

Community Development Committee

For the Metropolitan Council meeting of February 27, 2013

Subject: Approval of the City of Lake Elmo I-94 Corridor Comprehensive Plan Amendment
Review File No. 20599-3

Proposed Action

That the Metropolitan Council:

1. Adopt the attached review record and allow the City of Lake Elmo to put the I-94 Corridor comprehensive plan amendment (CPA) into effect.
2. Adopt the revised interim milestone forecasts for the City as shown in the corrected Table 2 in the attached memorandum.
3. Encourage the City to begin participation in the Livable Communities Act (LCA) Local Housing Incentives Account in order to become eligible for LCA grants that can assist in the development and preservation of affordable housing.
4. Advise the City to implement the advisory comments in the Review Record for Transportation and Housing.

Summary of Committee Discussion/Questions

LisaBeth Barajas, Local Planning Assistance Manager, introduced City representatives in the audience: Mayor Mike Pearson, City Administrator Dean Zulega, and Planning Director Kyle Klatt. She presented the staff report and proposed actions; and also submitted a memorandum with a corrected Table 2 showing revised forecasts. The Committee did not have any further questions or discussion.

Motion to approve was made, seconded, and passed unanimously.

DATE: January 21, 2013
TO: Metropolitan Council Members
FROM: LisaBeth Barajas, Manager, Local Planning Assistance
SUBJECT: **Revised Table 2 in Review Record**
 City of Lake Elmo I-94 Corridor Comprehensive Plan Amendment
 Review File No. 20599-3

Table 2 in the Review Record for the City of Lake Elmo I-94 Comprehensive Plan Amendment (CPA) contains the proposed revised forecasts for the City. The CPA proposes a 300-unit reduction in the total 2030 households and a corresponding increase of 3,000 employees for 2030. The Table 2 in the Review Record incorrectly added 4,000 employees to the seweried employment numbers for 2030, rather than 3,000. The Revised Table 2 below reflects the correct proposed numbers for employment (highlighted), with all other numbers remaining the same.

Table 2. City of Lake Elmo Revised Forecasts

	2010	2020	2030
Population – Unsewered	8,069	9,734	10,600
Population – Sewered	0	4,330	13,400
Population - TOTAL	8,069	14,064	24,000
Households – Unsewered	2,779	3,364	3,827
Households – Sewered	0	1,750	4,900
Households – TOTAL	2,779	5,114	8,727
Employment – Unsewered	1,250	1,250	1,000
Employment – Sewered	1,000	7,700	16,000
Employment – TOTAL	2,250	7,950	17,000

Community Development Committee

Meeting date: January 22, 2013

For the Council Meeting of February 27, 2013

ADVISORY INFORMATION

Subject: Approval of the City of Lake Elmo I-94 Corridor Comprehensive Plan Amendment
Review File No. 20599-3

District(s), Member(s): 12, Council Member Harry Melander

Policy/Legal Reference: Minnesota Statutes Section 473.175

Staff Prepared/Presented: LisaBeth Barajas, Local Planning Assistance Manager (651-602-1895)

Division/Department: Community Development / Regional Planning

Proposed Action

That the Metropolitan Council:

1. Adopt the attached review record and allow the City of Lake Elmo to put the I-94 Corridor comprehensive plan amendment (CPA) into effect.
2. Adopt the revised interim milestone forecasts for the City as shown in Table 2 in the Review Record.
3. Encourage the City to begin participation in the Livable Communities Act (LCA) Local Housing Incentives Account in order to become eligible for LCA grants that can assist in the development and preservation of affordable housing.
4. Advise the City to implement the advisory comments in the Review Record for Transportation and Housing.

Background

The Council reviewed the City's 2030 Comprehensive Plan Update (Update), Review File No. 20599-1, on March 24, 2010. The proposed CPA is the second amendment to the Update.

The CPA proposes to amend the Update to reflect detailed planning efforts for the I-94 Corridor (South of 10th Street) providing for a more detailed land use guiding breakdown for residential land uses, as well as changes in staging for wastewater services. As part of this amendment, the City has also proposed a correction to the split between forecasted sewer residential and non-residential uses to reflect existing development in the Village and I-94 Corridor areas. In addition, the CPA includes reguiding of inholding parcels in Lake Elmo Regional Park and a revised Housing Plan to acknowledge the City's share of the region's affordable housing needs and meet statutory requirements for planning for affordable housing.

Rationale

The proposed CPA conforms to regional system plans, is consistent with Council policies, and is compatible with the plans of other local communities, school districts, and affected special districts. The proposed CPA is also consistent with the existing adopted legal agreements, and with the accompanying amendment to those legal agreements.

