Metropolitan Council

Business Item

Community Development Committee



Committee Meeting Date: October 2, 2023 For the Metropolitan Council: October 25, 2023

Environment Committee Date: October 10, 2023

Business Item: 2023-236

City of Shorewood 2040 Comprehensive Plan and Comprehensive Sewer Plan, Review File 22304-1

District(s), Member(s): District 3, Dr. Tyronne Carter

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

473.513

Staff Prepared/Presented: Freya Thamman, Planning Analyst, Local Planning Assistance

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(651-602-1151)

Division/Department: Community Development / Regional Planning

Environmental Services / Technical Services

Proposed Action

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

Recommendations of the Community Development Committee

- 1. Authorize the City of Shorewood to place its 2040 Comprehensive Plan into effect.
- 2. Revise the City's population and employment forecasts upward as shown in Table 1 of the Review Record.
- 3. Advise the City to implement the advisory comments in the Review Record for forecasts and water supply.

Recommendation of the Environment Committee

- 1. Approve the City of Shorewood Comprehensive Sewer Plan.
- Advise the City to implement the advisory comments in the Review Record for wastewater, which state that the City is currently reviewing and negotiating revisions to several of its intercommunity service agreements. Once these agreements have been executed, a copy shall be submitted to the Council.

Advisory Comments

The following Advisory Comments are part of the Council action authorizing the City of Shorewood 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).

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

Shorewood is in the southwestern part of Hennepin County. It is surrounded by the communities of Mound, Orono, Tonka Bay, Excelsior, Greenwood, and Deephaven to the north, Minnetonka to the east, Chanhassen and Victoria to the south, and Minnetrista to the west (Figure 1).

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).

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

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, with proposed change	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	

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 / OppositionThere is no known opposition.

REVIEW RECORD

City of Shorewood 2040 Comprehensive Plan

Review File No. 22304-1, Business Item No. 2023-236 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 for the Regional Parks System element. Three Rivers Park District is the Park implementing agency for the Regional Parks System components in Shorewood, for which the Plan accurately describes the Regional Parks System components. Regional Trails located within the city include the Lake Minnetonka LRT Regional Trail and the Mid-Lake Regional Trail Search Corridor (Figure 1). There are no state or federal park or open space lands in the city.

Regional Transportation, Transit, and Aviation

Reviewer: Joseph Widing, 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 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 Roadways system element of the TPP. The Plan accurately reflects that there is one principal arterial (TH-7) within the City's boundaries. The Plan also accurately reflects the regional functional classification map of A-minor arterials as of the time it was produced.

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 was done 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 element of the TPP. The Plan acknowledges the City is within Transit Market Areas IV and V. The Plan addresses community roles related to its Community Designation, identifies existing routes with the city, and acknowledges dial-a-ride service.

Aviation

The Plan conforms to Aviation system element of the TPP. There is no airport in the regional aviation system located near Shorewood. The Plan notes bodies of water which are permitted for seaplane operations. The Plan includes policies that protect regional airspace from obstructions.

Bicycling and Walking

The Plan is consistent with the Bicycling and Pedestrian chapter of the TPP. The Plan identifies the existing regional trails and acknowledges the Regional Bicycle Transportation Network (RBTN). There are two RBTN Tier 1 alignments within the city (Lake Minnetonka LRT Trail, CSAH

19) and one tier 2 search corridor running east to west generally following TH-7.

Freight

The Plan is consistent with Freight policies of the TPP. The Plan identifies TH-7 as the primary freight movement route in and through the community. No regional freight issues were identified.

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 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 and applicable TPP policies.

