

Community Development Committee

Meeting date: November 2, 2020

For the Metropolitan Council meeting of November 18, 2020

Subject: City of Stillwater Planning Case 2020-21 Comprehensive Plan Amendment, Review File 22281-2

District(s), Member(s): District 12, Francisco Gonzalez

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

Division/Department: Community Development/ Regional Planning

Proposed Action

That the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

1. Authorize the City of Stillwater to place its comprehensive plan amendment into effect.
2. Revise the City's forecasts for households and population upward as shown in Table 1 in the Review Record.
3. Revise the affordable housing need allocation for the City to 303 units.
4. Find that the amendment renders the City's comprehensive plan inconsistent with the Council's housing policy and that the City is therefore ineligible to participate in Livable Communities Act programs.
5. Advise the City:
 - a. That to be consistent with Council housing policy, the City needs to increase the inventory of land guided to support the development of low- and moderate-income housing for the 2021-2030 decade by at least 14 units by guiding enough residential acres with sufficient minimum densities.
 - b. To implement the additional advisory comments in the Review Record for regional parks and housing.

Background

The City submitted the Stillwater Planning Case 2020-21 comprehensive plan amendment on September 3, 2020. The proposed amendment site was recently annexed into the City from Stillwater Township. The property is located south of TH 36, east of Manning Avenue North, north of 200th Street West, and west of the City of Oak Park Heights' municipal boundary. The amendment proposes to guide the 35.4 acres of newly annexed land as Highway Mixed Use, add this area to the Municipal Urban Service Area (MUSA), and adjust forecasts to respond to a development proposal.

The Council reviewed the Central Commons EAW (Review File 22436-2) was reviewed for this property and provided comments in a letter dated July 8, 2020. The Council identified and communicated the need for a comprehensive plan amendment in the EAW review. The proposed development includes construction of a grocery store, convenience store, retail

buildings, an apartment complex with about 200 units, and outlots. The project is proposed to be completed in multiple phases, starting in 2021 with the construction of a grocery store and convenience store. This is the City's first amendment to their 2040 Comprehensive Plan.

Rationale

The proposed amendment conforms to regional system plans, is consistent with Council policies with the exception of housing policies and is compatible with the plans of other local communities and school districts.

Thrive Lens Analysis

The proposed amendment 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 opposition.

REVIEW RECORD

City of Stillwater

Stillwater Planning Case 2020-21 Comprehensive Plan Amendment

Review File No. 22281-2, Business Item No. 2020-303

BACKGROUND

The City of Stillwater (City) is located in east central Washington County, bordered by Stillwater Township to the north, Grant to the west, Lake Elmo to the southwest, and Oak Park Heights to the south.

Thrive MSP 2040 (Thrive) designates Stillwater with a “Suburban” community designation. The Council forecasts from 2016 to 2040 that the City will grow from 19,915- to 22,800 population and 7,674 to 9,600 households. The Council also forecasts that between 2010 and 2040, the City’s employment will increase from 9,628 to 11,700 jobs.

The Metropolitan Council reviewed the City of Stillwater 2040 Comprehensive Plan ([Business Item 2019-256 JT](#), Review File No. 22281-1) on October 9, 2019. This is the first comprehensive plan amendment since the 2040 Plan was reviewed.

REQUEST SUMMARY

The City submitted the Stillwater Planning Case comprehensive plan amendment on September 3, 2020. The proposed amendment site was recently annexed into the City from Stillwater Township. The property is located south of TH 36, east of Manning Avenue North, north of 200th Street West, and west of the City of Oak Park Heights’ municipal boundary. The amendment proposes to guide the 35.4 acres of newly annexed land as Highway Mixed Use, to add this area to the MUSA, and to adjust forecasts to respond to a development proposal.