Funding

None.

Known Support / Opposition

There is no known opposition.

Review Record

City of Lake Elmo

I-94 Corridor Comprehensive Plan Amendment

Review File No. 20599-3, Council Business Item No. 2013-28

BACKGROUND

The City of Lake Elmo is located in central Washington County. The City is bounded by the City of Grant to the north, the City of Stillwater and the City of Oak Park Heights to the northeast, Baytown Township and West Lakeland Township to the east, the City of Afton to the southeast, the City of Woodbury to the south, and the City of Oakdale to the west. The *2030 Regional Development Framework* (RDF) identifies the City as both Developing and Rural Residential planning areas.

In September 2002, the Metropolitan Council completed its review of the City's 1998 Comprehensive Plan and found that the City's plan was not consistent with the Council's Regional Growth Strategy and that the plan may substantially depart from, and may have a substantial impact on, metropolitan system plans. Consequently, the Council required the City to make modifications to its plan. After the City exhausted the administrative law judge and appellate court processes, the Minnesota Supreme Court in August 2004 affirmed prior legal decisions finding that the Metropolitan Council has the statutory authority to require the City to modify its plan.

Subsequently, the City and the Council entered into a Memorandum of Understanding (MOU) in January 2005. The MOU established a framework for the City comprehensive plan revision that focused on planning future urban development that would conform to metropolitan system plans and outlined the City's commitment to construct, connect, and put into service a local wastewater collection system to support forecasted growth through 2030. In June 2005, the City requested an extension of time for submitting its modified 1998 comprehensive plan. Metropolitan Council Resolution 2005-20 granted the requested extension and included numerous requirements and conditions further defining the terms for an acceptable 1998 comprehensive plan, including establishing Residential Equivalent Connection (RECs) milestones in 5-year increments for sewer growth through 2030.

The Resolution granted the City a time extension for completion of its comprehensive plan (1998 decennial review), and added a provision for the Council to assess Wastewater Inefficiency Fees (WIFs) to the City for not meeting the pre-established RECs milestones. The Resolution also contained a provision that allowed the City to petition the Council for relief of WIF assessment due to a "protracted downturn in the economy or a long term recession." The City has made this petition to the Council.

In September 2005, the Council issued the System Statement for Lake Elmo for the 2008 decennial comprehensive plan update. The City incorporated much of the updated information in their 1998 plan, including wastewater, forecasts through 2030, and land use. In April 2006, the Council reviewed and accepted the City's 1998 comprehensive plan (Business Item 2006-88, Review File No. 18608-1), finding that the plan satisfied the requirements of Council Resolution 2005-20 and the January 2005 MOU.

The MOU and Resolution 2005-20 detailed forecasted growth for the City through 2030. The Council's System Statement for the City was revised pursuant to the Council's final action on

the City's 1998 comprehensive plan, which included planning through 2030. The revisions included amending the City's geographic planning area to reflect designation of the City's rural area as Rural Residential rather than Diversified Rural; expected splits in flow between the two regional wastewater treatment plants serving the City, but still equaling the totals shown in the MOU and the City's approved 1998 comprehensive plan; and ensuring that forecasts are consistent with those shown in the MOU and the City's 1998 plan.

In May 2009, the City submitted its Comprehensive Plan Update (Update) to the Council for review to meet the Metropolitan Land Planning Act requirements (Minn. State. 473.175) and the Council's 2005 System Statement requirements. Concurrently, the City petitioned the Council for relief from the Wastewater Inefficiency Fee (WIF), a tool outlined in Resolution 2005-20 that allows the Council to collect fees from the City for not meeting the designated sewer milestones. The Council reviewed the petition and passed Resolution 2010-08, which granted the City temporary relief from the WIF and established the conditions under which relief from the WIF would be granted. At the same time, the Council reviewed and approved the City's Update in March 2010. The City and Council subsequently executed a Memorandum of Understanding (MOU) regarding these fees and associated conditions, while keeping all other provisions of the original MOU and Resolution 2005-20 in full force and effect.

Since approval of the Update, the City has submitted one amendment. The Fredrich Farm comprehensive plan amendment reguided 24.4 acres from Rural Agricultural Density to Rural Agricultural Density 2 to support the development of a 50-unit senior living and farm school development. The Council administratively reviewed the amendment in September 2010.

The City began more extensive planning for the sewer portions of the community following the approval of the Update. The City split the planning efforts into the two main portions: the Village Area in the central part of the community, and the I-94 Corridor (or South of 10th Street) area. The proposed CPA regards the I-94 Corridor area.

