Community Development Committee

Meeting date: April 6, 2020

Environment Committee

Meeting date: April 14, 2020

For the Metropolitan Council meeting of April 22, 2020

Subject: City of Wayzata 2040 Comprehensive Plan and Comprehensive Sewer Plan, Review File 22314-1

District(s), Member(s): District 3, Christopher Ferguson

Policy/Legal Reference: Metropolitan Land Planning Act (Minn. Stat. § 473.175), Minn. Stat. § 473.513

Staff Prepared/Presented:Jake Reilly, Senior Planner (651-602-1822)
Angela R. Torres, Local Planning Assistance Manager (651-602-1566)
Kyle Colvin, Engineering Programs, Manager (651-602-1151)Division/Department:Community Development / Regional Planning
Environmental Services / Technical Services

Proposed Action

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 Wayzata to place its 2040 Comprehensive Plan into effect.
- 2. Revise the City's population, households, and employment forecasts upward as shown in Table 1 of the attached Review Record.
- 3. Revise the City's affordable housing need allocation for 2021-2030 to 42 units.

Recommendation of the Environment Committee

1. Approve the City of Wayzata's Comprehensive Sewer Plan.



Advisory Comments

The following Advisory Comments are part of the Council action authorizing the City of Wayzata to implement its 2040 Comprehensive Plan (Plan).

Community Development Committee

- 1. As stated in the Local Planning Handbook, the City must take the following steps:
 - a. Adopt the Plan in final form after considering the Council's review recommendations as contained in the body of this report.
 - b. Submit one hard copy and one electronic copy of the Plan to the Council. The electronic copy must be submitted as one unified file.
 - c. Submit to the Council a copy of the City Council resolution evidencing final adoption of the Plan.
- 2. The *Local Planning Handbook* also states that local governments must formally adopt their comprehensive plans within nine months after the Council's final action. If the Council has recommended changes to the Plan, local governments should incorporate those recommended changes into the Plan or respond to the Council before "final adoption" of the comprehensive plan by the governing body of the local governmental unit. (Minn. Stat. § 473.858, subd. 3)
- 3. Local governments must adopt official controls as identified in their 2040 comprehensive plans and must submit copies of the official controls to the Council within 30 days after the official controls are adopted. (Minn. Stat. § 473.865, subd. 1)
- 4. Local governmental units cannot adopt any official controls or fiscal devices that conflict with their comprehensive plans or which permit activities in conflict with the Council's metropolitan system plans (Minn. Stat. §§ 473.864, subd. 2; 473.865, subd. 2). If official controls conflict with comprehensive plans, the official controls must be amended within 9 months following amendments to comprehensive plans (Minn. Stat. § 473.865, subd. 3).

Environment Committee

- 1. The Council-approved Comprehensive Sewer Plan becomes effective only after the Plan receives final approval from the local governmental unit's governing body. After the Plan receives final approval from the City and the Comprehensive Sewer Plan becomes effective, the City may implement its Plan to alter, expand, or improve its sewage disposal system consistent with the Council-approved Comprehensive Sewer Plan.
- 2. A copy of the City Council resolution adopting its 2040 comprehensive plan, including its Comprehensive Sewer Plan, must be submitted to the Council.

Background

The City of Wayzata is located in central Hennepin County. It is surrounded by the communities of Plymouth, Minnetonka, Woodland, Deephaven, and Orono.

The City submitted its 2040 Comprehensive Plan (Plan) to the Council for review to meet the Metropolitan Land Planning Act requirements (Minn. Stat. §§ 473.851 to 473.871) and the Council's 2015 System Statement requirements.

Review Authority & Rationale

Minn. Stat. § 473.175 directs the Metropolitan Council to review a local government's comprehensive plan and provide a written statement to the local government regarding the Plan's:

- **Conformance** with metropolitan system plans
- Consistency with the adopted plans and policies of the Council
- **Compatibility** with the plans of adjacent governmental units and plans of affected special districts and school districts

By resolution, the Council may require a local government to modify its comprehensive plan if the Council determines that "the plan is more likely than not to have a substantial impact on or contain a substantial departure from metropolitan system plans" (Minn. Stat. § 473.175, subd. 1).

