Community Development Committee
Meeting date: January 18, 2022

For the Metropolitan Council meeting of January 26, 2022

| Subject: | City of Dellwood 2040 Comprehensive Plan, Review File 22383-1 |
| District(s), Member(s): | District 12, Francisco J. Gonzalez |
| Policy/Legal Reference: | Metropolitan Land Planning Act (Minn. Stat. § 473.175) |
| 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 Review Record and take the following actions:

1. Authorize the City of Dellwood to place its 2040 Comprehensive Plan into effect.
2. Revise the City’s forecasts downward as shown in Table 1 of the attached Review Record.
Advisory Comments
The following Advisory Comments are part of the Council action authorizing the City of Dellwood 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. § 473.864, subd. 1)
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).
Background
The City of Dellwood is located along the western border of Washington County. It is surrounded by the communities of Grant, Mahtomedi, and White Bear Township.

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).

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

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

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.
REVIEW RECORD

City of Dellwood 2040 Comprehensive Plan

Review File No. 22383-1, Business Item No. 2020-3

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) for the Regional Parks System element. Washington County is the Park Implementing Agency for Regional Parks System components in the City of Dellwood, for which the Plan accurately describes the Regional Parks System components. Regional Trails located within the City include the planned Lake Links Regional Trail (Figure 1). There are no State or Federal recreation lands in the City.

Regional Transportation, Transit, and Aviation

Transportation
Reviewer: Russ Owen, Metropolitan Transportation Services (MTS) (651-602-1724)
The Plan conforms to the 2040 Transportation Policy Plan (TPP). It accurately reflects transportation system components of the TPP and is 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 highway system element of the TPP. The City is primarily composed of local streets. There are no principal arterial roadways and the closest A-Minors are Highway 96 and 244. 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 community’s roadways, including existing and future functional class, right-of-way preservation needs, and existing and forecasted traffic volumes for A-minor arterials. Forecasting was done consistent with regional methodology.

Transit
The Plan acknowledges the city is within Transit Market Area V. The Plan reflects that low population and employment densities make it difficult to provide fixed route transit service. The Plan also states that Metro Mobility and dial-a-ride services are available to residents.

Aviation
The Plan conforms to Aviation system element of the TPP. The closest public airport is Lake Elmo Airport and has no impact on the city. The Plan
acknowledges the airport and seaplane bases around the airport. The City has a height ordinance in effect to protect the airspace against obstructions.

**Bicycling and Walking**
The Plan is consistent with the Bicycling and Pedestrian chapter of the TPP. The Plan maps out the RBTN Tier 2 corridor in the community. The Plan identifies city and private pathways within the city as well as existing and planned regional trails.

**Freight**
The Plan is consistent with Freight policies of the TPP. The city has minimal freight issues and no freight corridors that traverse the city. There is one active rail line that is within the city boundaries and is operated by Canadian Pacific. There are no land uses within the city that generate freight.

**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 community’s Thrive designation.

**Water Resources**

**Wastewater Service**

Reviewer: Kyle Colvin, Environmental Services (ES) – Wastewater Planning and Community Programs (651-602-1151)
The Plan conforms to the 2040 Water Resources Policy Plan (WRPP). The City has no municipal sanitary sewer system. However, the Plan references that two properties are provided wastewater service by adjacent communities. The Plan cites one of those communities being the Town of White Bear. The other community is not named, however, in reviewing the Sewer and Water Systems figure on page 57 of the Plan, it appears that the other community that provides wastewater service is Mahtomedi.

Outside of the few properties provided wastewater service through adjoining community connections, the City’s Plan does not propose construction of a local wastewater collection system, nor requests connection to the Regional Wastewater Disposal system within the 20-year planning period. Therefore, the City is not required to submit for approval a Tier II Comprehensive Sanitary Sewer Plan.

**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 WRPP for local surface water management. The Plan satisfies the requirements for 2040 comprehensive plans. Dellwood lies within the oversight boundaries of the Rice Creek Watershed District. Dellwood submitted a draft Local Water Management Plan (LWMP) update for review on January 12, 2018. Council staff reviewed and commented on the draft LWMP to the City and Watershed in a letter dated February 2, 2018. The City submitted a final revised LWMP with their Plan on November 20, 2019. The LWMP was approved by the Rice Creek Watershed District on April 10, 2019 and adopted by the City on July 9, 2019. The Plan incorporates the City’s final LWMP in the Water Resources Chapter.

**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 is consistent with regional policy. City and Council staff discussed the Dellwood forecast in 2019. In response to the City’s concern of limited growth potential and land supply, we have mutually agreed to a reduced population and households forecast. The Dellwood forecast will be revised as shown in Table 1 below with changes underlined.

Table 1. City of Dellwood Forecasts

<table>
<thead>
<tr>
<th></th>
<th>Census 2010</th>
<th>Census 2020</th>
<th>Council Forecasts</th>
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<tbody>
<tr>
<td>Population</td>
<td>1,065</td>
<td>1,171</td>
<td>1,110</td>
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<tr>
<td></td>
<td></td>
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<td>1,130</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>1,150</td>
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<tr>
<td>Households</td>
<td>373</td>
<td>391</td>
<td>400</td>
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<td></td>
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<td>410</td>
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<td></td>
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<td>420</td>
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<tr>
<td>Employment</td>
<td>277</td>
<td>238</td>
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<td>330</td>
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</tbody>
</table>

The revised forecast appears on page 10 of the Plan.

