 plats. For plats approved in 2015, 15 of the participating communities had annual platted net densities below 3 units per acre: Andover, Chanhassen, Corcoran, Eden Prairie, Empire Township, Hugo, Independence, Inver Grove Heights, Lake Elmo, Lakeville, Maple Grove, Minnetrista, Prior Lake, Rogers, and Victoria. Additionally, another 15 communities did not record any plats in 2015, similar to 2014 when 17 participating communities did not approve any plats.

Since 2009, the number of units platted has been generally increasing, with the overall net density of platted units is 3.5 units per acre in 2015. While this number conforms to the Council policies, there is still a significant gap between 2015's overall density and the recorded peak of 5.3 units per developable acre in 2008, which is a reflection of change in market production towards larger-lot single family homes in these communities. From 2000 to 2015, the overall average net density of the plats in all participating communities is 3.63 units per acre.

Land Utilization

The net developable acres in each plat are calculated based on an analysis of land cover and land uses on that property. Wetlands, natural bodies of water, publicly owned park and open space, arterial road right-of-way and land set aside for future development are subtracted from the gross residential acres to determine the net residential area. Communities are encouraged to take the most advantage of developable land to plan for anticipated units in order to achieve or exceed the minimum required net residential density of 3 units per acre in their community.

Figure 9 shows the breakdown of land consumption from 2000 to 2015. The year 2009 marks the lowest use of platted land for residential development and highest percentage of land reserved for future development, which is in sync with the economic downturn. With decreased housing demand and the economic crisis, about a third of gross residential acres had been reserved for future development as outlots ("Other use" category in Figure 9). Despite the increase in net residential acres in 2015, the percentage of net residential acres has yet to reach the higher levels seen in 2003.