Each local government unit shall adopt a policy plan for the collection, treatment, and disposal of sewage for which the local government unit is responsible, coordinated with the Metropolitan Council's plan, and may revise the same as often as it deems necessary (Minn. Stat. § 473.513).

Review Standard	Review Area	Plan Status
Conformance	Regional system plan for Parks	Conforms
Conformance	Regional system plan for Transportation, including Aviation	Conforms
Conformance	Water Resources (Wastewater Services and Surface Water Management)	Conforms
Consistency with Council Policy	Thrive MSP 2040 and Land Use	Consistent
Consistency with Council Policy	Forecasts	Consistent, with the proposed changes
Consistency with Council Policy	2040 Housing Policy Plan	Consistent
Consistency with Council Policy	Water Supply	Consistent
Consistency with Council Policy	Community and Subsurface Sewage Treatment Systems (SSTS)	Consistent
Compatibility	Compatible with the plans of adjacent and affected governmental districts	Compatible

The attached Review Record details the Council's assessment of the Plan's conformance, consistency, and compatibility, and is summarized below.

Thrive Lens Analysis

The proposed 2040 comprehensive plan is reviewed against the land use policies in *Thrive MSP 2040*. To achieve the outcomes identified in Thrive, the metropolitan development guide defines the Land Use Policy for the region and includes strategies for local governments and the Council to implement. These policies and strategies are interrelated and, taken together, serve to achieve the outcomes identified in Thrive.

Funding

None.

Known Support / Opposition There is no known local opposition to the 2040 comprehensive plan.

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REVIEW RECORD

City of Wayzata 2040 Comprehensive Plan

Review File No. 22314-1, Business Item No. 2020-86 JT

The following Review Record documents how the proposed Plan meets the requirements of the Metropolitan Land Planning Act and conforms to regional system plans, is consistent with regional policies, and is compatible with the plans of adjacent and affected jurisdictions.

Conformance with Regional Systems

The Council reviews plans to determine conformance with metropolitan system plans. The Council has reviewed the City's Plan and finds that it conforms to the Council's regional system plans for Regional Parks, Transportation (including Aviation), and Water Resources.

Regional Parks and Trails

Reviewer: Colin Kelly, Community Development (CD) - Regional Parks (651-602-1361) The Plan conforms to the 2040 Regional Parks Policy Plan (RPPP). Three Rivers Park District is the park implementing agency for Regional Parks System components in Wayzata, for which the Plan accurately describes the Regional Parks System components. Regional Trails located within the City include the Dakota Rail Regional Trail and two Regional Trail proposed extensions (Figure 1). The Luce Line State Trail also is located in Wayzata. There are no federal lands within the City.

Regional Transportation, Transit, and Aviation

Reviewer: Russ Owen, Metropolitan Transportation Services (MTS) (651-602-1724) The Plan conforms to the 2040 Transportation Policy Plan (TPP). The Plan conforms to the 2040 *Transportation Policy Plan* (TPP) adopted in 2015. The Plan accurately reflects transportation system components of the TPP. The Plan is also consistent with Council policies regarding community roles, the needs of non-automobile transportation, access to job concentrations, and the needs of freight.

Roadways

The Plan conforms to the Roadways system element of the TPP. The Plan accurately accounts for the metropolitan highway system of principal arterials, which includes U.S. Highway 12 in Wayzata. The Plan accurately reflects the regional functional classification map of A-minor arterials and has delineated major and minor collectors.

The Plan identifies all the required characteristics of the City's roadways, including existing and future functional class, right-of-way preservation needs, and existing and forecasted traffic volumes for principal and A-minor arterials. The Plan's forecasting approach is consistent with regional methodology. The Plan also includes guidelines on how access will be managed for principal and A-minor arterials.

Transit

The Plan conforms to the Transit system element of the TPP. It shows the location of existing transit routes and facilities and acknowledges the City is within Transit Market Area III and IV.