Water Resources

Wastewater Services

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). 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 to the City by the Metropolitan Council Environmental Services (MCES). Wastewater generated within the city is conveyed to and treated at the Metropolitan Council's Blue Lake Wastewater Treatment Plant located in Shakopee. The City is provided wastewater conveyance service through interceptors 6-GW-649, 6-DH-645, 6-TB-661, 6-MT-647, 7016, 7017, and 8253-328. The Plan reflects that the City will have 3,000 sewered households and 1,600 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 average day flow projections was provided in the Plan and appears to be appropriate for planning local service needs. The Metropolitan Council is committing to providing a level of wastewater service based on the sewered forecasts.

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 policies and strategies for preventing and reducing excessive inflow and infiltration (I/I) in the local municipal (City), and private property sanitary sewer collection systems. The Plan states that the City performed internal home inspections for sump pump connections to the sanitary sewer in the early 1990s and eliminated the non-compliant connections. Between 1990 through the 2010s the City completed televised inspections and follow-up system repairs and sealing and continues to correct many system sources of I/I through its annual street improvement program. The Plan includes a summary of its capital improvement program that reflects an annual budget of \$70,000 to \$80,000 for continued I/I mitigation efforts through 2030.

The Plan describes the requirements and standards for minimizing I/I and references Section 904.09, Subd 1, of the City's Code that prohibits the discharge, either directly or indirectly, of any stormwater, groundwater, roof runoff, subsurface drainage, and cooling water to any sanitary sewer, and requires their disconnection upon discovery.

The Plan describes the sources, extent, and significance of existing I/I within the entire wastewater collection system. The Plan states that sewers were first installed in the early 1970s and that approximately 29% of the homes within the city were built before 1970 when services were predominately made of clay tile pipe. The significance of clay tile pipe is that as it ages it can become more susceptible to I/I. The Plan states that none of the pre-1970 service laterals have been evaluated for excess I/I. Using 2012-2016 wastewater flow data, average annual I/I for the west portion of the City's collection system is 51% and 20% for the east portion. The guarterly

peak flow I/I is 59% and 34%, respectively.

Comprehensive Sewer Element 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. Upon adoption of the Plan by the City, the action of the Council to approve the 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 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 currently reviewing and negotiating revisions to several of its intercommunity service agreements that cover wastewater service connections with adjoining communities. These agreements cover the method in which treatment costs associated with these flows are reimbursed between the impacted communities. Once these agreements have been executed, a copy shall be submitted to the Council for our records. This information will be used to determine if the Council is responsible for adjustments of flow in its annual flow allocation process and subsequent billing to the communities.

Surface Water Management

Reviewer: Maureen Hoffman, ES – Water Resources (651-602-8026)

The Plan is consistent with Council policy requirements and in conformance with the WRPP for local surface water management. Shorewood lies within the oversight boundaries of the Minnehaha Creek and Riley Purgatory Bluff Creek Watershed Districts.

The City submitted a draft Local Water Management Plan (LWMP) to the Metropolitan Council in April 2018. Council Water Resources staff reviewed and commented on the draft LWMP to the City and Watershed Districts in a letter dated April 30, 2018. The final LWMP was approved by the Minnehaha Creek Watershed District on September 13, 2018, and by the Riley Purgatory Bluff Creek Watershed District on July 11, 2018. The City adopted the final LWMP on February 25, 2019. The Plan incorporates the City's final LWMP in 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)

City and Council staff discussed the Shorewood forecast in 2019. Council staff found that recent employment growth and population growth exceeded previous expectations. The City requested that the population numbers be increased as shown below; and the employment forecast be set at an unchanging 1,600 jobs. The employment cap was premised on full build-out of commercial and industrial lands.

Since the 2019 agreement to revise the forecast, Shorewood employment, households, and population have all surpassed the City's 2030 forecast expectations. The Council will require a higher forecast with the next comprehensive plan amendment review or issuance of an updated system statement.

The forecast will be revised now as follows (changes in bold/underlined). The revised forecast appears on pages 8-9, 14, and 127-128 of the Plan.