Figure 9. Land Consumption by Use, 2000-2015

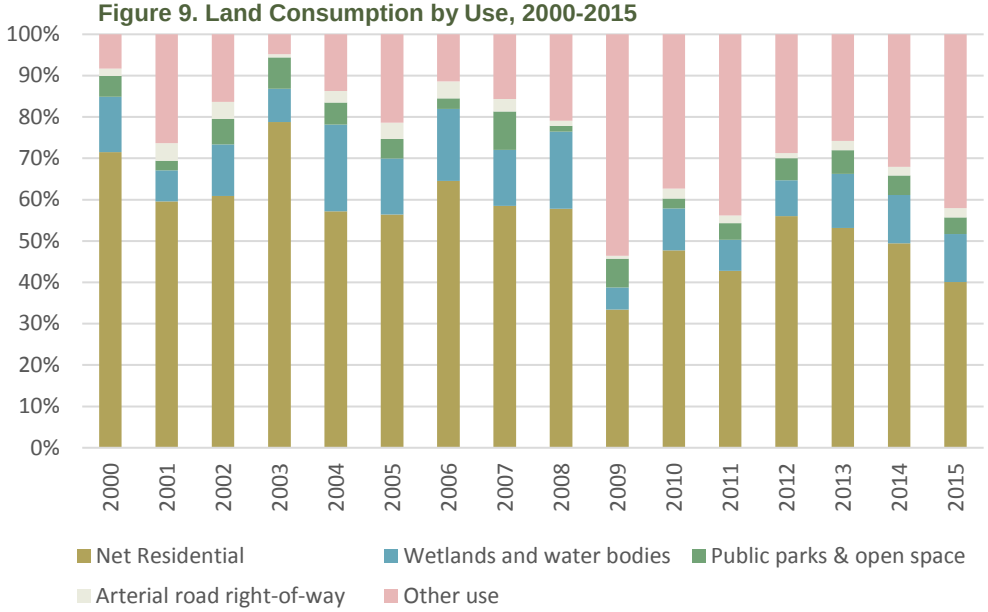


Figure 10. Land Consumption by Use, 2000-2015

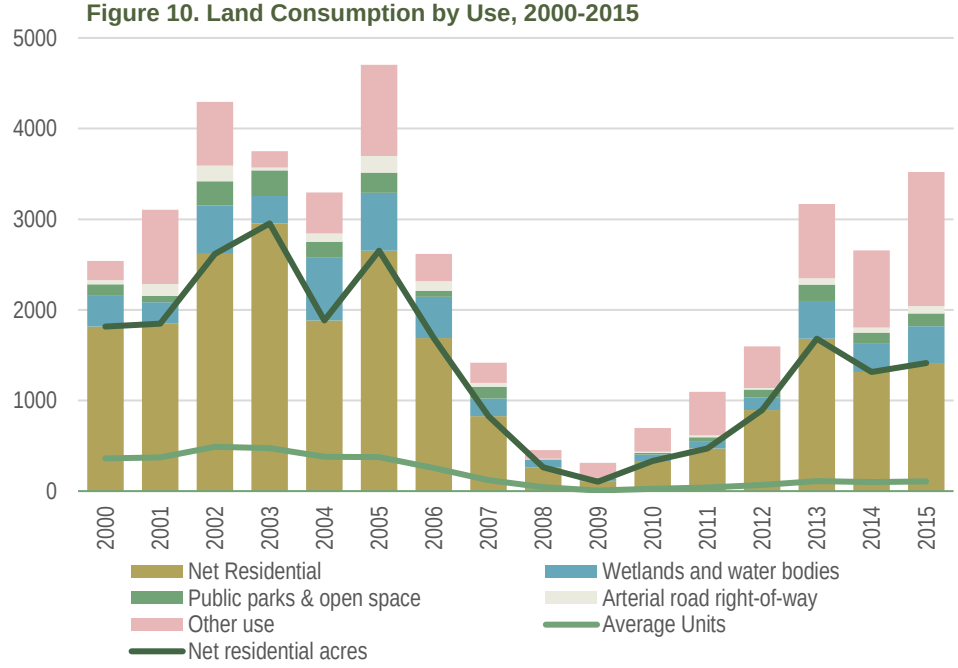
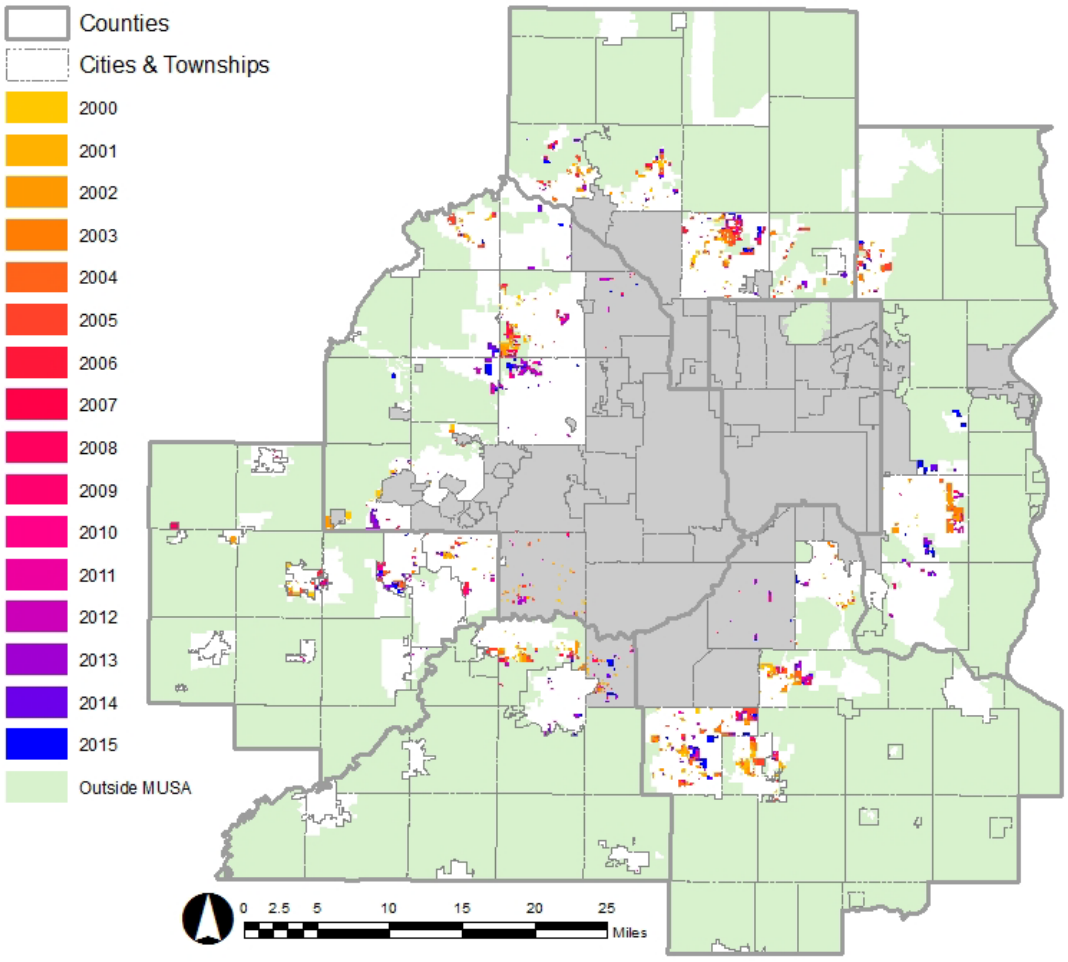