The Plan is consistent with the policies of the Transit system element of the TPP. The Plan addresses community roles related to its Community Designation(s), as well as the opportunities and challenges related to its Transit Market Area.



Aviation

The Plan conforms to the Aviation system element of the TPP. The Plan includes policies that protect regional airspace from obstructions, addresses seaplane use, and describes how off-site air navigation aids will be protected.

Bicycling and Walking

The Plan is consistent with the Bicycling and Pedestrian chapter of the TPP. The Plan identifies existing and future segments of and connections to the Regional Bicycle Transportation Network (RBTN) and regional trails. The Plan identifies the existing Tier 2 alignments for an RBTN corridor.

The Plan is also consistent with Bicycle and Pedestrian policies of the TPP by planning for local pedestrian and bicycle connections to transit, regional trails, regional job concentrations, and other regional destinations as identified on the RBTN map.

Freight

The Plan is consistent with Freight policies of the TPP. The Plan identifies the needs of freight movement in and through the City by U.S. Highway 12.

Transportation Analysis Zones (TAZs)

The Plan conforms to the TPP regarding TAZ allocations. The City's TAZ allocations for employment, households, and population appropriately sum to the Council's citywide forecast totals for all forecast years.

The City's planned land uses, and areas identified for development and redevelopment can accommodate the TAZ forecasted allocations in the Plan, and at densities consistent with the Thrive community designation of Suburban.

Water Resources

Wastewater Service

Reviewer: Kyle Colvin, Environmental Services (ES) – Engineering Programs (651-602-1151) The Plan conforms to the 2040 Water Resources Policy Plan (WRPP). It represents the City's guide for future growth and development through the year 2040. It includes growth forecasts that are consistent with the Council's revised forecasts for population, households, and employment.

Current wastewater treatment services are provided to the City by the Metropolitan Council Environmental Services. All wastewater generated within the City is conveyed through Council Interceptors; 7018-2, 7018-2B, 8028-2A, 8028-2B, and 8028-3. All flow is treated at the Council's Blue Lake Wastewater Treatment Plant in Shakopee. The Plan projects that the City will have 2,680 sewered households and 5,540 sewered employees by 2040. The Metropolitan Disposal System with its scheduled improvements has or will have adequate capacity to serve the City's growth forecasts.

The Plan provides sanitary flow projections in 10-year increments. The rationale for the projections is given in the Plan and determined appropriate for planning local services. The Metropolitan Council is committing to provide the level of wastewater service based on the sewered forecasts as stated in the sewer element of the Plan.

The Land Use Plan reflects an overall minimum residential sewered density that is consistent with Council policy for future sewered residential growth for Suburban communities.

The Plan defines the community's goals, policies, and strategies for preventing and reducing excessive inflow and infiltration (I/I) mostly in the local municipal (city) sanitary sewer system. The Plan includes a summary of activities and programs intended to mitigate I/I in the public system including continued inspection and evaluation. Follow-up projects include pipeline lining, manhole sealing and pipe

replacement. Other activities include disconnecting prohibited sump pump connections when discovered, replacement of old sewers as part of the City's street and utility reconstruction program and disconnecting unused or prohibited connections to the sewer system. The City has included in its capital improvement program approximately \$120,000 annually for inspection, maintenance and system rehabilitation. It also identifies a \$40,000 I/I investigation effort and \$1.3 million in sewer lining.

The Plan describes the requirements and standards for minimizing I/I and references City Ordinance (Section 407) that prohibits the discharge of water from any roof, sump pump, footing tile, swimming pool, or any other natural precipitation to the sanitary sewer system. Any prohibited roof drain, sump pump, foundation drain, or surface drain connection is required to be disconnected. Properties not complying with the Ordinance are subject to a \$100 per month surcharge to their utility bill. If not corrected within 6-months, the monthly surcharge increases to \$300 per month.

