Community Development Committee

Meeting date: October 19, 2020

Environment Committee

Meeting date: October 27, 2020

For the Metropolitan Council meeting of November 4, 2020

Subject: City of Loretto 2040 Comprehensive Plan and Comprehensive Sewer Plan, Review File 21804-1

District(s), Member(s): District 1, Judy Johnson

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

| Staff Prepared/Presented: | Freya Thamman, Planning Analyst (651-602-1750) 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 Loretto to place its 2040 Comprehensive Plan into effect.
- 2. Advise the City to:
 - a. When available, provide to the Council the date the Watershed Commission approved the Local Water Management Plan and the date the City adopted the final Local Water Management Plan.
 - b. Implement the advisory comments in the Review Record for forecasts, land use, and water supply.

Recommendation of the Environment Committee

- 1. Approve the City of Loretto's Comprehensive Sewer Plan.
- 2. Strongly encourage the City to develop and implement an I/I mitigation plan to reduce the future risk of work plan assignments by the Council when the use of the storage ponds is no longer available for peak flow attenuation.
- 3. Advise the City to revise its City Code Section 412.35 to require the disconnection of existing, non-compliant clearwater connection sources once they are identified.



Advisory Comments

The following Advisory Comments are part of the Council action authorizing the City of Loretto 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 Loretto is located in west-central Hennepin County. It is completely surrounded by the City of Medina.

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 | |
| 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

The Metropolitan Council awarded the City a Planning Assistance Grant of \$10,000 to complete its 2040 comprehensive plan. The first half of this grant was paid to initiate the local planning process. The

second half of the grant will be paid after Council authorization of the City's plan, local adoption, and the City's submittal of final reporting requirements.

Known Support / Opposition

There is no known local opposition to the 2040 comprehensive plan.

REVIEW RECORD

City of Loretto 2040 Comprehensive Plan

Review File No. 21804-1, Business Item No. 2020-263 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 Loretto, for which the Plan accurately describes the Regional Parks System components. Regional Trails located within the City include the Lake Independence Regional Trail (Figure 1). There are no State or Federal recreation lands in 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) adopted in 2015. It 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. The Plan is compatible with the plans of adjacent and affected governmental units.

Roadways

The Plan conforms to the Roadways system element of the TPP. The Plan accurately accounts for the metropolitan highway system of principal arterials.

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. Forecasting 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 V.

The Plan is consistent with the policies of the Transit system element of the TPP. The Plan acknowledges that the City is not within the Transit Capital Levy District and that the only transit services provided in this type of community are Transit Link dial-a-ride service and various ridesharing services.



Aviation

The Plan conforms to Aviation system element of the TPP. The Plan includes policies that protect regional airspace from obstructions.

Bicycling and Walking

The Plan is consistent with the Bicycle 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.

Freight

The Plan is consistent with Freight policies of the TPP. The Plan identifies the needs of freight movement in and through the community.

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 Metropolitan Council's city-wide forecast totals for all forecast years.

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 assigned forecasts for population, households, and employment.

Current wastewater treatment services are provided by the City at a wastewater treatment facility (WWTF) owned and operated by the City. Consistent with the WRPP policy on serving the urban area (p. 35), in a March 13, 2018 letter, the City stated its intent to formally request regional wastewater services in it's 2040 Comprehensive Plan. The City's 2040 Plan includes the formal request for regional wastewater service and states that this service would become effective by December 31, 2020. Since direct regional interceptor service is not currently available to the City, interim service will occur through a connection to a local wastewater collection system in Independence and Medina until direct regional service is provided around 2040. However, due to a lack of secured funding through a State Bonding Bill during the 2020 legislative session that the City was relying on, the City's project connecting Loretto to the regional wastewater system has been delayed. The City has completed the design of its improvements and is waiting for the funding before bidding the project. It is expected that the connection will now be completed, and service established, in 2021.

The Plan projects that the City will have 300 sewered households, reflecting a growth of 20 homes, and 370 total sewered employees by 2040. Minor improvements to MCES lift station L63, to accommodate service to Loretto are currently being planned. The Metropolitan Disposal System with the aforementioned improvements will have adequate capacity to serve the City and its additional forecasted growth.