Figure 11 shows all the plats approved in the participating communities between 2000 and 2015 by year. Areas shown in gray are communities with the designations of Urban Center, Urban, and Suburban in *Thrive MSP 2040*, which correspond to the Developed Communities category in the previous development guide, *2030 Regional Development Framework*, except for the cities of Brooklyn Park and Savage. Areas in green are rural and agricultural communities which are not within the Metropolitan Urban Service Area (MUSA) and are not part the Plat Monitoring Program. The remaining communities are those that are part of the Program and have been approving plats within the sewered areas. With the exception of the cities of Brooklyn Park, Eagan, Eden Prairie, and Savage, all of these communities represent the designations of Suburban Edge, Emerging Suburban Edge, and Rural Center in *Thrive MSP 2040*.

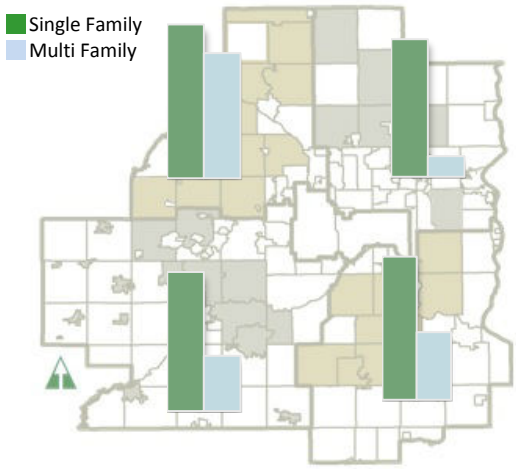
Figure 11. Platting Activity by Year in Twin Cities



Density by Community

In 2015, communities approved a total of 117 plats. Northwest and Southeast qudrants had the highest number of plats and number of units platted, when the Northeast and Southwest quadrant were similarly lower. The composition of multi-family and single-family housing is also very similar between the four quadrants.

Figure 12. Units Platted by Regional Quadrants in 2015



The attached 2015 Plat Monitoring Program Summary Sheet outlines the number of submitted plats, number of units platted, housing mix, and the average net density for each community and for all communities overall. Most of the participating communities have been developing with an average net density of 3 units per acre or above.

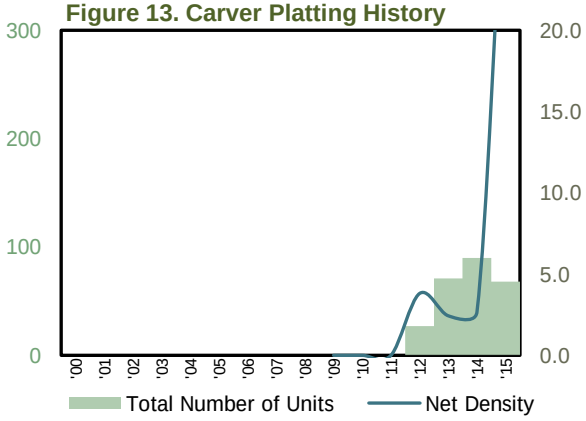
Based on the submitted data since the beginning of the program and the history of communities' participation, 12 of participating communities have an **overall** density falling below 3 units per acre since their involvement in the program: Cologne, Corcoran, Empire Township, Independence, Lake Elmo, Medina, Minnetrista, New Germany, Norwood Young America, Prior Lake, Rogers, and Victoria. Some of these recorded densities are low due to the short timeframe of their participation and reduced levels of development in recent years. Six of these communities have been a part of the Program only since 2009 or after. The others have mostly joined the Program around 2003. A total of seven communities have not submitted any approved plats during their participation in the program. Almost all of these participants have joined the program in 2009, during the housing market downturn. No new participants joined the Program in 2015. In fact, the City of Nowthen was removed from the program due to lack of any sewer extension plans in that area.