The Plan describes the sources, extent, and significance of existing I/I within the entire wastewater collection system and provides a description of an implementation plan for preventing and eliminating excessive I/I from entering both the municipal and private property sewer systems. The Plan provides information that reflects that nearly 40% of the homes within the City were built prior to 1970 when private service laterals were predominantly vitrified clay tile pipe. By comparing recent dry weather wastewater flow generation to annual average flow, the Plan states that I/I contributes approximately 18% of the City's base flow. The Plan also indicates that the peak flow response from the June 2014 storm events represented about 79% of the flow.

Comprehensive Sewer Plan Comments

The Sewer Element of the Plan has been reviewed against the requirements for Comprehensive Sewer Plans for Suburban communities. It was found to be complete and consistent with Council polices and the regional wastewater system plan. Upon adoption of the Plan by the City, the action of the Council to approve the Comprehensive Sewer Plan becomes effective. At that time, the City may implement its Plan to alter, expand, or improve its sewage disposal system consistent with the approved Comprehensive Sewer Plan. A copy of the City Council Resolution adopting its Plan needs to be submitted to the Metropolitan Council for its records.

Surface Water Management

Reviewer: Judy Sventek, ES – Water Resources (651-602-1156)

The Plan is consistent with Council policy requirements and in conformance with the Council's 2040 *WRPP* for local surface water management. The Plan satisfies the requirements for 2040 comprehensive plans. Wayzata is located within the oversight boundaries of the Minnehaha Creek Watershed District (Watershed District). The City submitted a draft Local Water Management Plan (LWMP) update in February 2019. Metropolitan Council (Council) Water Resources staff reviewed and commented on the draft LWMP to the City and Watershed District in a letter dated March 25, 2019. The LWMP was approved by the Watershed District on September 26, 2019. The Plan incorporates the LWMP in Plan Appendix F.

Consistency with Council Policies

The Council reviews plans to evaluate their apparent consistency with the adopted plans of the Council. Council staff have reviewed the City's Plan and find that it is consistent with the Council's policies, as detailed below.

Forecasts

Reviewer: Todd Graham, CD – Research (651-602-1322)

The Plan provides a proposed forecast revision for Wayzata (tables 2.3, 2.6, 5.2, and 8.2 in the Plan). Recent residential and employment growth in Wayzata have substantially outpaced expectations. Council staff and City staff have agreed to the following revisions of households, population, and employment, included in the Wayzata Plan, and shown in Table 1 below.

The Council will revise its published forecast simultaneous with action on the Plan.

Table 1. City of Wayzata Forecasts

	Census	Estimated	Council System Statement		Proposed Forecasts			
	2010	2018	2020	2030	2040	2020	2030	2040
Population	3,688	4,719	4,140	4,520	4,650	<u>4,980</u>	<u>5,120</u>	<u>5,260</u>
Households	1,795	2,328	2,100	2,310	2,400	<u>2,470</u>	<u>2,570</u>	<u>2,680</u>
Employment	4,567	5,170	4,800	4,920	5,000	<u>5,130</u>	<u>5,400</u>	<u>5,540</u>

With this forecast revision, the 2021-30 Affordable Housing Need for Wayzata is reduced due to the reduction of expected growth for the 2021-30 decade. The new 2021-30 Affordable Housing Need numbers are: 19 units at <=30% AMI, 13 units at 31-50% AMI; 10 units at 51-80% AMI; 42 units total. This is acknowledged in table 4.6 in the Plan.

Thrive MSP 2040 and Land Use

Reviewer: Jake Reilly, CD – Local Planning Assistance (651-602-1822) The Plan is consistent with *Thrive MSP 2040* (Thrive) and its land use policies. The Plan acknowledges the Thrive community designation of Suburban (Figure 2). *Thrive* describes Suburban communities as Thrive describes Suburban communities as those that saw their primary era of development during the 1980s and early 1990s as Baby Boomers formed families and entered their prime earning years.

Suburban communities are expected to plan for forecasted population and household growth at overall average densities of at least five units per acre, and target opportunities for more intensive development near regional transit investments at densities and in a manner articulated in the TPP. Plans are also required to identify areas for redevelopment, particularly areas that are well-served by transportation options and nearby amenities and that contribute to better proximity between jobs and housing.