The Plan provides a 2040 sanitary flow projection based on an increase of 10 percent over existing flow. This acknowledges the fact that the Plan projects an increase of only 20 households in the next 20-years. The rationale for the projection is determined appropriate for planning local services. However, 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 City's goals, policies, and strategies for preventing and reducing excessive inflow and infiltration (I/I) in the local municipal (city) sanitary sewer system and includes a summary of activities and programs intended to mitigate I/I in the public collection system including inspection, evaluation, and mitigation. The Plan included an I/I study report dated December 2011. It identifies suggested investigative activities and a summary of work that was being done at that time. However, the Plan does not summarize what follow-up to the report recommendations were completed. The Plan states that the entire collection system (public) was recently televised and references a few pipe and manhole rehabilitation projects.

The City's decommission plan for its WWTF when connection to the regional wastewater system is made will rely on utilizing one or both of its treatment ponds for peak flow storage during wet weather events. This will allow the City to store flow during high flow conditions, and discharge back into the system during low conditions, thus keeping peak excess I/I from entering the regional system. This will keep peak flow discharges from the City below the maximum threshold as defined under the Council's Regional I/I Mitigation Program. However, long term, once regional interceptor service is extended to the City, it is anticipated that the storage pond(s) will be decommissioned thus eliminating the opportunity to attenuate peak flow from entering the system. It is likely that if no I/I mitigation activities are undertaken prior to the decommissioning of the pond(s), peak flow from the City will exceed the maximum limit and the City will be assigned I/I mitigation work plan(s) under the Council's program. The City is strongly encouraged to develop and implement an I/I mitigation plan to reduce the future risk of work plan assignments by the Council once the storage ponds are decommissioned.

The Plan describes the requirements and standards for minimizing I/I and references City Code (Section 412:35) stating that it is unlawful to discharge any storm water from roofs, paved areas, yards, courtyards, area drains, or subsoil drains into the sanitary sewer system. The Code does not require the disconnection of existing, non-compliant clearwater connection sources once identified. It is advised that the City should revise its code to require such connections be disconnected if discovered.

The Plan describes the sources, extent, and significance of existing I/I within the entire City wastewater collection system and provides a description of an implementation plan for preventing and eliminating excessive I/I from entering the public collection system. The Plan states that approximately 28% of the total residential households within the City was built prior to 1970 when the use of clay tile services was common. The significance of clay tile pipe is that as it ages, it can become more susceptible to I/I. Using winter water use and actual wastewater flow data between 2013 and 2017, the Plan suggests that the City's average annual I/I can be up to 6%, and that peak month I/I (2014) was approximately 84% I/I.

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.

Advisory Comments

• The City is strongly encouraged to develop and implement an I/I mitigation plan to reduce the future risk of work plan assignments by the Council when the use of the storage ponds is no longer being utilized for peak flow attenuation. It is anticipated that the ponds will be decommissioned in the future when direct regional interceptor service is provided to the City (2040).

• City Code Section 412:35 does not require the disconnection of existing, non-compliant clearwater connection sources once they are identified. It is advised that the City revise its code to require such connections be disconnected if discovered.

Surface Water Management

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

The Plan is consistent with Council policy requirements and conforms to the Council's 2040 Water Resources Policy Plan for local surface water management. The Plan satisfies the requirements for 2040 comprehensive plans. Loretto is located within the oversight boundaries of the Pioneer-Sarah Creek Watershed Management Commission. Loretto submitted a draft Local Water Management Plan (LWMP) to the Council in January 2017. Council staff reviewed and commented on the draft LWMP to the City and Watershed in a letter dated February 17, 2017. Loretto adequately responded to Council comments. The Plan incorporates the City's final LWMP in Appendix D that was reviewed by the Watershed and Council.

Advisory Comments

When available, we request that the City provide to the Council the date the Watershed Commission approved the LWMP and the date the City adopted the final LWMP.