The Council reviewed the Central Commons EAW this property and provided comments in a letter dated July 8, 2020 (Review File 22436-2). The need for a comprehensive plan amendment was identified in the EAW review. The proposed development includes construction of a grocery store, convenience store, retail buildings, an apartment complex with about 200 units, and outlots. The project is proposed to be completed in multiple phases, starting in 2021 with the construction of a grocery store and convenience store. This is the City’s first amendment to their 2040 Comprehensive Plan.

OVERVIEW

Conformance with Regional Systems

The amendment conforms to the Regional System Plans for Parks, Transportation (including Aviation), and Wastewater, with no substantial impact on, or departure from, these plans.

Consistency with Council Policies

The amendment is consistent with the *Thrive MSP 2040*, with water resources management, and is consistent with Council forecasts as revised. The amendment is inconsistent with the *2040 Housing Policy Plan* and incorporates an increase in forecasts.

Compatibility with Plans of Adjacent Jurisdictions

The amendment will not have an impact on adjacent communities, school districts, or watershed districts, and is compatible with the plans of those districts.

PREVIOUS COUNCIL ACTIONS

- The Council acted on the City's 2040 Plan on October 9, 2019 ([Business Item 2019-256 JT](#); Review File No. 22281-1).
- The Council provided comments on the Central Commons Environmental Assessment Worksheet (EAW) for the property subject to the proposed amendment on July 8, 2020 (Review File No. 22436-2).

ISSUES

- I. Does the amendment conform to the regional system plans?
- II. Is the amendment consistent with *Thrive MSP 2040* and other Council policies?
- III. Does the amendment change the City's forecasts?
- IV. Is the amendment compatible with the plans of adjacent local governmental units and affected jurisdictions?

ISSUES ANALYSIS AND FINDINGS

Conformance with Regional Systems

The amendment conforms to the regional system plan for Regional Parks, Transportation, and Wastewater, with no substantial impact on, or departure from, these system plans.

Regional Parks

Reviewer: Colin Kelly, Community Development (CD) – Regional Parks (651-602-1361)

The proposed amendment conforms to the *2040 Regional Parks Policy Plan*. The comprehensive plan amendment acknowledges that the Regional Trail Search Corridor for the Lake Elmo Segment of the Central Greenway Regional Trail exists along the western edge of the annexation property. The amendment states that trail segments will be constructed within road improvement corridors to accommodate the Central Greenway Regional Trail.

Advisory Comments

Council staff urge the City to work with the future developer of the site and the Council in ensuring that the Central Greenway Regional Trail will continue to be built out.

Wastewater Service

Reviewer: Roger Janzig, Environmental Services (ES) – Engineering Programs (roger.janzig@metc.state.mn.us)

The amendment conforms to the *2040 Water Resources Policy Plan (WRPP)*. The amendment is being driven by the annexation of 35.4 acres of land to be guided Highway Mixed Use. The regional system has adequate capacity to serve the proposed development associated with this amendment.

Transportation

Reviewer: Russ Owen, Metropolitan Transportation Services (MTS) (651-602-1724)

The proposed amendment conforms to the *2040 Transportation Policy Plan (TPP)*. The amendment accurately responds to updates to the TPP.

Transit

Reviewer: Stephen Baisden, Metro Transit (MT) (612-349-7361)

The amendment is consistent with transit policies of the TPP. Metro Transit Route 294 offers the nearest peak period express service 2 miles east of the proposed development at the St. Croix Valley Recreation Center Park & Ride in Stillwater. Route 294 provides weekday-only peak period express service along Highway 36 and I-35E between downtown Stillwater and downtown St. Paul with two reverse commute trips to Stillwater in the AM peak and one reverse commute trip to downtown St. Paul in the PM peak. Metro Transit Route 270 also provides weekday-only peak period express service every 10-30 minutes between the Maplewood Mall Transit Center in Maplewood and downtown Minneapolis.

Residents of the future apartments will have the option to ride Route 294 at the St. Croix Valley Recreation Center Park & Ride. A “park-and-pool” lot on the north side of Highway 36 at Manning Avenue (CSAH 15) is owned and maintained by the Minnesota Department of Transportation.