The existing land uses within Wayzata include a combination of residential and commercial uses of varying intensities, with public and open space uses to support the needs of the community. Residential land uses comprise a majority of the City, equating to nearly 70 percent of all land uses (see Table 3-1). Most of the existing commercial/office (7.9%) are adjacent to Lake Minnetonka. Approximately 2% of the City is parks/open space (Figure 3).

The pattern of future development in Wayzata is expected to happen primarily through redevelopment, including on vacant or underutilized properties. Areas of change within Wayzata are anticipated to be through additional mixed-use development in or adjacent to the Central Business District, which is located in the southern portion of the City adjacent to Lake Minnetonka. Of note is the area now known as Panoway on Wayzata Bay. Over a decade, the City of Wayzata envisioned, through the Lake Effect Initiative, the restoration, protection and enhancement of Wayzata's downtown lakefront. Panoway is funded by a public-private partnership between the City of Wayzata, Three Rivers Park District, the State of Minnesota and the Wayzata Conservancy. Panoway has two distinct phases of development. Phase one construction began in March 2020 and is expected to conclude in late summer 2020. Phase one includes reconstructing Lake Street from Barry Avenue to Broadway Avenue to be more pedestrian and bicycle friendly; creating a multi-use Plaza Park near the lakefront, replacing the existing surface parking lot at Lake Street and Broadway Avenue; and extending the Dakota Rail Regional Trail safely across Ferndale Road to Broadway Avenue. Phase two includes: restoring the Section Foreman

House, preserving the Wayzata Depot, building a boardwalk along the lakefront, and restoring the shoreline. All areas of the City are anticipated to be available for redevelopment at any time.

As shown in Table 2, the Plan is consistent with Thrive for land use and residential density policies for a Suburban community designation. Thrive calls for Suburban communities to plan for forecasted population and household growth at overall average densities of at least 5 units per acre. The Plan is supporting new growth at a minimum density of at least 5.58 units per acre.

Table 2. Planned Residential Density, City of Wayzata

		2018-2040 Change				
	Dens	Density				
Category	Min	Max	Net Acres	Min Units	Max Units	
Central Core Residential	3	6	3	9	18	
Mixed Use Commercial/Residential*	10	30	78	390	1170	
Central Business District**	20	30	22	176	264	
	TOT	ALS	103	575	1452	
*50% residential **40% residential		0	verall Density	5.58	14.10	

Housing

Reviewer: Hilary Lovelace, CD – Housing (651-602-1055)

The plan is consistent with the 2040 Housing Policy Plan. As of 2016, the City has more than 2,500 homes including nearly 1,200 multifamily units and approximately 1,300 single-family homes. About 1,000 homes are rented. More than 550 housing units are currently affordable to households earning under 80% of Area Median Income (AMI); however, nearly 600 households earning 80% of AMI or less are paying more than 30% of their income toward housing costs. Notably, there are 219 units affordable to households with income at or below 30% AMI, and more than 235 cost burdened households with incomes at or below 30% AMI.

The Plan identifies existing housing needs including maintenance and reinvestment in existing housing stock, variety of housing types for all stages of life, exploring opportunities for infill development and redevelopment to provide housing for all incomes, and housing that is affordable to a range of income levels, especially moderate and low income households. The City has 89 units of publicly sub sidized housing.

The Plan acknowledges the revised 2021-2030 affordable housing need allocation of 42 units, 19 of which are needed at prices affordable to households earning 30% of AMI or less, 13 of which are needed at prices affordable to households earning between 31 and 50% of AMI, and 10 of which are needed at prices affordable to households earning between 51 and 80% of AMI. As shown in Figure 5, the Plan guides sufficient land expected to develop in the 2021-2030 time period at a minimum of eight units per acre to allow for development of at least 264 new housing units. Notably, all of the land uses expected to develop between 2021-2030 with a minimum density of 8 or greater are mixed use land uses.

