

## **Minutes of the**

### **REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE**

Monday, August 20, 2018

**Committee Members Present: Barber, Commers, Chavez, Dorfman, Elkins, Munt, Wulff**

**Committee Members Absent: Cunningham, Kramer**

**Committee Members Excused:**

#### **CALL TO ORDER**

A quorum being present, Committee Chair Commers called the regular meeting of the Council's Community Development Committee to order at 4:10 p.m. on Monday, August 20, 2018.

#### **APPROVAL OF AGENDA AND MINUTES**

It was moved by Wulff, seconded by Munt to approve the agenda. Motion carried.

It was moved by Munt, seconded by Barber to approve the minutes of the August 6, 2018 regular meeting of the Community Development Committee. Motion carried.

#### **BUSINESS**

**2018-217** Public Hearing – Public Housing Agency Plan – Chair Commers opened the public hearing.

No action required. No one from the public chose to speak during the public hearing meeting.

As an administrator of the U.S. Department of Housing and Urban Development (HUD) Housing Choice Voucher program, the Council's Housing and Redevelopment Authority (Metro HRA) is required to prepare and submit an annual update to its Public Housing Agency (PHA) Plan.

The PHA Plan serves as a guide to the Metro HRA programs, policies, operations and strategies for serving the needs of very low and extremely low-income households. The PHA Plan is intended to be a convenient source of information for program participants, HUD, and the general public.

Additionally, the Metro HRA must submit a Five (5) Year Plan every five years, last submitted for the period 2015-2019. The Five (5) Year Plan describes the mission of the agency and the agency's long-range goals and objectives for achieving its mission over a five-year period. The Annual Plan is an update relating to the general policies and procedures for providing service in the coming year. The subject of this hearing is the 2019 Annual PHA Plan.

The Housing Choice Voucher Administrative Plan, the main policy document of the Metro HRA, is reviewed and updated annually as HUD adopts new or revised regulations and as the agency determines a need for policy revisions. The Administrative Plan becomes an attachment to the PHA Plan and is also open for public comment.

HUD requires a 45-day public comment period and a public hearing. The Metro HRA conducted 3 Resident Advisory Board meetings to review and comment on the Plan and proposed policy changes. The Plan will be open for public comment

through August 30, 2018, 4:30 pm. Comments will be reviewed and a final document, including comments received, will be presented for approval on September 17, 2018.

**2018-215 JT SW:** City of Medina 2040 Comprehensive Plan Review No. 21831-1  
Planning Analyst Freya Thamman presented the business item to the Community Development Committee. Ms. Thamman introduced Medina's Planning Director, Dusty Finke. It was moved by Barber, seconded by Munt, that the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

**Recommendations of the Community Development Committee (CDC):**

1. Authorize the City of Medina to place its 2040 Comprehensive Plan (Plan) into effect.
2. Adopt the revised forecasts as detailed in Table 1 of the attached Review Record.
3. Advise the City to implement the CDC Advisory Comments on Page 3 of this report.
4. Advise the City that:
  - a. after all three watershed management organizations approve the Local Water Management Plan (LWMP) and the City adopts its LWMP, a final copy needs to be sent to the Council, along with the three watershed approval dates and local adoption date of the final plan.
  - b. if parcels in the Agricultural Preserve Program expire and are no longer guided at 1 unit per 40 acres, a comprehensive plan amendment (amendment) is required.
  - c. if the City provides exceptions to the maximum density standards for rural open space developments, the City needs to submit the associated ordinances and controls to the Metropolitan Council to confirm consistency with the Metropolitan Council's Flexible Residential Development Guidelines in the Long-Term Sewer Service Area (LTSSA).
  - d. if there is a reduction in the higher density residential land available in the 2021-2030 time-period, an amendment is required, and the City would need to ensure consistency with housing policy and the *2040 Housing Policy Plan* (HPP) to remain eligible for Livable Communities Act funds.
  - e. if changes are made to the City's water supply plan resulting from the Department of Natural Resources (DNR) review of the plan, the City will need to provide the Council and the DNR with the updated information.
5. Advise the City to consider the advisory comments in Review Record for Forecasts and Housing.

**Motion carried.**

Council Member Munt asked Mr. Finke for input on the comprehensive planning process and if the tools provided for through the Local Planning Handbook (LPH) helped make the process easier for the City. Mr. Finke indicated that he had been part of the LPH focus group and said the tools were really useful and convenient, and helpful during the planning process. He said throughout the process the City was able to have an open dialogue with staff as well as a meeting which included several Metropolitan Council members.