The proposed mixed-use development will likely have no effect on the existing transit network given the current transit investments in the corridor now and the type of development proposed at this location within the amendment in the near term. However, the addition of the apartments in the future may have a marginal ridership impact on the existing fixed route transit network. This amendment area should not expect additional expansion of the existing transit network.

Consistency with Council Policy

The amendment is consistent with Council policies for forecasts, land use, sub-surface sewage treatment systems, and water supply. However, the amendment is inconsistent with Council’s 2040 Housing Policy Plan. Additional review comments are detailed below.

Forecasts

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

The City indicates that development plans for this previously unplanned and newly annexed site may include 110,000 square feet of commercial buildings, and an apartment complex with 200 units. The City proposes a forecast revision to reflect the expected development and council staff agree with that determination. Adjustments are needed to the communitywide and sewer-serviced forecasts, and the allocation for the part of Transportation Analysis Zone #2355 newly added to the City of Stillwater from Stillwater Township.

Council Staff will revise the forecasts for Stillwater, adding +200 households, +440 population, and +200 jobs to each of the 2030 and 2040 forecasts. These revisions are shown in Table 1 below (changes underlined).

Table 1. City of Stillwater Forecasts - Revised

	Census 2010	Estimated 2019	Current Forecast			Revised Forecast		
			2020	2030	2040	2020	2030	2040
Population	18,227	19,767	20,600	21,800	22,800	20,600	<u>22,240</u>	<u>23,240</u>
Households	7,076	7,703	8,400	9,000	9,600	8,400	<u>9,200</u>	<u>9,800</u>
Employment	9,628	9,759	10,700	11,300	11,700	10,700	<u>11,500</u>	<u>11,900</u>

Note: Metropolitan Council has rounded the City’s forecasts to the nearest 10.

With the proposed forecast revision, the current-decade Affordable Housing Need allocation for the City calculates to 155 units at <=30% AMI, 107 units at 31-50% AMI; 41 units at 51-80% AMI; 303 affordable units total.

The Council will approve the forecast revision and Affordable Housing Need assignment, simultaneous with action on the amendment.

Land Use

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

Thrive MSP 2040 designates the City as a Suburban community. The proposed amendment site was recently annexed into the City from Stillwater Township. The property is located south of TH 36, east of Manning Avenue North, north of 200th Street West, and west of the City of Oak Park Heights’ municipal boundary. The amendment proposes to guide the 35.4 acres of newly annexed land as Highway Mixed Use. Amendments are needed to the Future Land Use Map; growth assumptions for the City’s vacant and underdeveloped properties; extension of the MUSA boundary to include the property; and revision of the TAZ map and table to reflect the expected changes in population and employment.

The amendment guides this property as Highway Mixed Use. This land use category allows for a mix of residential (30%) and commercial uses (70%). Typical building size in this category ranges from 20,000 to 100,000 square feet and Floor Area Ratio ranges from 0.25 to 1.00. Buildings may range from 1 to 4 stories in height, and residential components may range from 12 to 25 units per acre; with increases allowable through the Planned Unit Development process. The Plan did not previously plan to accommodate future growth in this land use category; as such, this represents an additional category in Table 2 below.

As shown in Table 2 below, the proposed changes (underlined) reduces the overall community-wide average net density of residential development in the City from 7.0 to 6.6 units per acre. Suburban communities are expected to plan for overall minimum densities of 5-7 units per acre and the Plan, with the proposed amendment, continues to be consistent with the Council’s land use policies.

