

PLAT MONITORING PROGRAM

Residential Platting in Developing Communities

In the Twin Cities Region, 2020



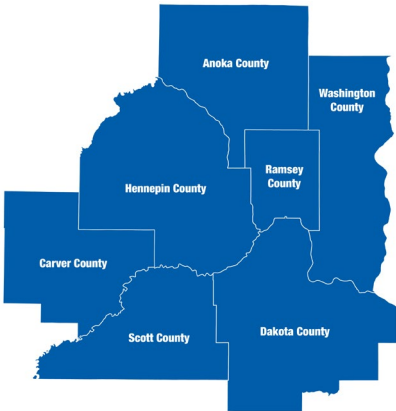
METROPOLITAN
C O U N C I L

June 2021

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About the Program

The Plat Monitoring Program (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 Program is to measure the success of local implementation of Council policy by providing an annual report on sewer residential development in some communities, including the average density, the mix of new sewer 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 sewer 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)?
- What is the lot absorption rate for residential plats in the region?

Since 2001, the Council annually reports on residential development in participating communities using data collected through the Program. The Program assists communities and the Council in assessing a community’s consistency with the Council’s residential density policy, which requires sewer 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 sewer 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

Figure 1. Thrive MSP 2040

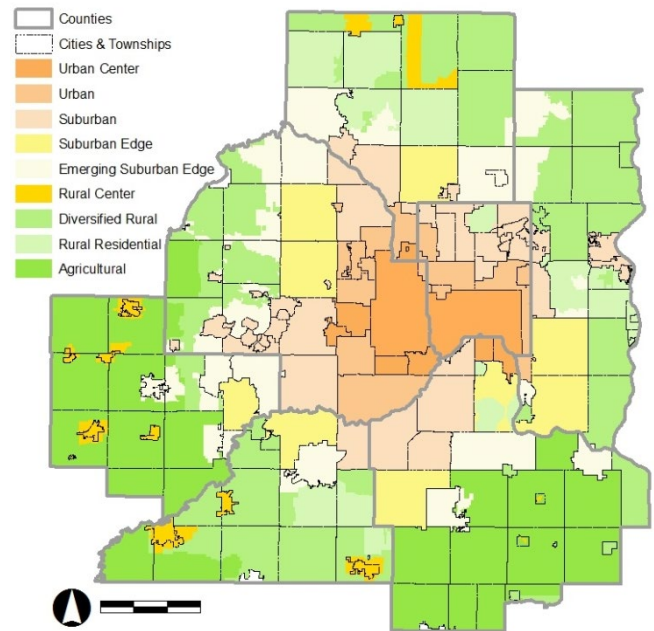
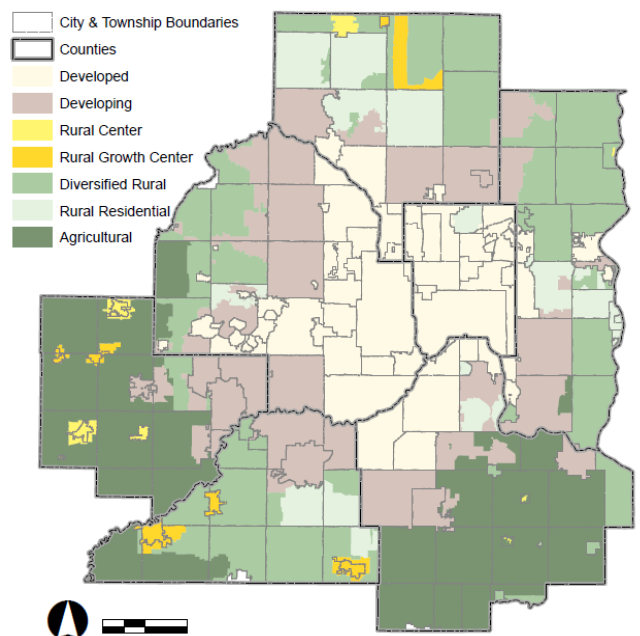


Figure 2. 2030 Regional Development Framework



communities receive credit for residential plats meeting the Council’s density policy and gain increased development 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.

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), currently known as Housing First Minnesota, 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.

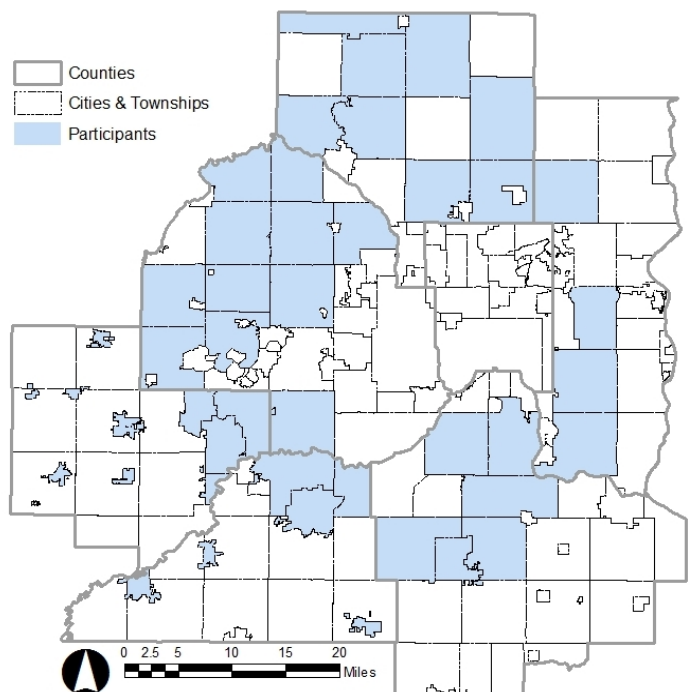
The initial 12 volunteer communities included Blaine, Chanhassen, Eden Prairie, Hugo, Inver Grove Heights, Lakeville, Maple Grove, Ramsey, Savage, Shakopee, Waconia, and Woodbury. In 2002, the City of Farmington was added to the Program. As conditions of amendments to expand Metropolitan Urban Service 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 2015, the City of Nowthen was dropped from the Program due to the Council ending its plans for long-term sanitary sewer extension plans for the community.

Analysis

This report analyzes sewered residential development in 44 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.