Council Member Dorfman asked Mr. Finke about affordable housing in Medina, how much exists today, and what the City is thinking regarding how the City will achieve the additional affordable housing need in the decade ahead. Mr. Finke said the City had a recent affordable housing development, which was built three years ago and has been successful with a waiting list. He indicated the it is a struggle in Medina with land prices, and meet affordability thresholds in terms of cost, just on the ground without the structure, so there needs to be support through State programs. Finke expressed difficulty in attracting affordable housing due to the lack of convenient access to transit. He indicated that is why

the City emphasized high density development in the southwest portion of the City, which is adjacent to the Maple Plain park-and-ride. He said the Plan re-guided the area in southwest from Commercial to High Density Residential (HDR) in recognition of this asset.

Finke indicated that the area guided HDR in the southwest part of the City, and its staging, was the primary discussion point throughout the review process. He said the City would like to have that area available as soon as possible, but the allocation of affordable housing need is not considered until 2021. He said those units if developed earlier would not be counted into the City's 2021-2030 allocation. He said the HDR units represents a significant amount of growth within the City, about half the forecasted growth in the next ten years is at higher densities of at least 8+ units/acre, which is a change from the historic development pattern.

Finke said City and Council staff discussed alternatives for development of the HDR in the southwest prior to 2021, but all alternatives had to do with finding additional properties at higher densities, which he said had shortfalls, including delaying development in another part of the City until 2021. He said there are a couple of property owners here, and the fear is economic circumstances may change if delaying the HDR out to 2021, and the City may not be able to realize the HDR, which may be able to provide the opportunity for flexibility for some housing at lower price points. Finke said the City had submitted the letter (Figure 9) and asked the Committee to consider finding a way to see where development of HDR prior to 2021 is not inconsistent with housing policy, recognizing that the City's 2040 Plan (Plan) is a little earlier than other cities and there is a little bigger gap between when the City can place the Plan into effect and the 2021 timeframe for the allocation.

Council Member Elkins asked for clarification about relationship between when the Plan is put into effect and the City's allocation. Community Development Director LisaBeth Barajas indicated that the current Plan in place, the 2030 Plan, addresses affordable housing allocation in the current decade, 2011-2020, while 2040 Plans must address the next decade 2021-2030. In order to be consistent with 2040 Plan expectations, sufficient land at high densities needs to be guided for the 2021-2030 decade. She noted that if developing that land earlier helps meet current demand, but then the community would need to add some additional land to the next decade to support the 2021-2030 demand.

Council Member Elkins asked if the City has met the affordable housing need allocation for the 2030 Plan, for the current decade, 2011-2020. Ms. Thamman indicated that the City's 2030 affordable housing need allocation is 506 units and that with the recent affordable housing development there are 26 affordable housing units within the 2011-2020 decade.

Council Member Elkins asked if current decade would be added to next decade. He also asked if the 2040 Plan's affordable housing need allocation would supersede the 2030 Plan's need number when the City's 2040 Plan is put into effect. Ms. Barajas indicated that affordable housing need is not an additive process but based on future growth expectations. She indicated that in order to be consistent with housing policy, land has to be available in the next decade to meet that decade's growth (2021-2030). If it is developed today, then it's not available in the next decade. The region needs to meet today's demand as well as providing sufficient land for next decade's affordable housing as well. She stated that developing that land today is an option, and Council and City staff did discuss the different options the City could pursue within their Plan, whether it was finding additional land, guiding at different densities, or some combination. Those options would both allow development today and provide sufficient land for the next decade affordable housing need.

Council Member Wulff asked about the availability of land at higher densities in the current 2030 Plan. Ms. Thamman responded that the City's 2030 Plan's Uptown Hamel area was guided at higher densities but was now at lower densities with the 2040 Plan. Mr. Finke indicated that Uptown Hamel area is an area that could be developed with affordable housing. He said it is difficult to compare the

2030 Plan to 2040 Plan regarding meeting affordable housing need, given there are new requirements with a change from minimum of 6+ units/acre to minimum of 8+ units/ acre. He said the City's 2030 Plan did not have a category with minimum of 8+ units/acre. Mr. Finke said the HDR area in the southwest of the City was new high-density land added for the 2040 Plan.

Council Member Wulff asked if the City looking to be a Livable Communities Act (LCA) participant. Ms. Thamman indicated that Medina is a current LCA participant. Council Member Wulff indicated that if the City does the development in HDR development earlier, then the City would not be eligible for the LCA program. She said that it doesn't seem right to not have the City build housing now when they have a developer. CM Wulff indicated she liked the idea of having the affordable housing need count from when the City's 2040 Comprehensive Plan is approved rather than being stuck to the calendar, but didn't know if that change would be huge, requiring a public hearing or other steps.