Table 2. Planned Residential Density, City of Stillwater

Category	Density		Net Acres	2020-2040 Change	
	Min	Max		Min Units	Max Units
Low Density Residential	1	4.4	4.1	4	18
Low/Medium Density Residential	5	9.7	65.4	327	635
Medium Density Residential	6	14.5	51.1	307	741
<u>Highway Mixed Use*</u>	12	25	<u>52.9</u>	<u>634</u>	<u>1322</u>
Downtown Mixed Use*	12	25	1.5	17	36
TOTALS			262	1146	2454
Overall Density				<u>6.6</u>	<u>15</u>

*30% residential

Housing

Reviewer: Ashleigh Johnson (651-602-1106)

The amendment is inconsistent with the Council’s *2040 Housing Policy Plan (HPP)* and hinders the City’s ability to implement the housing element of the 2040 Comprehensive Plan, adopted by the City on November 5, 2019. While the proposed amendment increases the City’s inventory of land guided for residential uses, the proposed population and households forecast change also increases the City’s

share of affordable housing need by 76 units (from 227 units to 303 total units). Of these 303 units, 262 must be affordable at 50 AMI or below, in areas with a minimum density of 12 units per acre. As a result of the amendment, the Plan is 14 units below this threshold which is inconsistent with Council housing policy. Note that although the total number of units possible exceeds the total share of the regional need, Stillwater chose to meet minimum planning requirements by guiding enough land at a minimum of 12 units per acre to meet the need for affordable housing at 50% of AMI and below in the 2021 -2030 decade.

Communities found inconsistent with the Council's *2040 Housing Policy Plan* may not participate in Livable Communities Act (LCA) grant programs. In order to guide enough land for affordable housing and be consistent with the Council's *2040 Housing Policy Plan*, the City can guide more land with a minimum of 12 units per acre or raise the minimum density of an existing land use.

To address its share of the region's 2021-2030 need for affordable housing, the City needs to increase the minimum units possible by 14 units (see Figure 4). This can be accomplished by guiding enough residential acres with sufficient minimum densities. City staff and Council staff have met and discussed housing policy consistency. City staff have indicated that they are considering a future amendment to meet the City's need for affordable housing. Council staff will continue to assist the City as they consider alternative land use and density scenarios for housing policy consistency.

Advisory Comments

Council staff strongly encourage the City to guide land at densities sufficient to support the development of housing to meets its affordable housing need allocation. To be consistent with Council housing policy, the City needs to increase the inventory of land guided to support the development of low- and moderate-income housing for the 2021-2030 decade by at least 14 units by guiding enough residential acres with sufficient minimum densities.

Please be advised that communities inconsistent with the Council's HPP are not eligible to participate in Livable Communities Act (LCA) grant programs. The City is currently enrolled in LCA and has been awarded funding for past projects. The City has received more than \$680,000 dollars since they first applied for funding in 1996.

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

The proposed amendment 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.

ATTACHMENTS

- Figure 1: Location Map Showing Regional Systems
- Figure 2: Location Map Showing Community Designations
- Figure 3: Current and Proposed Land Use Guiding
- Figure 4: Land Guided for Affordable Housing