Figure 3. 2020 Participating Communities



From 2000 to 2020, participant communities platted an average of 5,435 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 7,040 units in 2020. A total of 122 plats were recorded by 45 participating communities in 2020.

Total housing units and housing mix

In 2020, communities experienced a slight increase in platting numbers compared to 2019. The increase could be attributed to the thriving housing market despite the challenges caused by the COVID-19 pandemic. The market pressure possibly also contributed to a lower response rate from some communities in reporting their 2020 platting activities. As shown in Figure 4 below, platting activity has been increasing steadily since 2009.

Figure 4. Total Units Platted, 2000-2020

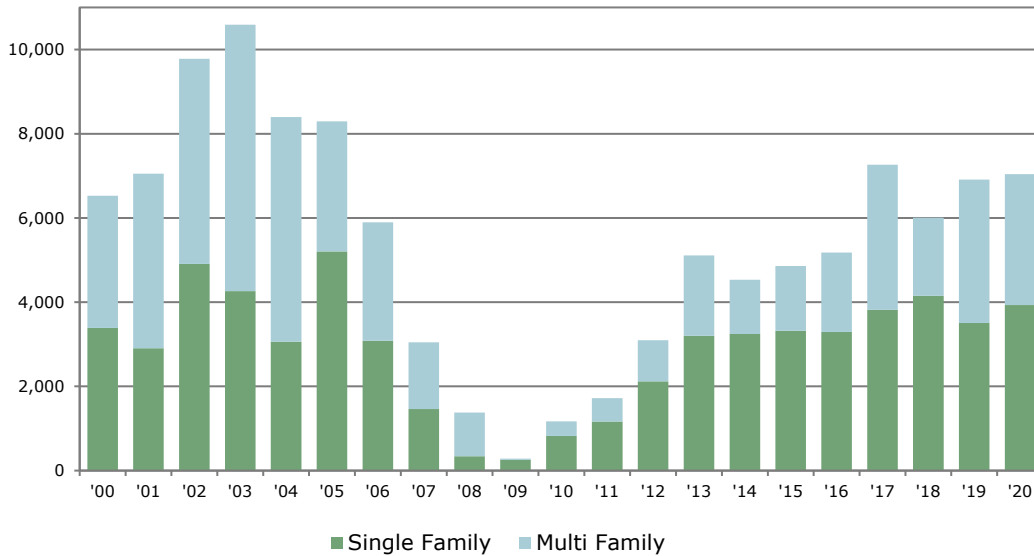
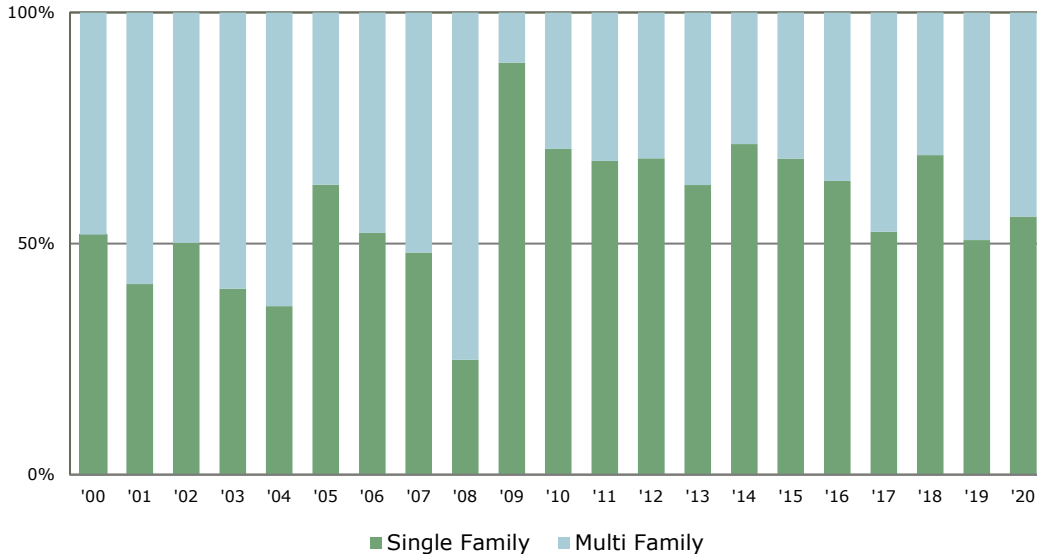


Figure 5. Housing Mix, 2000-2020



During 2020, 44% of the platted units were multi-family, for a total of 3,108 units, which is less than 2019 with 3,404 multi-family units, accounting for 49% of all platted units in that year. In contrast, there was an increase in the number of single family units platted, changing the share of single family housing from 51% in 2019 to 56% in 2020 with 3,932 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 114,139 units. Since 2000, 54% of all units platted were single family and 46% were multi-family.

Consistency with local comprehensive plans

Every year since the start of the Program, participant communities have approved plats that are consistent with the guided densities 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 2020 is within the range of overall allowable units for the participant communities as a group, although it is closer to the lowest allowable number of units. The lowest allowable unit total is the sum of the number of units anticipated if all 122 plats were subdivided at the lowest allowable density defined in the applicable 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 land use designation.

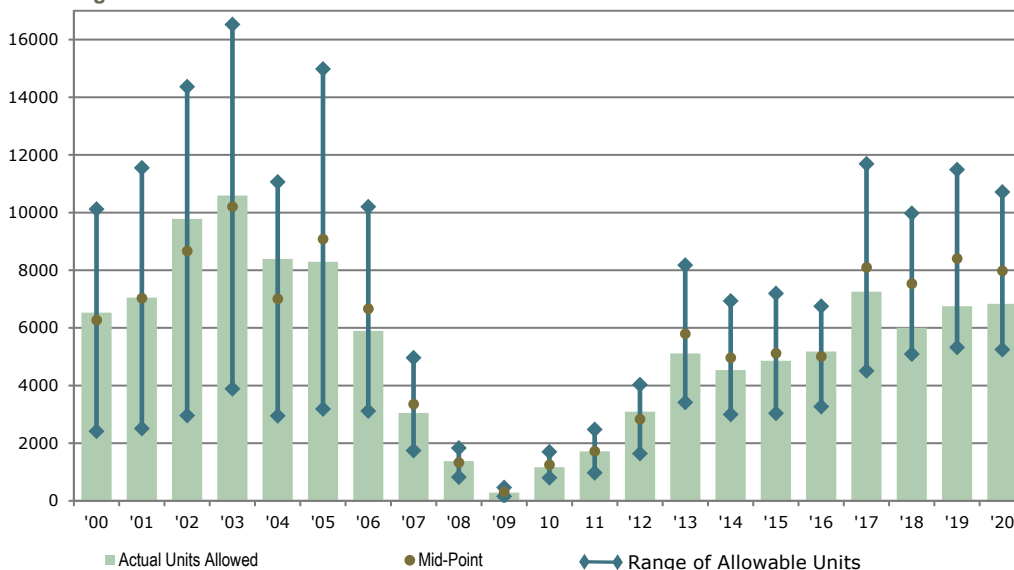
Figure 6. Allowable Number of Units and Number of Units Platted in 2020