Council Member Elkins indicated, that instead the City could guide more land for high density residential. Council Member Commers concurred.

Council Member Barber stated that this topic may be good to discuss at the Regional Growth Strategies Work Group, given that it includes representatives from the Council's different Committees and range of communities. Council Member Commers indicated that the Council is at the beginning of the comprehensive planning cycle and would be concerned about how we are accounting for affordable housing need at this stage. He said there are lots of reports regarding the scale of demand of affordable housing with discussions at the local and regional level and that each community responds to that larger regional demand and the Council will nudge a little in this space.

Council Member Commers thanked Mr. Finke for the letter attached in the staff report and the opportunity to be part of the conversation on this topic with the City, Mr. Finke, two city council members, and the city administrator and thought it was a positive, candid discussion.

Dennis Zilla, an attorney representing his client who owns property in Medina, addressed the Committee. He indicated that his client had a purchase agreement from the developer, and discussed plans for developing 200 units on the 13 acres without TIF, although there was no guarantee of affordability. Mr. Zilla indicated that there had been work with the City, and that the City would like to see HDR in this area and in no other area of the City. He asked for flexibility in schedule so that an opportunity is not lost, indicating that approvals from City anticipated by April 30, 2019, design and construction March-May 2020, occupied in April 2020.

Council Member Commers indicated he was sensitive to the market opportunity and asked about any conversations with the City regard a future comprehensive plan amendment (CPA). Mr. Zilla indicated that the inconsistency with housing policy would still be there with an CPA.

Mr. Finke indicated that this would be a large project to Medina, representing 20% of growth over next 20 years and 40% for next ten years. Mr. Finke said that if this project goes ahead, then they'd need to find another project of similar scale and one can see how significant that is with the City's growth forecasts, a reduction from last 2030 Plan, which they support. He said finding another similar size is really difficult for the City. Mr. Finke stated that the City understands the desire and did not pause at identifying acres to meet allocation.

Council Member Wulff asked for clarification about what is being put into effect as related to the HDR housing and what is being decided. Ms. Barajas referred to Recommendation 4d in the staff report, which provides clarification that states if there is a reduction in the HDR land available in the 2021-2030 time period, the City would need to ensure consistency with housing policy to remain eligible for LCA

funds. If the City does not have enough land guided HDR 2021-2030, then the City would not be eligible for LCA funds.

**2018-220 JT:** City of Landfall Village 2040 Comprehensive Plan Review No.21800-1

Senior Planner Corrin Wendell presented the business item to the Community Development Committee.

It was moved by Munt, seconded by Elkins, that the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

**Recommendations of the Community Development Committee**

1. Authorize the City of Landfall to place its 2040 Comprehensive Plan into effect.
2. Revise the City's forecasts, as shown in Table 1 in the Review Record.
3. Advise the City to implement the advisory comments in the Review Record for Transportation and Housing.

**Motion carried.**

Jane Kansier, a representative from the City was in attendance. Council Member Wulff asked if there was a financial burden on smaller communities to undergo a Comprehensive Planning process, such as the City of Landfall. Director of Community Development, Lisa Barajas, responded that the City received a Planning Assistance Grant of \$10,000 from the Council to aid in their planning efforts.

**2018-201** Mississippi Gateway Regional Park Master Plan and Master Plan Bonding Amendment, Hennepin County Review No. 50210-1

Planner Tracey Kinney presented the business item to the Community Development Committee.

It was moved by Wulff, seconded by Elkins, that the Metropolitan Council:

1. Approve the Mississippi Gateway Regional Park Master Plan.
2. Approve the Master Plan Boundary Amendment to include an additional 5.2 acres of natural area including a 2.6-acre property held by the City of Brooklyn Park and a 2.6-acre property held jointly by Hennepin County and the City of Brooklyn Park, to protect the natural resources.
3. Prior to implementing the Master Plan, require Three Rivers Park District to:
  - Create a Joint Powers Agreement with the City of Brooklyn Park to:
    - Establish regional park use through a long-term lease or in perpetuity that identifies, outlines, and confirms use of land required for a park maintenance facility on land owned by the City of Brooklyn Park;
    - Clarify a minor realignment of the Rush Creek Regional Trail and grade separated crossing;
    - Transfer the 2.6-acre park easement held by the City of Brooklyn Park that is currently outside the regional park boundary.
  - Work with Hennepin County and the City of Brooklyn Park to transfer ownership of another 2.6-acre parcel of forfeited land currently owned by Hennepin County and the City of Brooklyn Park to Three Rivers Park District.
4. Advise Three Rivers Park District that:

- Costs associated with lands and facilities associated with the Brooklyn Park Environmental Nature Area are not eligible for Metropolitan Council funding;
- A Council approved master plan amendment is required to add inholdings and to be eligible for acquisition funding.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion.