The housing implementation plan component of the Plan describes that the City will consider TIF and local housing bonds for housing projects that produce affordable units. The Plan also indicates that the City will consider creating a housing services referral program, The City states that they will explore the use of tax abatement before 2030.

Water Supply

Reviewer: Lanya Ross, ES – Water Supply Planning (651-602-1803)

The Plan is consistent with WRPP policies related to water supply, including the policy on sustainable water supplies, the policy on assessing and protecting regional water resources, and the policy on water conservation and reuse.

The City prepared a Local Water Supply Plan (LWSP) that was originally submitted to the Council on 5/13/2019 and reviewed as part of the comprehensive plan update. The initial LWSP was considered incomplete by the Council and a review letter was sent to the community dated July 31, 2019. Comments were also shared with the Minnesota Department of Natural Resources (DNR). An updated LWSP was received by the Council on October 8, 2019. The updated LWSP was considered complete by the Council, and a review letter was sent to the DNR on October 30, 2019.

Special Resource Protection

Solar Access Protection

Reviewer: Cameran Bailey, CD – Local Planning Assistance (651-602-1212) The Plan is consistent with statutory requirements (Minn. Stat. § 473.859) and Council policy regarding planning for the protection and development of access to direct sunlight for solar energy systems as required by the Metropolitan Land Planning Act (MLPA). The Plan includes the four required solar planning elements.

Aggregate Resource Protection

Reviewer: Cameran Bailey, CD – Local Planning Assistance (651-602-1212) The Plan is silent on the potential for aggregate mining in the City. The Council's aggregate resources inventory information contained in *Minnesota Geological Survey Information Circular 46* indicates there are no viable aggregate resource deposits available for extraction within the fully developed community.

Historic Preservation

Reviewer: Jake Reilly, CD – Local Planning Assistance (651-602-1822)

The Plan addresses historic and cultural resources as required by the Metropolitan Land Planning Act, in a section titled Historic and Cultural Preservation. The City currently has 31 properties or districts listed on the national register or on a local register of historic placest. The Plan indicates that the City has an interest in preserving representative portions of its history through its Heritage Preservation Board and existing partnerships with the State Historic Preservation Office (SHPO). That Plan also indicates that the City will continue to preserve historically significant areas in the City, including by adding properties and sites to the local, state, or national registers when appropriate.

Plan Implementation

Reviewer: Jake Reilly, CD – Local Planning Assistance (651-602-1822) The Plan includes a description of and schedule for any necessary changes to the capital improvement program, the zoning code, the subdivision code, the SSTS code, and the housing implementation program.

The Plan, with supplemental materials, describes the official controls and fiscal devices that the City will employ to implement the Plan. Specific implementation strategies are contained in individual chapters of the Plan, with capital improvements planning detailed in Appendix B.

Compatibility with Plans of Adjacent Governmental Units and Plans of Affected Special Districts and School Districts

The proposed Plan is compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

Documents Submitted for Review

In response to the 2015 System Statement, the City submitted the following documents for review:

- July 10, 2019: Wayzata 2040 Comprehensive Plan
- October 8, 2019: Local Water Supply Plan
- October 11, 2019: Revised Comprehensive Plan Responding to Council Incomplete Items for Wastewater, Parks and Trails, Transportation, Land Use, Forecasts, Housing, Surface Water Management, Water Supply, and Community Wastewater Treatment and Subsurface Sewage Treatment Systems.
- December 20, 2019: Revised Comprehensive Plan Responding to Council Incomplete Items for Wastewater, Land Use, and Housing.
- January 6, 2020: Updated Wastewater Information
- January 27, 2020: Revised Housing Chapter

Attachments

- Figure 1: Location Map with Regional Systems
- Figure 2: *Thrive MSP 2040* Community Designations
- Figure 3: Existing Land Use
- Figure 4: 2040 Planned Land Use
- Figure 5: Land Guided for Affordable Housing