Lowest Allowable Units	5,244
Highest Allowable Units	10,712
Actual Units Platted	6,834

Since 2000, participant communities have generally platted at a density around the mid-point of the overall density range. However, in 2020, similar to 2019, the total number of actual units platted was below the mid-point of allowable units.

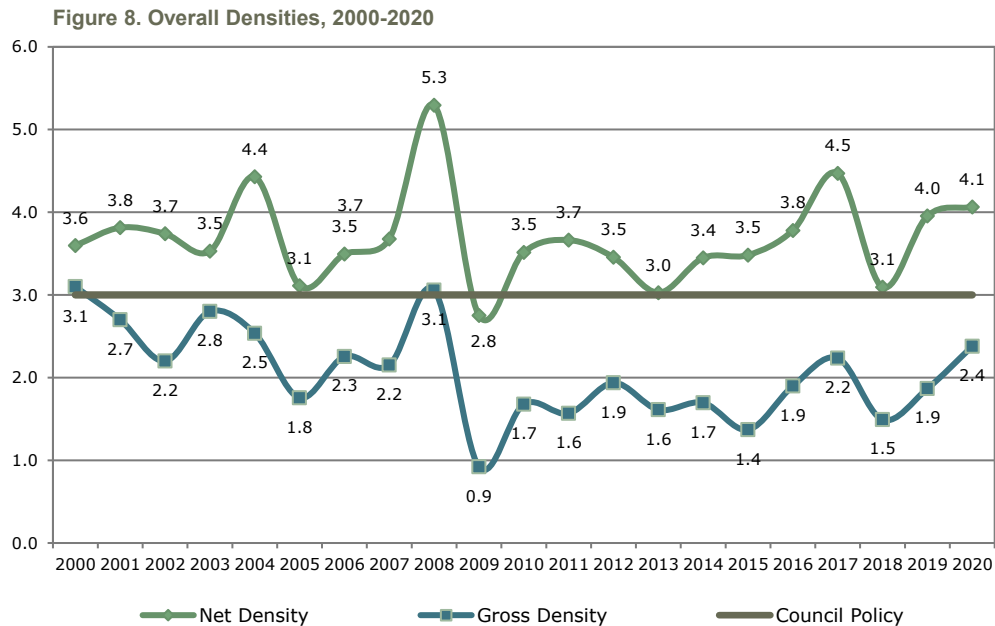
The annual fluctuation of the number of units around the mid-point is not significant over the course of the Program. However, since 2005, the number of platted units has mostly been below the mid-point of allowable density range, except in 2008, 2012, and 2016 as shown in Figure 7. This trend shows both a demand in the market for lower densities in these communities, even during the market rebound, as well as the propensity of some communities to encourage development at densities lower than what might be proposed.

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 units per acre. From 2000 to 2020, Plat Monitoring Program participants, as a group, have generally platted sewered residential developments at or above 3 units per developable acre (Figure 8), except for 2009, when recorded average density fell below 3 units per acre (2.8 units per developable acre).



During the reporting year of 2020, 24 communities had two or fewer plats reported, while ten communities approved over five plats. Of the plats approved in 2020, 10 of the participating communities had annual platted net densities below 3 units per acre: Andover, Chanhassen, Chaska, Cottage Grove, Dayton, Independence, Orono, Prior Lake, Ramsey, and Savage. Additionally, 16 participating communities did not record any plats in 2020, similar to 2019. It is assumed that part of the change is due to these communities not reporting their platting activity in 2019 because of internal staffing resources related to decennial comprehensive planning activities.

Since 2009, the number of units platted has been generally increasing, with the overall net density of platted units at 4.1 units per acre in 2020. While this number conforms to Council policies, there is still a gap between overall density in 2020 and the recorded peak of 5.3 units per developable acre in 2008. This is a reflection of change in market production towards larger-lot single family homes in these communities. From 2000 to 2020, the overall average net density of the plats in all participating communities is 3.7 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 rights-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.

Figure 9 shows the breakdown of land consumption from 2000 to 2020. 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” in Figure 9). Despite the increase in the share of net residential acres since 2009, the percentage of net residential acres has yet to reach the highest levels in 2003 (79%), compared to 59% in 2020.