Figure 1: Location Map Showing Regional Systems

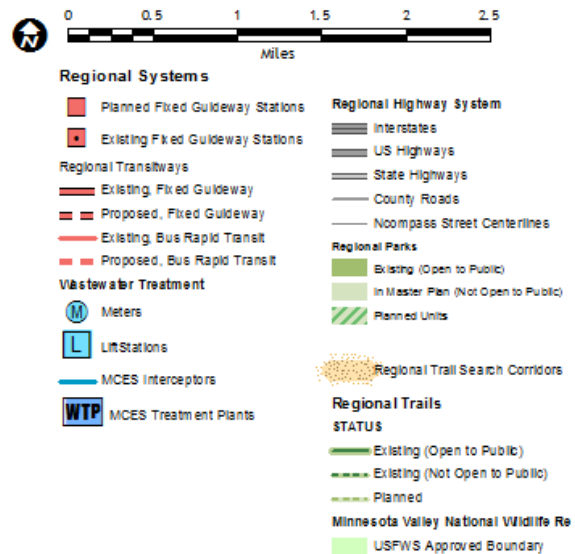
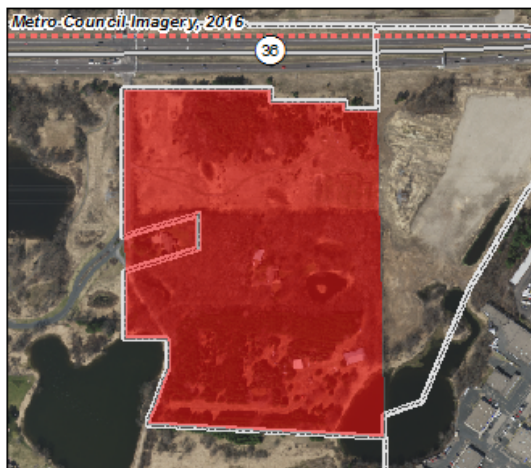