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: Paul Hanson , CD – Research (651-602-1642) The Plan includes the Metropolitan Council forecast for the City shown below in Table 1 for reference.

| | Census | Estimated | ted Council Forecasts | | |
|------------|--------|-----------|-----------------------|------|------|
| | 2010 | 2017 | 2020 | 2030 | 2040 |
| Population | 650 | 656 | 650 | 680 | 700 |
| Households | 269 | 267 | 280 | 290 | 300 |
| Employment | 366 | 278 | 370 | 370 | 370 |

Table 1. City of Loretto Forecasts

All forecast tables throughout the Plan are consistent. The inventory and capacity of Loretto's land supply for 2040 accommodates their forecasted growth.

Advisory Comments

The Council views the employment forecasts for the City to be stable over the next 20 years. However, if the City feels that the observed decreases in City employment since 2010 is a valid and a continued trend, they may wish to consider an official change in the employment forecast.

Thrive MSP 2040 and Land Use

Reviewer: Freya Thamman, CD – Local Planning Assistance (651-602-1750)

The Plan is consistent with *Thrive MSP 2040* and its land use policies. The Plan acknowledges the Thrive community designation of Suburban (Figure 2). Thrive describes Suburban communities as those that experienced significant development during the 1980s and early 1990s.

Suburban communities are expected to plan for forecasted population and household growth at overall average densities of at least five units per acre. Suburban communities 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 City is a small community of approximately 165 gross acres. It was founded by German and Dutch immigrants as a Soo Line railway village. The City is largely fully developed. The existing land uses in Loretto are predominately single-family residential (46.4%), parks and recreation (15.2%), industrial (8.2%), commercial (7.6%), institutional (6%), multifamily residential (5.4%). It also includes small areas that are mixed use, agricultural, railway, utility, and undeveloped (Figure 3).

The 2030 Plan and its policies provided the base for the 2040 future land uses. The 2040 Plan increased the minimum density for Mixed Use (5-15 units/acre) and Multi-Family Residential (5-12 units/acre) to 5 units/acre. The Plan indicates that most of the forecasted household growth during the planning period is anticipated to occur as redevelopment within the area guided Mixed Use (Figure 4). The Plan indicates that higher densities in this category will be encouraged. Most of the proposed mixed use and commercial areas are along or near County Road 19.

As shown in Table 2 below, the Plan is consistent with Thrive for land use and residential density policies for a Suburban community designation. The City's net residential density is 5 to 15 units per acres.

| | 2020 2040 Onange | | | | | |
|---|------------------|--------|-------|-----------|-----------|--|
| | Density | | Net | Min Unite | Max Units | |
| Category | Min | Мах | Acres | | | |
| Mixed Use* | 5 | 15 | 4 | 20 | 59 | |
| | | TOTALS | 4 | 20 | 59 | |
| *60% residential has been applied (6.61 net acres). | Overall Density | | | 5.0 | 15.0 | |

2020 - 2040 Change

Table 2. Planned Residential Density, City of Loretto

Advisory Comments

The City is reminded that any supplemental information submitted during the review period needs to be included in the Final Comprehensive Plan submittal.

Housing

Reviewer: Hilary Lovelace, CD – Housing (651-602-1555)

The Plan is consistent with the 2040 Housing Policy Plan. As of 2016, the City has about 280 homes including 70 multi-family units and more than 200 single-family homes. Approximately 75 homes are rented. More than 180 housing units are currently affordable to households earning under 80% of Area Median Income (AMI), however, 70 households earning 80% of AMI or below are paying more than 30% of their income toward housing costs. There are 22 units affordable to households with income at or below 30% AMI and 30 cost burdened households with incomes at or below 30% AMI.

The Plan identifies an existing housing need of maintenance and reinvestment in existing housing stock. The City has 12 publicly subsidized housing, all of which are age-restricted for older adults.