Figure 1. Location Map with Regional Systems

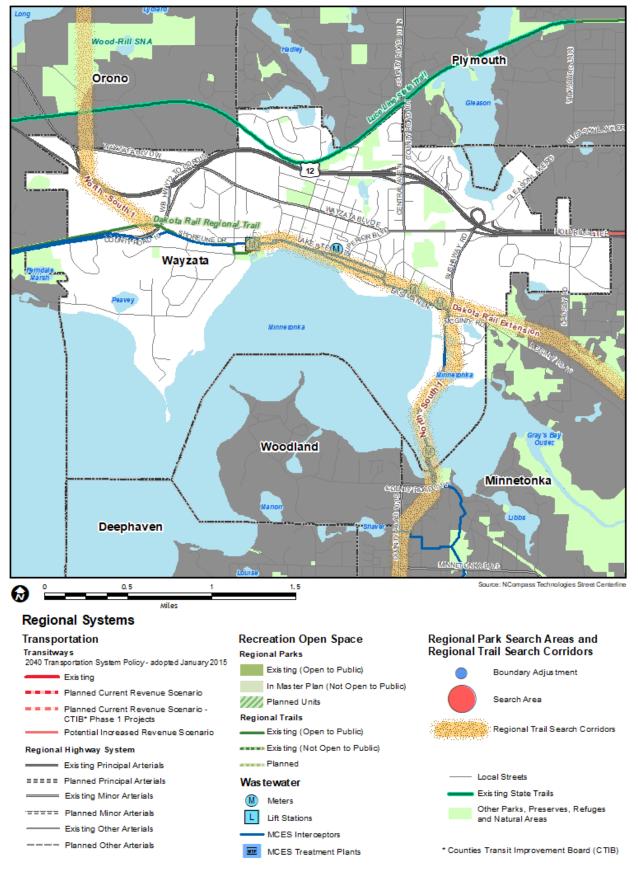
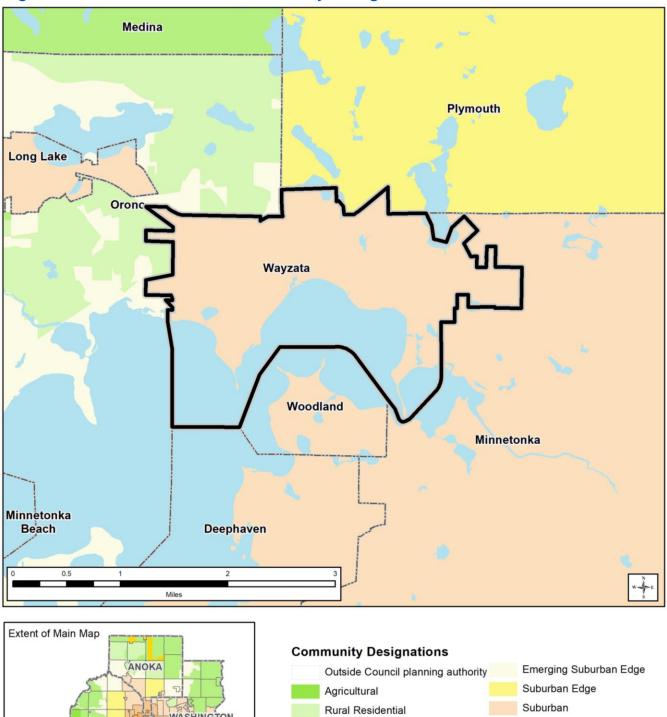