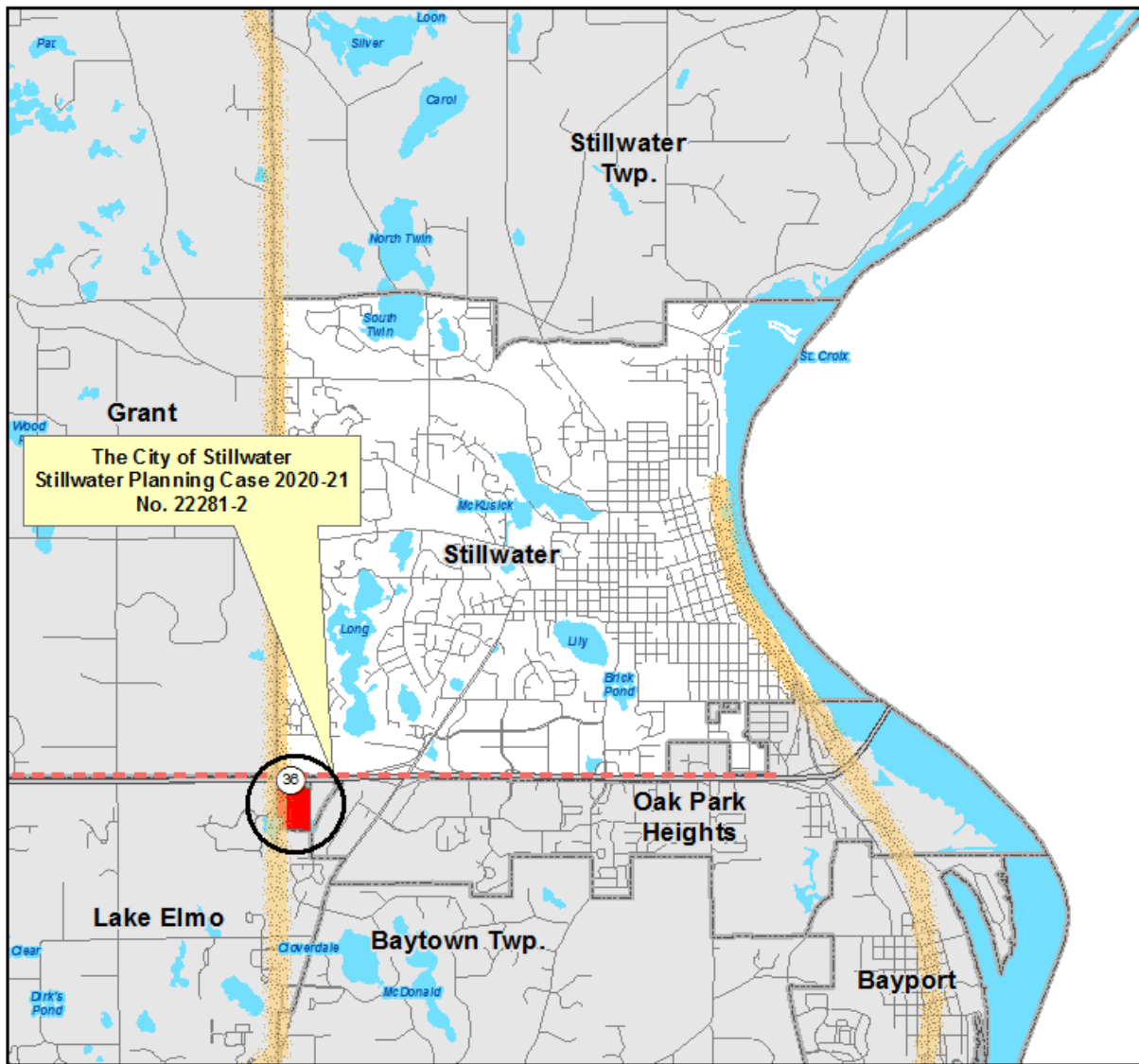
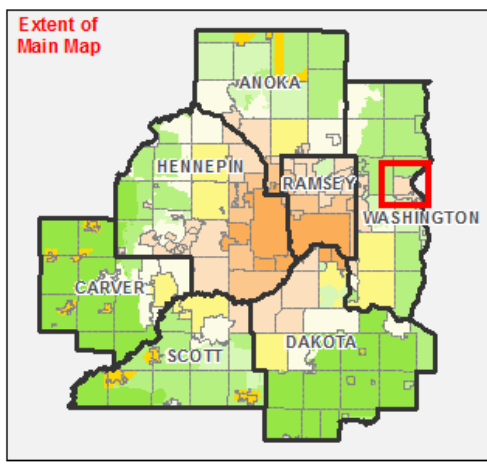
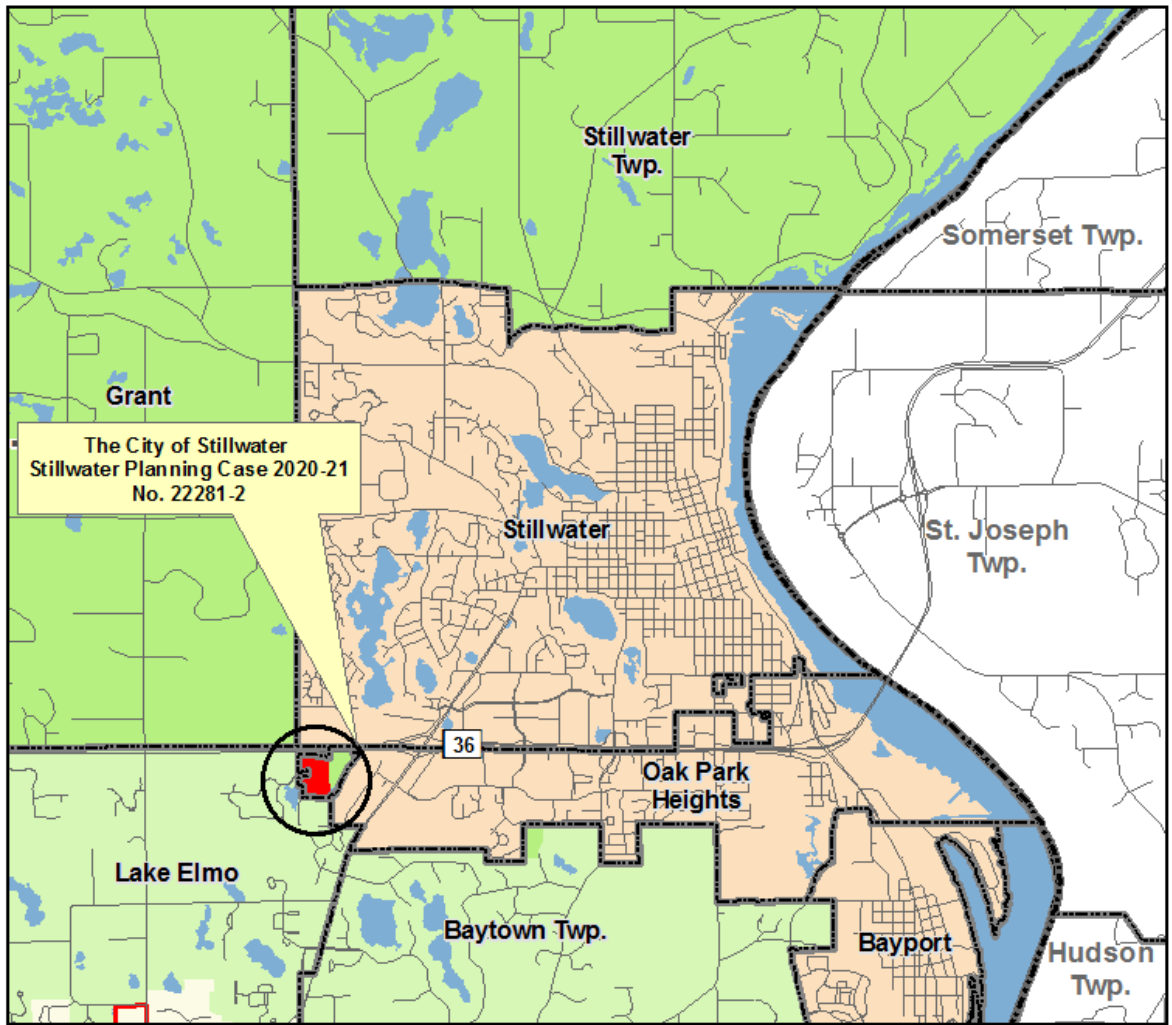