The Plan acknowledges the 2021-2030 affordable housing need allocation of 3 units; 2 of which are needed at prices affordable to households earning 30% of AMI or less, and 1 of which is needed at prices affordable to households earning between 51 and 80% of AMI. Loretto has come up with a specific plan they will consider to build three units, including encouraging acceptance of project-based or housing choice vouchers, application to outside funding sources like Livable Communities Act funds or Hennepin County funds, and working with West Hennepin Community Land Trust.

The housing implementation plan component of the Plan describes that the City will consider tools for maintenance and reinvestment, including partnership with the Minnesota Fix Up Fund and Minnesota Housing. The Plan also indicates that the City will consider other widely available tools as needs change, but note their low capacity as a small community.

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.

Because the City has a municipal public water supply system, the Local Water Supply Plan (LWSP) is included as part of the 2040 Plan. The City prepared a LWSP that was submitted on December 26, 2018. The initial LWSP was considered incomplete by the Council and comments were shared with the Department of Natural Resources (DNR) in a letter dated January 10, 2019.

The Council also asked the City to submit the LWSP to the DNR using the MPARS system; the Council received a copy of this submittal on November 5, 2019. The DNR reviewed the LWSP and sent a letter to the City on January 29, 2019 asking for revisions (including the Council's January 10, 2019 comments).

The City revised the LWSP on March 20, 2020; this document was received by the Council on May 28, 2020. The revised LWSP addressed the Council's concerns and is generally 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.

Advisory Comments

If changes are made to the LWSP resulting from DNR's review or from changes during a comprehensive plan amendment, the City will need to provide the Council and DNR with the updated information.

Community and Subsurface Sewage Treatment Systems (SSTS)

Reviewer: Kyle Colvin, ES – Engineering Programs (651-602-1151)

The City is fully served by the local sanitary sewer collection system and currently does not have any SSTS or private wastewater treatment systems within its jurisdiction. The Plan cites City Code Section 413:45, Subd. 2.(a)(3) that requires that a permit be acquired prior to the construction of any SSTS, and that the conditions of any permit would require that the provisions of Rule 7080 of the Minnesota Pollution Control Agency be met. The Plan also states that the City does not expect that any private or community SSTS will be proposed or built within the City.

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 required solar planning elements.

Aggregate Resource Protection

Reviewer: Cameran Bailey, CD – Local Planning Assistance (651-602-1212)

Consistent with Council's aggregate resources inventory information contained in *Minnesota Geological Survey Information Circular 46,* the Plan indicates that there are no viable aggregate resource deposits within the community.

Historic Preservation

Reviewer: Freya Thamman, CD – Local Planning Assistance (651-602-1750)

The Plan addresses historic resources as required by the MLPA. The Plan indicates there are a limited number of locally important sites in the City. The Plan indicates that the City recognizes the importance of safeguarding the heritage of the City and promoting the use of historic sites and structures for education and general welfare of Loretto residents. The Plan also includes a goal to preserve and utilize Loretto's aesthetic and historical character to contribute to a high quality of life in the City.

Plan Implementation

Reviewer: Freya Thamman, CD – Local Planning Assistance (651-602-1750) The Plan includes a description of the zoning, subdivision, SSTS codes, and the housing implementation program. The Plan describes official controls and fiscal devices that the City will employ to implement the Plan and meets requirements for a capital improvement plan.

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:

- April 2, 2018: Loretto Preliminary 2040 Comprehensive Plan
- December 26, 2018: Loretto 2040 Comprehensive Plan
- November 5, 2019: Local Water Supply Plan
- May 28, 2020: Updated Local Water Supply Plan
- August 24, 2020: Revised Comprehensive Plan Responding to Council Incomplete Items for Wastewater, Water Supply, Parks and Trails, Land Use, Housing, Implementation, and Subsurface Sewage Treatment Systems (SSTS).
- September 2, 2020: Updated Regional Trail Name
- September 11, 2020: Updated Chapter Titles and Quad-City Agreement