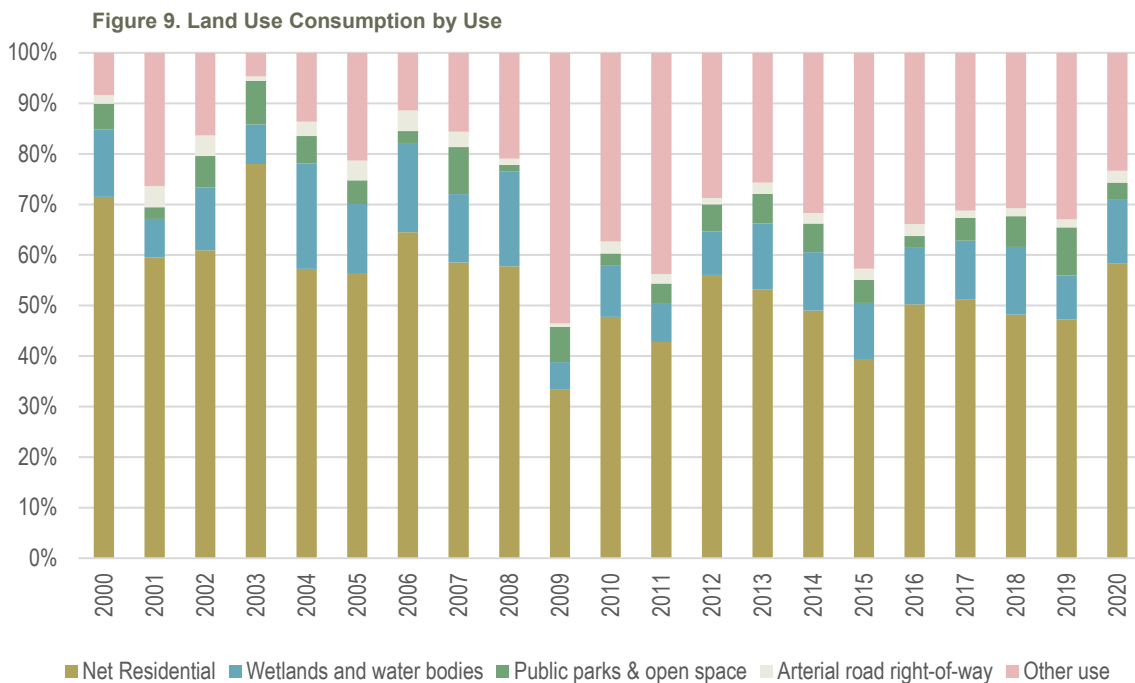
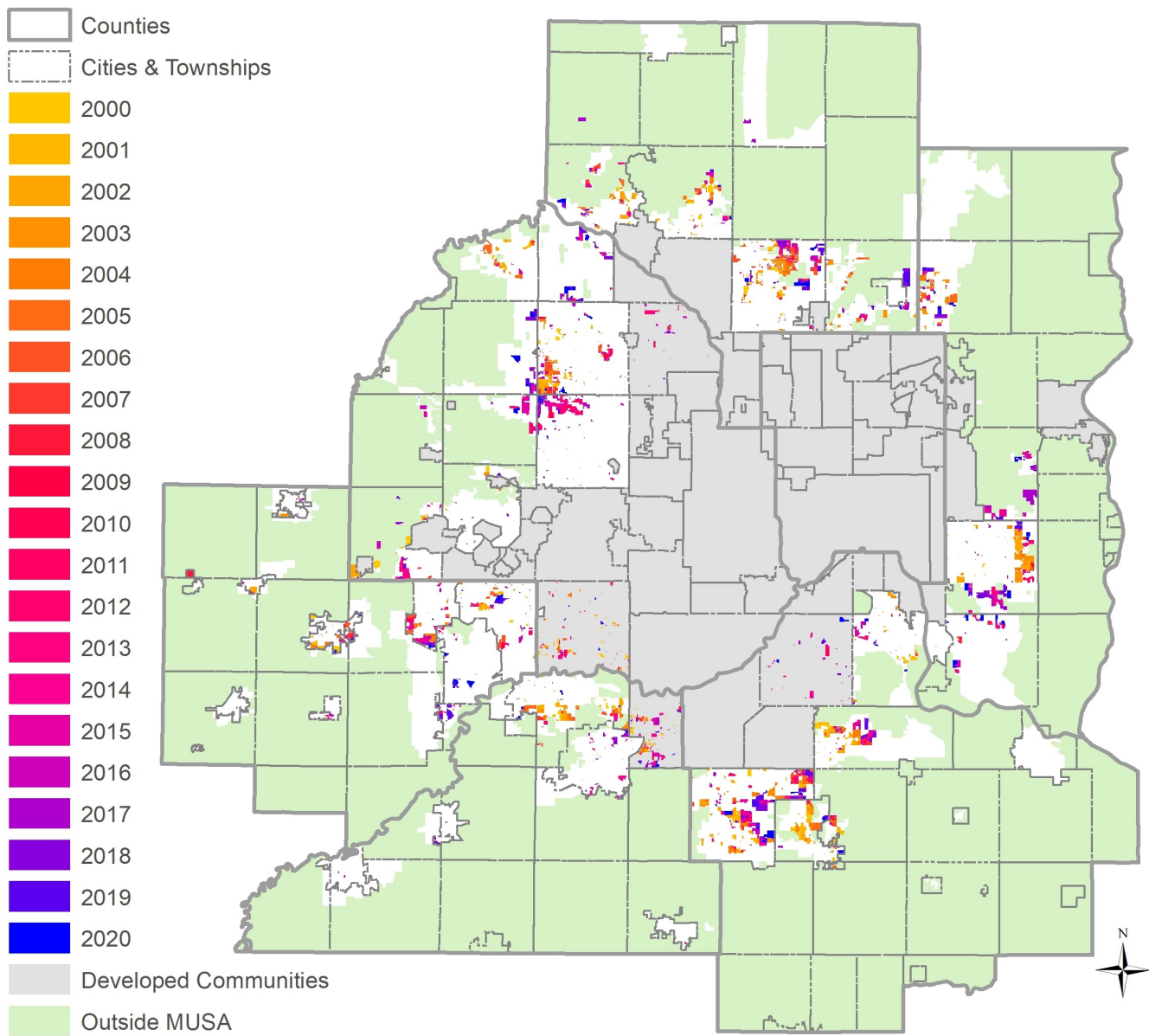


Figure 10 shows all the plats approved in the participating communities between 2000 and 2020 by year. Areas shown in gray are communities with the designations of Urban Center, Urban, and Suburban in *Thrive MSP 2040*, which correspond to the Developed Communities category in the previous development guide, *2030 Regional Development Framework*. Areas in light green are rural and agricultural communities which are not within the Metropolitan Urban Service Area (MUSA) and are not part of 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 Suburban cities of Brooklyn Park, Eagan, Eden Prairie, and Savage, all of these communities represent the designations of Suburban Edge, Emerging Suburban Edge, or Rural Center in *Thrive MSP 2040*.