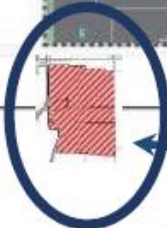
Figure 2: Location Map Showing Community Designations



- ThriveMSP 2040 Community Designations**
- Agricultural
 - Rural Residential
 - Diversified Rural
 - Rural Center
 - Emerging Suburban Edge
 - Suburban Edge
 - Suburban
 - Urban
 - Urban Center
 - Ncompass Street Centerlines

Figure 3: Proposed Land Use Guiding

Proposed Future Land Use Map



HMU property being added



Future Land Use Plan

- City Limit
- Future Land Use**
- Very Low Density Residential
- Low Density Residential
- Low/Medium Density Residential
- Medium Density Residential
- High Density Residential
- Neighborhood Commercial
- Community Commercial
- Downtown Mixed Use
- Business Park/Industrial
- Highway Mixed Use
- Institutional
- Research, Development Park
- Park, Rec or Open Space
- Marina
- Wetland
- Open Water
- ROW



Figure 4: Land Guided for Affordable Housing 2021-2030

2021-2030 share of regional need for Affordable Housing at 50% AMI and Below:	262 units
2021-2030 share of regional need for Affordable Housing between 51 to 80% AMI:	41 units
TOTAL 2021-2030 share of regional need for Affordable Housing:	303 units
2021-2030 total regional need for Affordable Housing:	37,900 units

	Available Acres	X	Minimum Density <i>(units per acre)</i>	X	Expected % Residential <i>(if mixed use)</i>	=	Minimum Units Possible
Downtown Mixed Use	4.84		25		30%		37
Highway Mixed Use	58.46		12		30%		211
Medium Density Residential	16.15		6		100%		97
Total	79.45						345

Sufficient/(insufficient) units affordable at 50% AMI and below possible in areas with ≥12 units per acre minimum against share of regional need: **-14**

Sufficient/(insufficient) total units affordable between 51 to 80% AMI possible in areas with ≥6 units per acre minimum possible against share of regional need: **56**

Sufficient/(insufficient) total units possible against share of regional need: **42**

Affordable units built since 2021: **0**

Sufficient/(insufficient) units possible adjusted for affordable units built: **42**

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