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



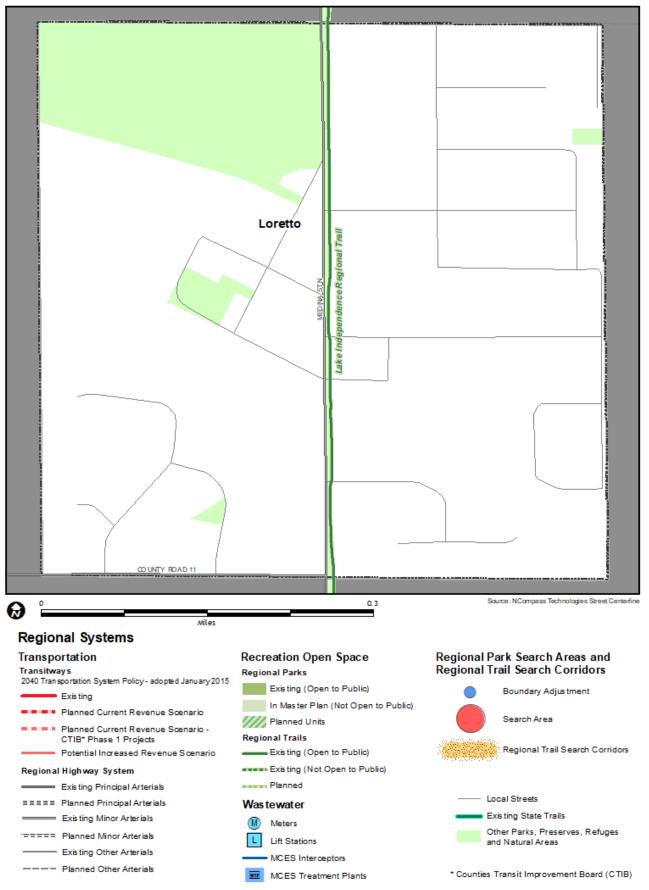
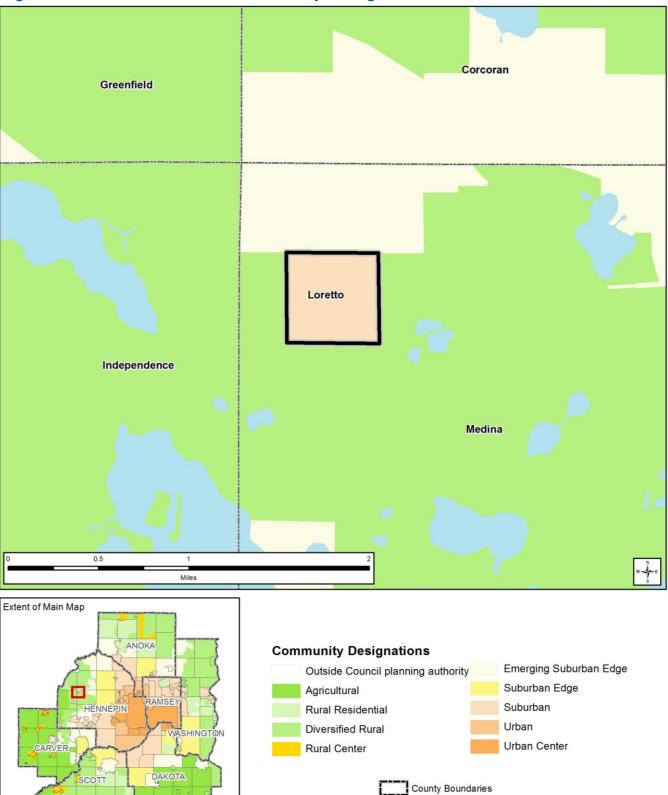


Figure 2. Thrive MSP 2040 Community Designations



City and Township Boundaries Lakes and Major Rivers





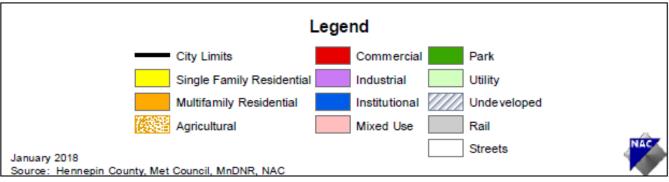


Figure 4. 2040 Planned Land Use