Table 1. Metropolitan Council City of Shorewood Forecasts

Category	Estimates	Previous Council Forecasts			Forecast Revision		
	2022	2020	2030	2040	2020	2030	2040
Population	7,859	7,400	7,500	7,600	7,600	7,800	8,000
Households	2,944	2,800	2,910	3,000	2,800	2,910	3,000
Employment	1,879	1,300	1,340	1,400	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>

The Metropolitan Council will revise the Shorewood forecast, simultaneous with action on the Plan. The households forecast and the Affordable Housing Need from the 2015 System Statement are not changed.

The Land Use Chapter includes a land supply analysis specifying 25.1 acres available for residential development or redevelopment, with a capacity of over 200 future housing units (pages 122-123). This accommodates the forecast.

The Council typically requires some measure of employment-bearing land use intensity. In a November 2021 letter, the City asked for a waiver as commercial and industrial lands are fully built-out. Council staff are waiving the requirement of measuring employment-bearing land use intensity.

Advisory Comments

Since the 2019 agreement to revise the forecast, Shorewood employment, households and population have all surpassed the City's 2030 forecast expectations. The Council will require a higher forecast with the next comprehensive plan amendment review or issuance of an updated system statement.

Thrive MSP 2040 and Land Use

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

The 2040 comprehensive plan is consistent with *Thrive MSP 2040* (Thrive) and its land use policies. The Plan acknowledges the Thrive community designation of Suburban (Figure 2). Suburban communities are expected to plan for forecasted population and household growth at overall average densities of at least five units per acre.

Shorewood is a fully developed city on Lake Minnetonka with a limited amount of land available for development. The city is predominately low density/single-family residential (64%), followed by open space and parks (14%), right-of-way (11%) and small areas of medium density residential (4%), commercial (2%), and public/semi-public (2%).

Many of the policies in the City's 2030 Comprehensive Plan have also been included in the City's 2040 Plan. The Plan identified fourteen areas for development and redevelopment (Shorewood Development Capacity, page 123). As shown in Table 2 below, these areas are guided Low-Medium Density Residential, Medium Density Residential, High Density Residential, and Commercial Mixed Use. With this Plan, the City has guided higher density land uses in the High Density Residential and new Commercial Mixed Use land use categories.

The Plan is consistent with Thrive for land use and residential density policies for the Suburban community designation. As shown in Table 2, the overall density of development during the planning period is 8.1 - 17.4 units per acre.

Table 2. Planned Residential Density, City of Shorewood

2023-2040 Change

	Density					
		_	%	Net	Min	Max
Category	Min	Max	Residential	Acres	Units	Units
Low-Medium Density Residential	3	6	100%	7.9	23	47
Medium Density Residential	6	8	100%	5.7	34	45
High Density Residential	8	30	100%	3.7	29	111
Commercial Mixed Use*	15	30	40%	7.8	117	234
	TOTAL	LS		25.1	203	437
				verall ensity	8.1	17.4

^{*}Commercial Mixed Use anticipates 40% residential. Residential net acres are reflected in the table.

Housing

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

The Plan is consistent with the *Housing Policy Plan* (HPP). As of 2016, the City has more than 2,800 homes including close to 90 multifamily units and more than 2,700 single-family homes. Approximately 250 homes are rented. More than 400 housing units are currently affordable to households earning under 80% of Area Median Income (AMI), however, more than 300 households earning 80% of AMI or below are paying more than 30% of their income toward housing costs. There are about 80 units affordable to households with income at or below 30% AMI and more than 125 cost burdened households with incomes at or below 30% AMI.

The Plan identifies existing housing needs including maintenance and reinvestment in existing housing stock, and senior housing. The City does not currently have any publicly subsidized housing.

The Plan acknowledges the 2021-2030 affordable housing need allocation of 48 units; 23 of which are needed at prices affordable to households earning 30% of AMI or less, 16 of which are needed at prices affordable to households earning between 31 and 50% of AMI, and 9 of which are needed at prices affordable to households earning between 51 and 80% of AMI. As shown in Figure 5, the Plan guides enough land expected to develop in the 2021-2030 time period at a minimum of eight units per acre to allow for development of 72 affordable housing units.