Figure 10. Platting Activity by Year in Twin Cities



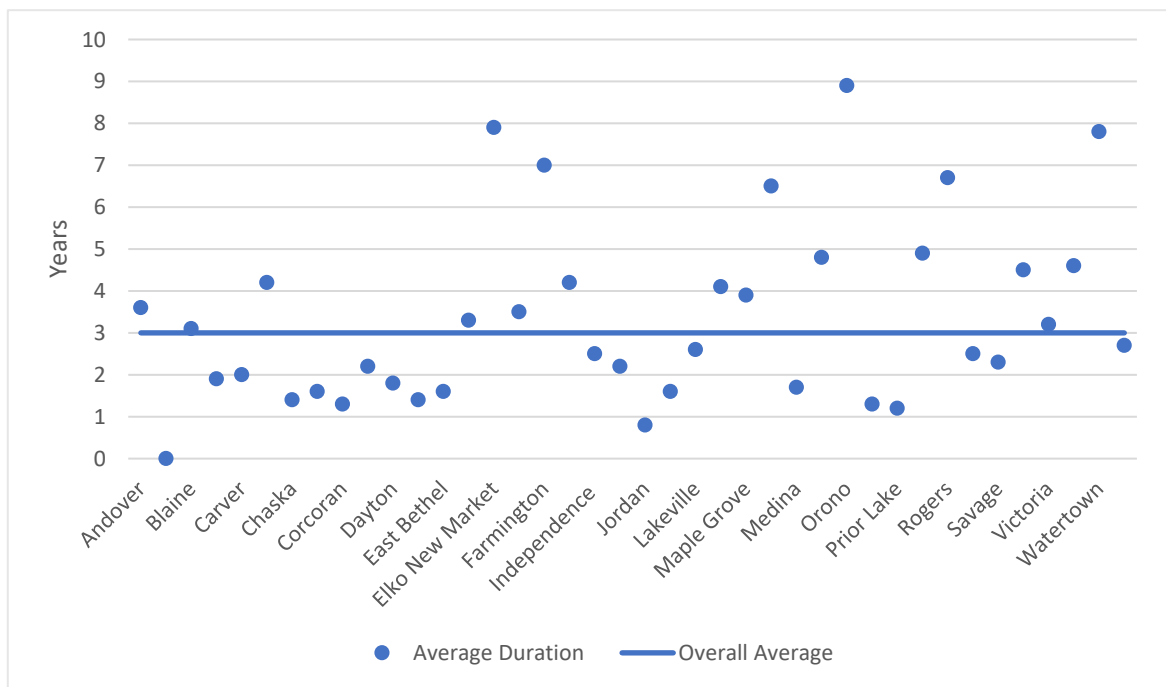
From a plat to permit

While analyzing platting activity is valuable to understand development patterns in the region, plats are only one step of the development process. For a residential plat to be realized as a development, building permits need to be issued by the local authority.

The Council’s Research department collects annual residential permitting activity around the region. Overlaying plat data with permit information reveals the amount of time that it takes from the initial platting of a site to the development being built. Development proposals can be plated and permitted in the same year or take more than ten years before being constructed. This timeframe, often referred to as lot absorption, can vary based on a variety of factors, most importantly economic stability and housing demand. Since the geocoded permit data goes as far back as 2009, the analysis only includes the plats that were permitted in the last eleven years (2009-2020).

It has taken between zero and 19 years for the plats in all the counties to receive a building permit, zero signifying that the permit was issued the same year as the plat was approved. Between all the Program participants, there is a wide range of duration from an average of zero (Belle Plaine) to 9 years (Orono), as shown in Figure 11, only showing those communities that have recorded any plats. Overall, participating communities have experienced an average of three years for the plated lots to receive building permits, for permits issued between 2009 and 2020.

Figure 11. Average Duration (Years) by Community

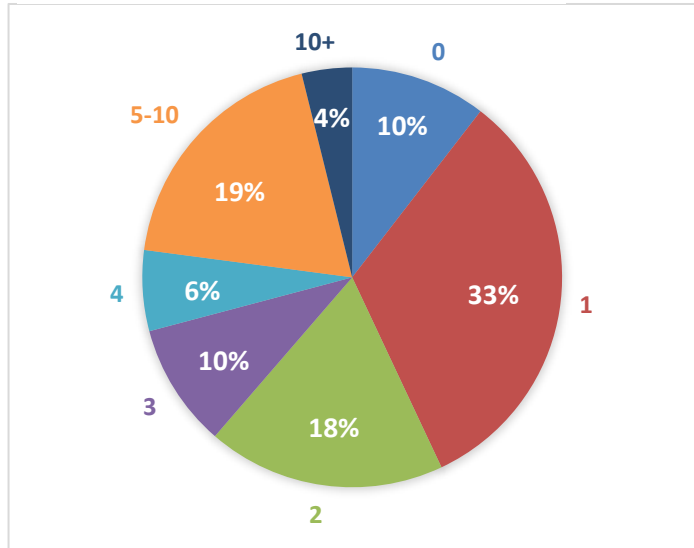


Lot absorption shows the availability of plated lots and the community’s capacity to issue building permits, if the demand is there. The longer the lot absorption, the more plated land is readily available for permitting and development. Shorter lot absorption shows a stronger demand and rapid growth in an area. Tracking this information can help inform growth patterns, land capacity, forecasting, and permitting process.

While there is a wide range of lot absorption between communities, the majority of plats have taken less than three years to be developed. As shown in Figure 12, almost 60% of plats received development permits in less than two years. Ten percent of plats were realized as development permits within the same year, one third of the plats were in one year, and 18% of them in two years of the lot being platted.

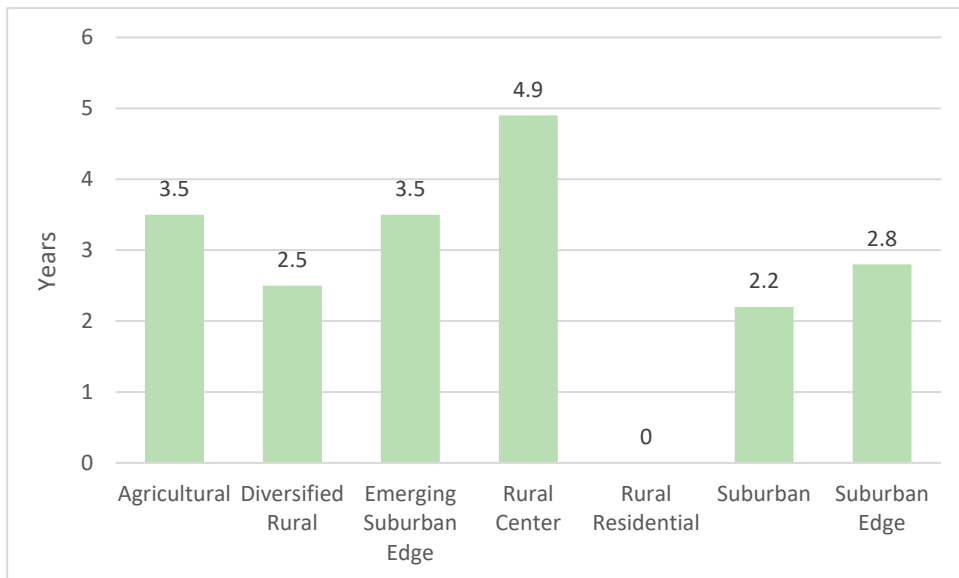
Only 4% of the plats had a time period of longer than 10 years from the time of platting activity to the time of permit issuance. These results restate the overall conclusion of a strong market demand in the developing suburbs of the metro area.