Below are a few examples of participating communities and their platting and density pattern since the beginning of the Program. These examples represent a variety of different platting histories with minimum density of at least 3 units per acre.

City of Carver

Carver has been part of the Plat Monitoring Program since 2009. The overall net density of the plats reported during the Program is 3.55 units per acre. The City of Carver joined the program as part of the Comprehensive Plan Update review and has reported six plats since.

Figure 13. Carver Platting History



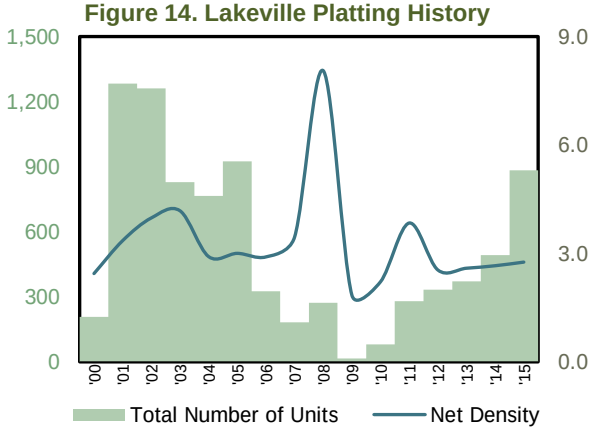
The City's net density has fluctuated during the Program, but the platting activity in 2015 increased the overall net density of the City. The City did not record any plats in the first three years of joining the program which is in line with the market downturn. During 2015, the City approved one plat with 68 affordable multifamily units on 2.1 net developable acres, resulting in a net density of 32.38 units per acre.

City of Lakeville

Lakeville voluntarily joined the Program in 2000 and has reported platting activity since then. The City has approved a total of 178 plats since 2000, reporting an overall net density of 3.21 dwelling units per acre. This platting activity has resulted in a total of 8,507 units, with 56% single family and 34% multi-family residential units.

The City's platting activity was the lowest in 2009 when only 16 housing units were platted. Although the number of units platted is recovering from the market downturn, it has yet to reach the high numbers of over 1,200 units in 2002 and 2003. In 2015 the City approved 14 plats with 883 residential units, resulting in a net density of 2.76 du/ac for that year.

Figure 14. Lakeville Platting History

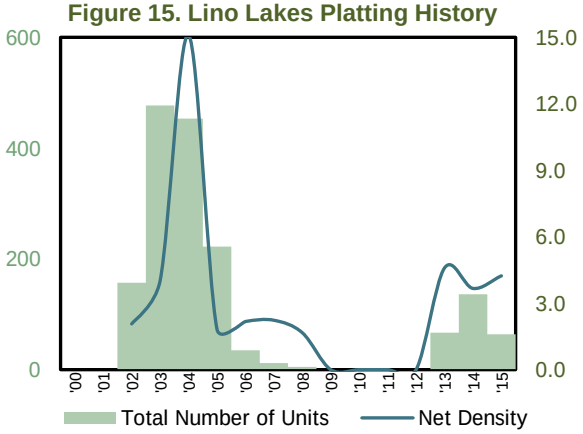


City of Lino Lakes

The City of Lino Lakes was added to the Plat Monitoring Program as a condition of an amendment to expand the Metropolitan Urban Service Area (MUSA) in 2003. Lino Lakes has approved a total of 44 plats since then, with an overall net density of 3.72 units per acre. The City did not record any plats from 2009 to 2012, which is consistent with market conditions during that time. The City has platted a total of 1,628 units over a total of 437.9 net developable land, which is about an equal break between single family and multi-family residential units.

In 2015, the City recorded two plats with a total of 64 single family units, resulting in a net density of 4.24 units per acre for that year.