The City states that they will work to maintain effective referrals for residents who need housing assistance and consider partnerships with Hennepin County. The housing implementation plan component of the Plan describes that the City will consider TIF for senior development and does not anticipate using tax abatement or local housing bonds to build affordable housing. The Plan also indicates that the City will not evaluate if working with a community land trust will help them meet their needs.

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.

Advisory Comments

If any changes are made to the local water supply plan in response to the Department of Natural Resources review, an updated plan should be submitted to the Metropolitan Council.

Community and Subsurface Sewage Treatment Systems (SSTS)

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

The Plan is consistent with the 2040 WRPP for Subsurface Sewage Treatment Systems. The Plan indicates that there are four residential SSTS within the city, two of which are located on islands in Lake Minnetonka. There are no communal treatment systems. The Plan states that the City prohibits the installation of new SSTS. Chapter 904, of the City Code regulating SSTS within the City, is consistent with Minnesota Pollution Control Agency Chapter 7080-7083 Rules, and delegates the responsibility of permitting, inspecting and maintenance management to Hennepin County.

Special Resource Protection

Solar Access Protection

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

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

The Plan is consistent with the Minnesota Geological Survey Information Circular for aggregate

resources. As stated in the Plan, there are no viable aggregate resources or ongoing mining operations within the city.

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 that there are no buildings or structures listed on the National Register of Historic Places or that have been identified by the Minnesota Historical Society as being eligible for the National Register. The Plan indicates that it anticipates creating an inventory of historically significant features, landmarks, and buildings as well as evaluate tools for preserving these areas and structures.

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 includes a capital improvement plan.

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

The 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:

- June 28, 2019: Shorewood 2040 Comprehensive Plan
- November 29, 2021: Updated 2030 Comprehensive Plan
- August 4, 2022: Wastewater Intercommunity Service Agreement Information
- August 17, 2023: Resubmittal of the 2040 Comprehensive Plan
- September 6, 2023: Wastewater Intercommunity Service Agreement Information
- September 13, 2023: Future Land Use Map/Wastewater Updates

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

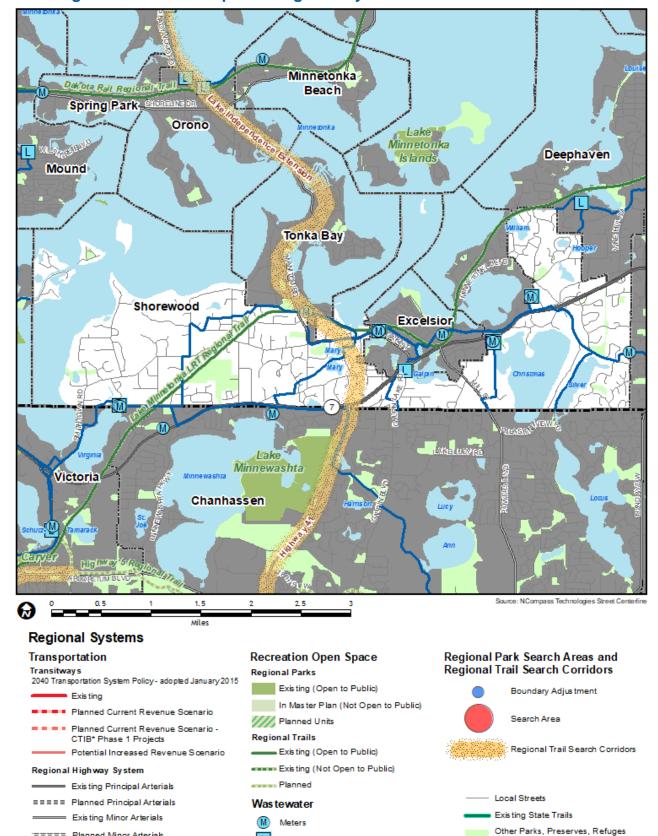
Figure 5: Land Guided for Affordable Housing