Figure 12. Duration (Years) Breakdown



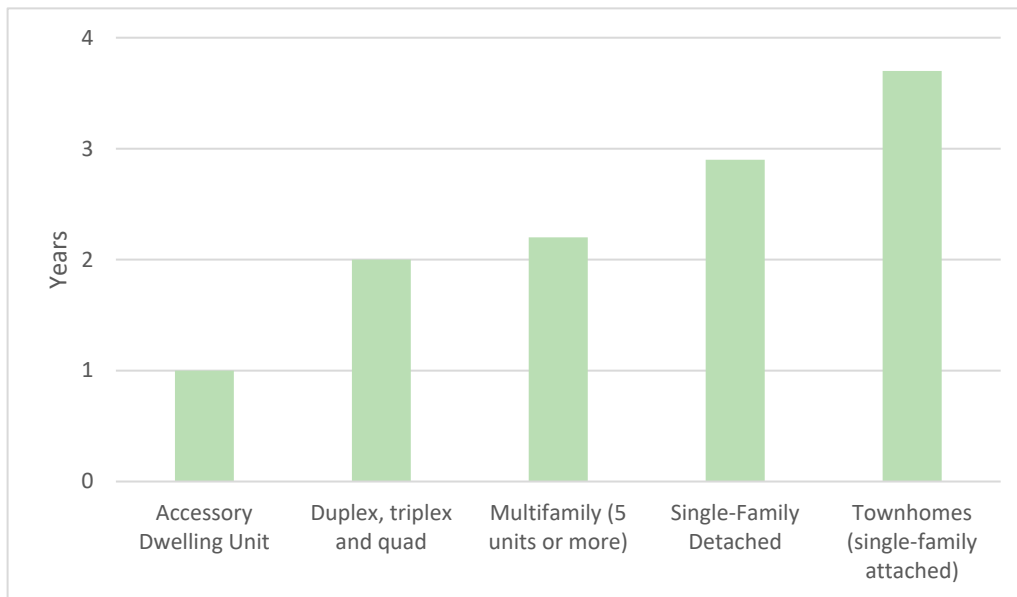
Recorded plats are in areas with a variety of community designations, as shown in Figure 13. The time from platting a site to issuing a permit was the shortest in Rural Residential designation, being within the same year (value of 0 in Figure 12). However, this average reflects only one or two plats, as there is relatively less platting and permitting activity in Agricultural areas. Most of the activity has occurred in Suburban Edge and Emerging Suburban Edge communities, with 52% and 37% of the overall platting and building activities. The time between platting and permitting was 2.8 years in Suburban Edge and 3.5 years in Emerging suburban Edge areas.

Figure 13. Average Duration (Years) by Community Designation



Additionally, based on the issued permits, communities have permitted Accessory Dwelling Units (ADU) and Duplex/Triplex/Quad units in the shortest amount of time after platting, with one and two years, respectively. However, it is too early to draw conclusions for ADUs given that there was only one ADU permit issued during this time. Townhomes (single family attached) have taken the most amount time with an average of 3.7 years. While Single Family Detached units have taken 2.9 years between platting and permitting, the majority of activities are related to this type of housing, with over 80% of the issued permits.

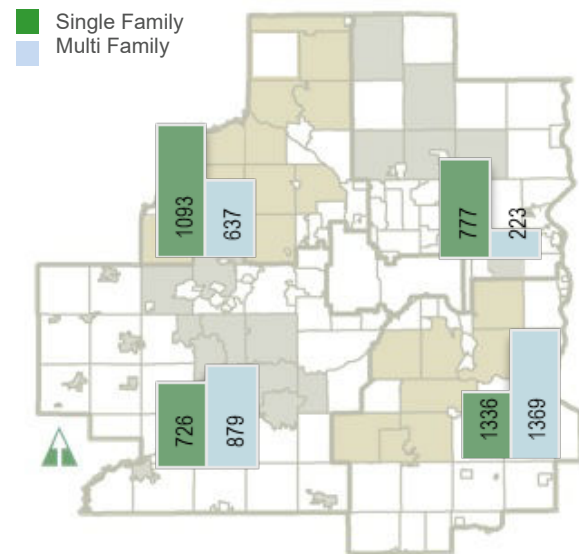
Figure 14. Average Duration (Years) by Housing Type



Density by community

In 2020, communities approved a total of 122 plats. As shown in Figure 15, the Southeast and Northwest quadrants of the region had the highest number of units platted, with the Southwest and Northeast quadrants lower. The composition of multi-family and single-family housing is relatively similar between the Southeast and Southwest quadrants at about 50% of total units. The Northeast quadrant is composed of 22% multi-family and 78% single family units, while the Northwest quadrant has a higher share of multi-family (37%) compared to single family (63%) units. The attached 2020 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.