Figure 15. Lino Lakes Platting History

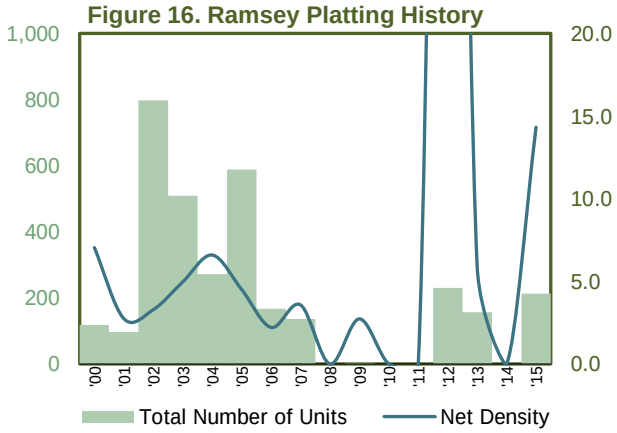


City of Ramsey

The City of Ramsey joined the Program in 2000 as a pilot participant, reporting a total of 50 approved plats since then, with an overall net density of 4.51 units per acre. These plats resulted in a total of 3,285 residential units, which are about 70% multi-family units.

Platting activity in the City of Ramsey has been relatively steady since the beginning of the Program. The City only recorded one plat between the years of 2008 and 2011, with three single family units, reflecting the market conditions at that time. The City also had no plats recorded in 2014. However, a total of 599 units have been recorded since 2012, with 213 units in year 2015, 79% of which were multifamily units. Units platted in 2015 resulted in a net density of 14.87 units per acre, which is well above the minimum of 3 units per acre.

Figure 16. Ramsey Platting History



History of Program Participants

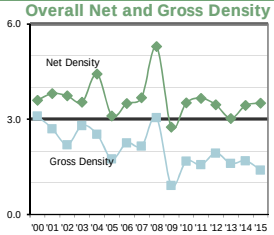
In 2001, the Metropolitan Council initiated the Plat Monitoring Program with input from the Builders Association of the Twin Cities (BATC) and MetroCities (formerly the Association of Metropolitan Municipalities). Participating communities complete an annual summary worksheet and submit copies of plats approved during the calendar year.

The initial 12 volunteer communities included Blaine, Chanhassen, Eden Prairie, Hugo, Inver Grove Heights, Lakeville, Maple Grove, Ramsey, Savage, Shakopee, Waconia, and Woodbury. In 2002, the City of Farmington was added to the program. As conditions of amendments to expand Metropolitan Urban Service Area (MUSA), Empire Township and the Cities of Andover, Lino Lakes, Medina, Minnetrista, Rogers, Rosemount, and Victoria were added to the program in 2003. The City of Brooklyn Park was required to report sewered residential plats starting with 2006 plats as a condition of a land use amendment. In 2007, the Cities of Cottage Grove and Orono were required to join the program as conditions of comprehensive plan amendment (CPA) requests, while the City of Eagan voluntarily joined the program. In 2008, as a part of the decennial review of comprehensive plan updates, the Cities of East Bethel, Mayer, and New Germany were added to the program. Another 18 communities, including a number of communities designated as “Rural Center,” joined the program as part of the decennial review of their 2030 comprehensive plan updates: the Cities of Belle Plaine, Carver, Chaska, Cologne, Columbus, Corcoran, Dayton, Elko New Market, Independence, Jordan, Mayer, Norwood Young America, Nowthen, Oak Grove, Plymouth, Prior Lake, St. Francis, and Watertown. The City of Lake Elmo also joined the program in 2013. In the 2015, the City of Nowthen was dropped from the program due to no sanitary sewer extension plans in that area.

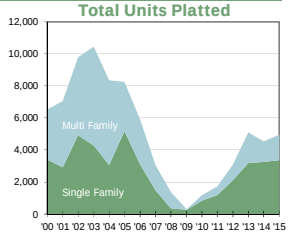
Plat Monitoring Program: 2015 Summary

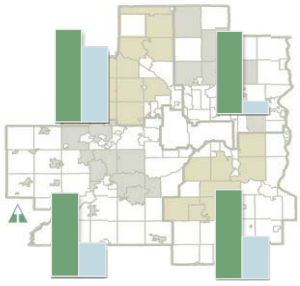
2015 SNAPSHOT	
Participating Communities	45
Total Number of Plats	117
Gross Acres Platted	3,531.4
Net Acres Platted	1,412.4
Number of Units Platted	4,952
Single Family	3,349
Multi-Family	1,603
Housing Mix	
Single Family	68%
Multi-Family	32%
Average Net Density ('00-'15)	3.63

Overall Net and Gross Density



Total Units Platted





Units Platted by Regional Quadrant in 2015

Single Family Units
Multi-Family Units

Number of Units Platted and Net Density by Community

Number of Housing Units
Annual Net Density
#.# Overall Net Density
Year Community joined the program

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St Paul, MN 55101-1805

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