===== Planned Minor Arterials

---- Planned Other Arterials

Existing Other Arterials

Figure 1. Location Map with Regional Systems



Lift Stations

MCES Interceptors

MCES Treatment Plants

and Natural Areas

* Counties Transit Improvement Board (CTIB)

Wayzata Orono Woodland Minnetonka Spring Beach Park Mound Deephaven Minnetonka Tonka Bay Greenwoo Minnetrista Shorewood **Excelsior** Laketown Twp. Chanhassen Eden Victoria **Prairie** Extent of Main Map **Community Designations** ANOKA Emerging Suburban Edge Outside Council planning authority Suburban Edge Agricultural Suburban Rural Residential WASHINGTON HENNEPIN Diversified Rural Urban RAMSEY Urban Center Rural Center County Boundaries DAKOTA City and Township Boundaries Lakes and Major Rivers

Figure 2. Thrive MSP 2040 Community Designations

Existing Land Use

Figure 3. Existing Land Use



Figure 4. 2040 Future Land Use

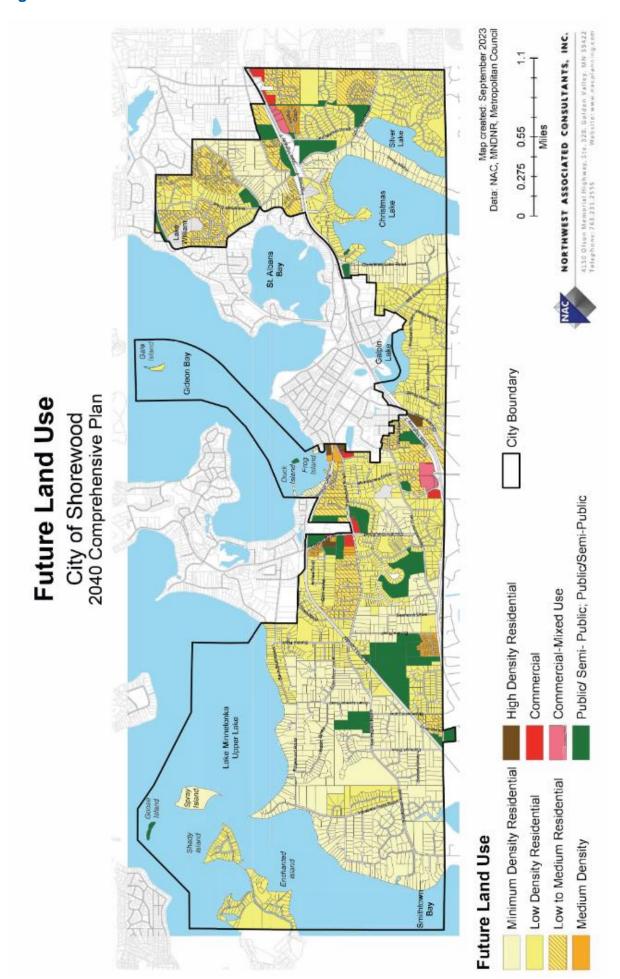


Figure 5. Land Guided for Affordable Housing

2021-2030 share of regional need for Affordable Housing: 48 units
2021-2030 total regional need for Affordable Housing: 37,900 units

	Available Acres	Minimum Density (units per acre)	Expected % Residential (if mixed use)	Minimum = Units Possible
High Density Residential	3.70	8	100%	30
Commercial Mixed Use	2.80	15	100%	42

Total 7 72

Sufficient/(insufficient) units possible against share of regional need: 24

Affordable units built since 2021: 0

Sufficient/(insufficient) units possible adjusted for affordable units built: 24

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