Council staff will revise the Dellwood forecast, simultaneous with action on the Plan. The Affordable Housing Need assignment for Dellwood remains zero as the city does not have urban services.

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 Diversified Rural (Figure 2), which are described as communities as home to a variety of farm and nonfarm land uses including very large-lot residential, clustered housing, hobby farms and agricultural uses. Diversified Rural communities are expected to plan for growth not to exceed forecasts and in patterns that do not exceed 4 units per 40 acres. In addition, Diversified Rural communities are expected to manage land uses to prevent the premature demand for extension of urban services, and so that existing service levels will meet service needs.

The existing land uses within the City are restricted to single-family residential, private recreation (two private country clubs), and agricultural (one commercial apple orchard and one farm winery). Dellwood does not use a density standard in its planning but maintains low density by requiring minimum lot sizes. The City’s historic development pattern consists of both 5-acre and 2.5-acre lots, which is carried forward from previous decennial comprehensive plans through 2040. Page 17 of the Plan confirms that the City of Dellwood will plan for subdivisions of existing lots or changes to residential land uses at not more than 4 units per 40 acres/1 unit per 10 acres, to remain consistent with the Diversified Rural density requirements.

The primary land use in the City of Dellwood is single-family residential. Dellwood is considered a fully developed rural community with limited ability to increase densities, in part due to the city’s reliance on SSTS for wastewater treatment. The City uses a “Planned Residential Development” process in order to ensure new development/redevelopment preserves suitable soils and environmental conditions and to maintain existing surface water drainage patterns, which is in keeping with the intent of Thrive Land Use policies.

Housing
Reviewer: Hilary Lovelace, CD – Housing (651-602-1555)
The Plan is consistent with the 2040 Housing Policy Plan (HPP). As of 2016, the City has more than 400 homes including 4 multifamily units and more than 400 single-family homes. Approximately 13 homes are rented. More than 10 housing units are currently affordable to households earning under 80% of Area Median Income (AMI), however, about 20 households earning 80% of AMI or below are paying more than 30% of their income toward housing costs. There are about 10 units affordable to
households with income at or below 30% AMI and about 6 cost burdened households with incomes at or below 30% AMI.

The Plan identifies existing housing needs including encouraging production of high-quality housing, maintaining and improving existing housing stock, and promoting new homeownership opportunities. The City does not currently have any publicly subsidized housing.

The City does not have an allocation of affordable housing need in the 2021-2030 decade, as it is not expected to experience any sewer-serviced growth.

The housing implementation plan component of the Plan describes that the City will consider participation in the Livable Communities Act programs and partnership with Two Rivers Land Trust. The Plan also indicates that the City will consider rental housing registration. The City states that they will partner with Washington County to meet many of their housing needs, including homeowner counseling and homebuyer education.

**Water Supply**
*Reviewer: Brian Davis, ES – Water Supply Planning (651-602-1519)*

The Plan is consistent with Council policy requirements and in conformance 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 community relies primarily on private wells and does not own/operate a municipal community public water supply system (PWS), no local water supply plan is required.

**Community and Subsurface Sewage Treatment Systems (SSTS)**
*Reviewer: Kyle Colvin, ES – Engineering Programs (651-602-1151)*

The Plan indicates that there are approximately 360 SSTS in operation serving residences in the community. The Plan also states there are to two communal wastewater treatment systems in the City. One is referred to as the Peninsula System located in the southwestern area of the City, and the other is referred to as the Greens of Dellwood system, located in the northwestern area of the City. The Peninsula System is a private communal system currently serving two residential properties with the potential to serve additional lots. The Greens of Dellwood is a community system that currently serves 9 residential properties with the potential to expand to serve eleven lots.

All SSTS in the City are inspected annually by City staff for operational integrity and maintenance needs. City SSTS Ordinance Title V, Chapter 51 and the City’s maintenance management program are consistent with MPCA Chapter 7080 - 7083 Rule and Council WRPP requirements.

**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)*

The Plan includes the required aggregate resources planning elements. The Plan identifies, consistent with the Council’s aggregate resources inventory information contained in *Minnesota Geological Survey Information Circular 46*, that there are historic aggregate resource deposits and one inactive gravel pit.
within the City. It is unlikely that there will be any future mining within the City, as it is nearly fully developed.

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

The Plan includes a statement that there are no structures or other physical features that are listed locally, with the State or National Registers and includes language regarding protection of historic sites.

**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 the appendix.

**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:

- November 20, 2019: City of Dellwood 2040 Comprehensive Plan
- November 20, 2019: Local Surface Water Management Plan

**Attachments**

- Figure 1: Location Map with Regional Systems
- Figure 2: *Thrive MSP 2040* Community Designations
- Figure 3: Existing Land Use
- Figure 4: 2040 Future Land Use
Figure 1. Location Map with Regional Systems
Figure 2. Thrive MSP 2040 Community Designations
Figure 3. Existing Land Use
Figure 4. 2040 Future Land Use