Figure 15. Units Platted by Regional Quadrants in 2020



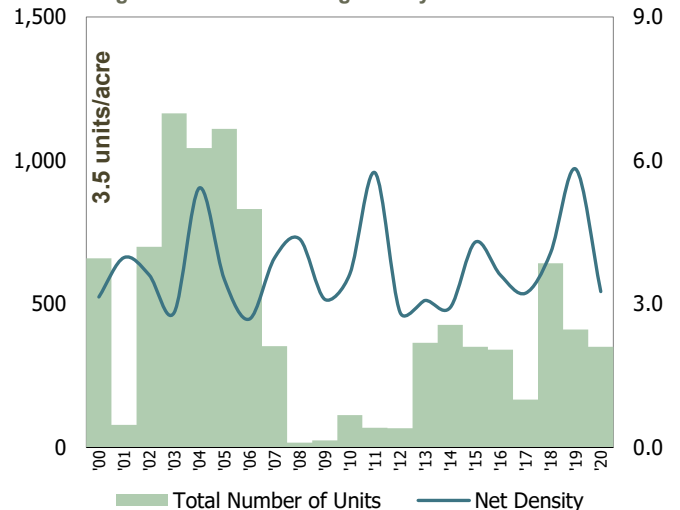
Based on the submitted data since the beginning of the Program and the history of communities' participation, 18 participating communities have an overall density falling below 3 units per acre since their involvement in the Program: Andover, Carver, Chaska, Cologne, Columbus, Corcoran, Cottage Grove, East Bethel, Empire Township, Independence, Lino Lakes, Mayer, Minnetrista, New Germany, Norwood Young America, Orono, 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. Ten of these communities have been a part of the Program only since 2008 or after. The others have mostly joined the Program around 2003. In 2015, the City of Nowthen was removed from the Program due to lack of any sewer extension plans in that area. Additionally, two communities (Oak Grove and St. Francis) have not reported any plats since joining the Program in 2009.

Below are a few examples of participating communities and their platting and density pattern since the beginning of the Program, representing a variety of different platting histories.

City of Blaine

Blaine voluntarily joined the Program in 2000 and has reported platting activity since then. The City has approved a total of 246 plats, reporting an overall net density of 3.5 residential units per acre. This platting activity has resulted in a total of 8,962 units, with 65% single family and 35% multi-family residential units. The City's platting activity was the lowest in 2008 with only one plat with 17 units. In 2020, the City approved eight plats with 351 single family residential units, resulting in a net density of 3.26 units per acre for that year. While the City has generally platted at densities greater than the Council's policy of three units per acre, platting activities resulted in densities less than three units per acre in 2003, 2006, 2012, and 2014. The City's overall net residential density of plats is still consistent with Council policy.

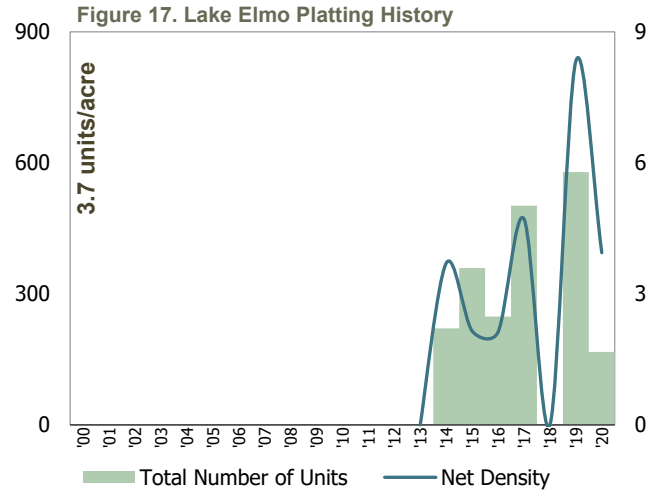
Figure 16. Blaine Platting History



City of Lake Elmo

The City of Lake Elmo joined the Program in 2013. Lake Elmo has approved a total of 31 plats since then, with an overall net density of 3.7 units per acre. The City has approved an average of four plats every year since joining the Program, with no plats in 2013 and no data submitted in 2018.

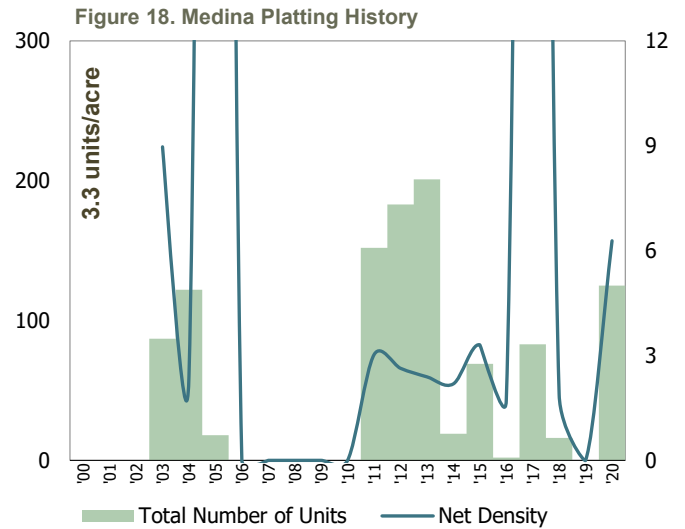
The City has platted a total of 2,076 units over a total of 946 net developable acres, 75% of which are single family residential units. In 2020, the City platted 107 single family and 60 multi-family units for a total of 167 units, through four recorded plats, resulting in a net density of 3.9 units per acre for that year.



City of Medina

The City of Medina joined the Program in 2003 as a condition of a comprehensive plan amendment. Since then, the City has reported 20 plats, resulting in 1,077 housing units. Most of the units platted are single family with 883 units or 81% of the overall units. The City has platted a total of 194 multi-family units during the same timeframe.

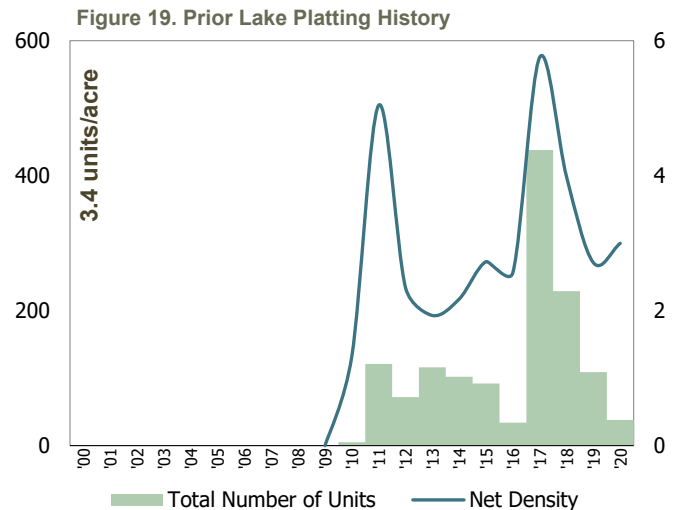
The City has reported an average of one plat every year, with no plats between 2006 and 2010. The City reported one plat in 2020 with a net density of 6.8 units per acre, comprising 125 multi-family units. The overall net density of the plats is 3.3 units per acre, with the highest densities of 62.7 units per acre in 2005 and 48.3 units per acre in 2017.