Figure 2. Thrive MSP 2040 Community Designations



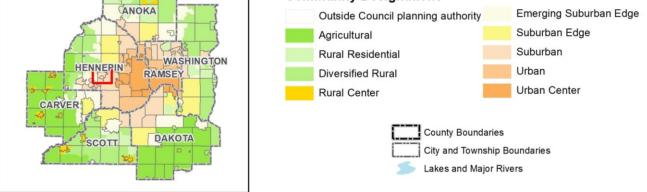


Figure 3. Existing Land Use

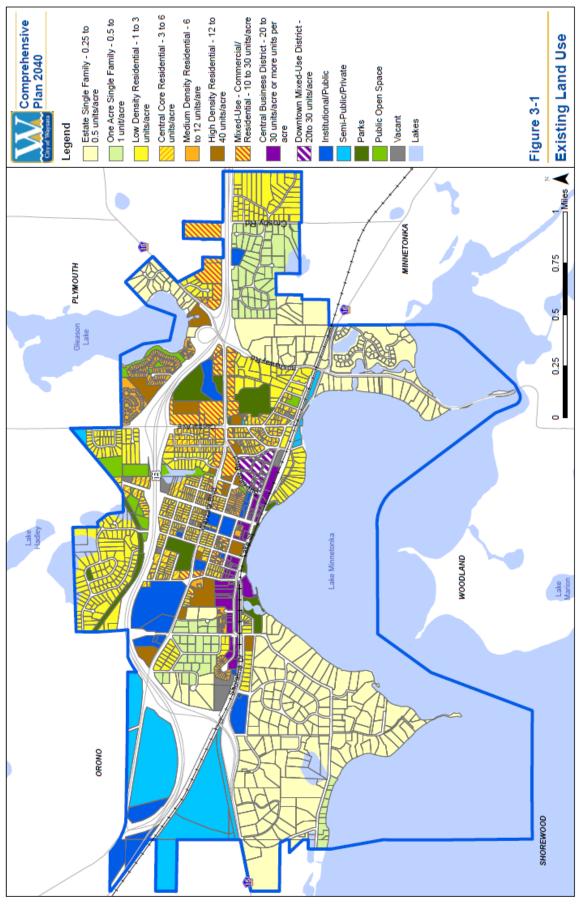


Figure 4. 2040 Planned Land Use

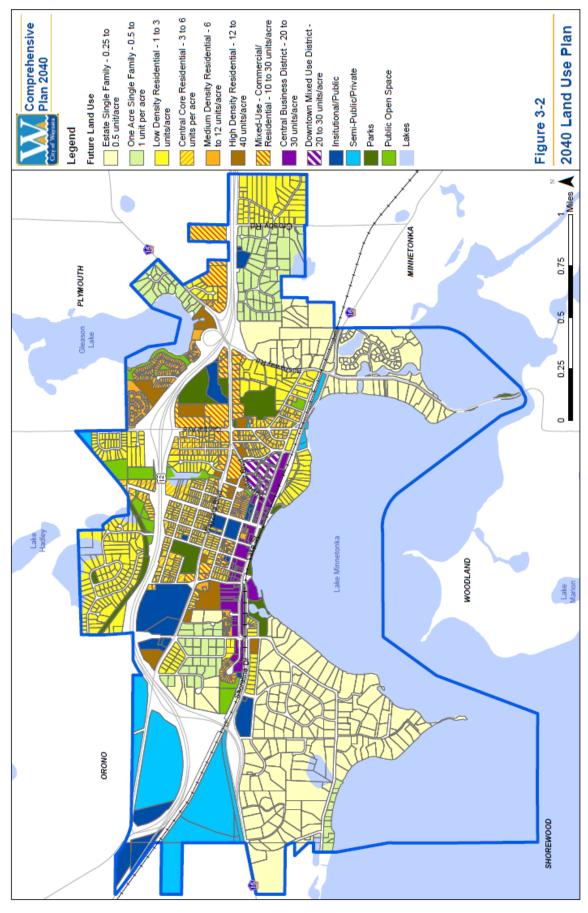


Figure 5. Land Guided for Affordable Housing

2021-2030 share of regional need for Affordable Housing:	42 units
2021-2030 total regional need for Affordable Housing:	37,900 units

	Available Acres	Minimum C Density (units per acre)	Expected % Residential (if mixed use)	Minimum = Units Possible
Mixed-Use commercial/ residential	40.00	10	50%	200
Central Buisiness District	8.00	20	40%	64
Total	48			264

Sufficient/(insufficient) units possible against share of regional need: 222

Affordable units built since 2021: old 0

Sufficient/(insufficient) units possible adjusted for affordable units built: 222

Number of Comp Plan Amendments approved since Comp Plan Update: old 0