**2018-202 Park Acquisition Opportunity Fund Grant for West Mississippi Regional Trail, Three Rivers Park District – Goodin Property**

Senior Parks Financial Planner Deb Jensen presented the business item to the Community Development Committee.

It was moved by Wulff, seconded by Munt, that the Metropolitan Council:

1. Approve a grant of up to \$325,839.68 to Three Rivers Park District to acquire the 7.3-acre Goodin parcel at 17180 Dayton River Road in the City of Dayton for West Mississippi River Regional Trail;
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council;
3. Consider reimbursing Three Rivers Park District for up to \$108,613.22 from its share of a future Regional Parks Capital Improvement Program for costs associated with this item; and
4. Inform Three Rivers Park District that the Council does not under any circumstances represent or guarantee that future reimbursement will be granted and expenditure of local funds never entitles a park agency to reimbursement.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion.

**2018-203 Park Acquisition Opportunity Fund Grant for Baker-Carver Regional Trail, Three Rivers Park District – Hodgson Property**

Senior Parks Financial Planner Deb Jensen presented the business item to the Community Development Committee.

It was moved by Munt, seconded by Elkins, that the Metropolitan Council:

1. Approve a grant of up to \$474,355.50 to Three Rivers Park District to acquire the 55.94-acre Hodgson parcel at 7300 Halstead Drive in Minnetrista for the Baker-Carver Regional Trail;
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council;



3. Consider reimbursing Three Rivers Park District for up to \$158,118.50 from its share of a future Regional Parks Capital Improvement Program for costs associated with this item; and
4. Inform Three Rivers Park District that the Council does not under any circumstances represent or guarantee that future reimbursement will be granted and expenditure of local funds never entitles a park agency to reimbursement.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion.

**2018-204** Park Acquisition Opportunity Fund Grant for Grey Cloud Island Regional Park, Washington County – Kartarik Property  
Senior Parks Financial Planner Deb Jensen presented the business item to the Community Development Committee.

It was moved by Wulff, seconded by Munt, that the Metropolitan Council:

1. Approve a grant of up to \$435,083.63 to Washington County to acquire the two Kartarik parcels comprising 4.24 acres at 10870 Grey Cloud Island Drive in Grey Cloud Island Township for Grey Cloud Island Regional Park.
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion.

**2018-205** Park Acquisition Opportunity Fund Grant for Big Marine Regional Park, Washington County – Bofenkamp Property (Deb Jensen 651-602-1554)

It was moved by Munt, seconded by Wulff, that the Metropolitan Council approve:

1. A grant of up to \$451,924 to Washington County to acquire three parcels comprising the 8.33acre Bofenkamp property at 18135 Margo Avenue in the City of Scandia for Big Marine Park Reserve; and
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion.

**2018-218 SW:** 2018 Environment and Natural Resources Trust Fund Bonding

Mary Robison, Budget Manager for Community Development and Metropolitan Transportation Services, presented the business item to the Community Development Committee.

It was moved by Wulff, seconded by Barber, that the Metropolitan Council match the \$10 million 2018

Environment and Natural Resources Trust Fund (ENRTF) bond appropriation for Regional parks with \$6.66 million in regional bonds.

**Motion carried.**

The Community Development Committee had questions regarding the distribution method. Ms. Robison explained the formulas used. Ms. Jensen explained the language in the statute. Committee members agreed this is a one-time match and no policy change is needed.

**2018-219 SW Approval to Request Moving to Work Program Designation**

HRA Director Terri Smith presented the business item to the Community Development Committee.

It was moved by Munt, seconded by Dorfman, that the Metropolitan Council authorize the Housing and Redevelopment Authority (HRA) to make a formal request to the U.S. Department of Housing and Urban Development to have the Minneapolis Public Housing Authority's Moving to Work Program designation extended to the Council's HRA.

**Motion carried.**

Council member Dorfman asked Ms. Smith to explain what HUD is looking at with this program; ability? Ms. Smith explained the regional designation is to promote new efficiencies, partnerships, with the goal of helping families to be self-sufficient.

**INFORMATION**

1. none

**ADJOURNMENT**

Business completed, the meeting adjourned at 5:40 p.m.

Michele Wenner

Recording Secretary