City of Prior Lake

The City of Prior Lake was added to the Program in 2009 as part of the review of their 2030 Comprehensive Plan. Prior Lake has approved a total of 48 plats since then, with an overall net density of 3.4 units per acre. This platting activity has resulted in a total of 1,356 units over 712 acres of net developable land. 77% of the units platted have been single family residential with 1,041 units.

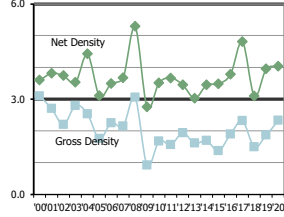
The City's platting activity was the lowest in 2009 with no plats. Subsequently, the City submitted only one plat in 2010 resulting in five single family units, which is consistent with market conditions during that time. In 2020, the City platted 38 single family units through two recorded plats, resulting in a net density of 3.0 units per acre for that year.



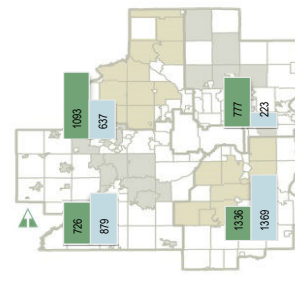
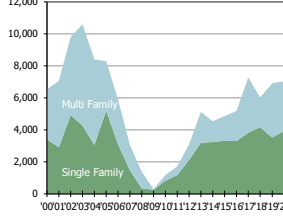
Plat Monitoring Program: 2020 Summary

2020 SNAPSHOT	
Participating Communities	45
Total Number of Plats	122
Gross Acres Platted	3,022.4
Net Acres Platted	1,746.3
Number of Units Platted	7,040
Single Family	3,932
Multi-Family	3,108
Housing Mix	
Single Family	56%
Multi-Family	44%
Average Net Density (00-20)	3.70

Overall Net and Gross Density



Total Units Platted

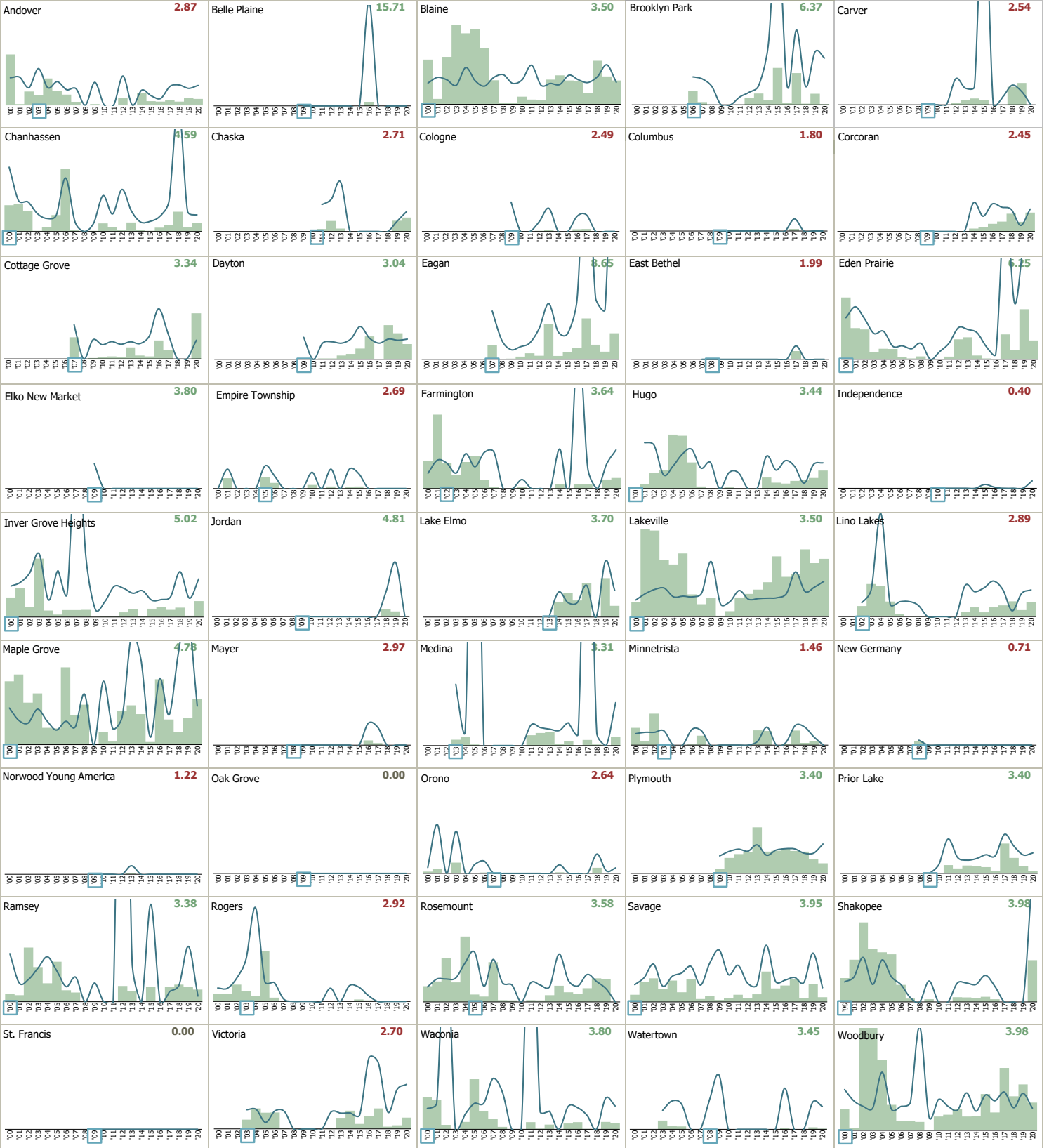


Units Platted by Regional Quadrant in 2020

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





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