REQUEST SUMMARY

The CPA proposes to amend the local comprehensive plan to reflect detailed planning efforts for the I-94 Corridor (South of 10th Street) providing for a more detailed land use guiding breakdown for residential land uses, as well as changes in staging for wastewater services. As part of this amendment, the City has also proposed a correction to the split between forecasted sewer residential and non-residential uses to reflect existing development in the Village and I-94 Corridor areas. In addition, the CPA includes reguiding of inholding parcels in Lake Elmo Regional Park and a revised Housing Plan to acknowledge the City's share of the region's affordable housing need and meet statutory requirements for planning for affordable housing.

OVERVIEW

Conformance with Regional Systems

The CPA 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 CPA is consistent with the Council's RDF, with water resources management, and is consistent with Council forecasts.

Compatibility with Plans of Adjacent Jurisdictions The CPA 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 Update on March 24, 2010 (Review File No. 20599-1).
- The Fredrich Farm CPA was administratively approved by the Council on September 13, 2010 (Review File No. 20599-2).

ISSUES

- I. Does the amendment conform to the regional system plans?
- II. Is the amendment consistent with the RDF and other Council policies?
- III. Does the amendment change the Township'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

Regional Parks

Reviewer: Jan Youngquist (651-602-1029)

The proposed CPA conforms to the *2030 Regional Parks Policy Plan*. The CPA satisfies the requirement outlined in the Council review of the City's Update by guiding the future land use of inholding parcels within the Council-approved boundaries of Lake Elmo Park Reserve as Public/Park. The other changes proposed in the CPA do not impact the regional parks system facilities in the City, which include Lake Elmo Park Reserve and the proposed Washington County Greenway Regional Trail.

Transportation

Reviewer: Ann Braden (651-602-1705), Transportation; Russ Owen - Aviation (612-349-7774)

The proposed amendment conforms to the 2030 Transportation Policy Plan (TPP). The reduction in planned low density housing units and increases in the number of medium and high density residential units should be beneficial to transit service. No additional improvements are needed to the regional transportation system. The plan amendment also adequately responds to technical transit comments made on in the 2010 review of the Update. The proposed land use change area is approximately 2.5 miles away from Lake Elmo Airport. This change is unlikely to affect the airport or the regional aviation system.

Advisory Comments

The Council continues to advise the City that the Council has approved the MAC 2025 Long-term Comprehensive Plan (LTCP) preferred alternative for the Lake Elmo Airport. MAC is currently in the process of updating the LTCP for this airport, expected to be complete within the next 12-18 months. Once the joint airport zoning board zoning ordinance is approved by MnDOT, the City will need to revise the Update to reference that ordinance. The City should continue to work with MAC and MnDOT on this matter.

Wastewater Services

Reviewer: Kyle Colvin (651-602-1151)

The proposed CPA reflects a re-staging of forecasted sewer growth to recognize, and adjust for, the current status of sewer connections within the City. Under the current planning in the Update, it was assumed that public wastewater infrastructure would have been completed and that development would have occurred to reach the original forecasted sewer households of 515 units by 2010. The amendment proposes to revise the sewer household forecast of 515 units to be met by 2015. This re-staging is consistent with the time extension granted to the City in Resolution 2010-08 and the related MOU granting relief from the Wastewater Inefficiency Fee (WIF) imposed under Resolution 2005-20.

The CPA reflects a variation in the number of forecasted sewer households in 2030 from that which is outlined in the original Update. The amendment proposes 300 fewer sewer households in 2030, but compensates for this loss of regional wastewater connections by increasing the number of sewer employment RECs by 300 units. The 300-unit reduction of overall sewer households from the original forecasts and milestone identified in Resolution 2005-20 reflects a correction in the number of existing residential households that are proposed to be connected within the Village area. The total forecasted sewer residential equivalent connections (RECs) of 6,600 units as outlined in the CPA is consistent with the 6,600 sewer RECs as identified in the Update and legal agreements between the City and the Council.

Consistency with Council Policy

The proposed CPA is consistent with the Council's policies for subsurface sewage treatment systems and water supply. Additional detailed review regarding consistency with other Council policies is detailed below.

2030 Regional Development Framework and Land Use

Reviewer: LisaBeth Barajas (651-602-1895)

The proposed CPA is consistent with the Council's policies for Developing communities as outlined in the *2030 Regional Development Framework* (RDF) and with the Council's legal agreements with the City regarding land use. The RDF directs Developing communities to accommodate new sewer residential development at densities of at least 3 units per acre.

The amendment is a reflection of more detailed planning work done in the I-94 corridor and proposes new land use categories for residential uses and an expansion of non-residential uses within the planning area. New residential land use categories include Urban Low Density at 2.5-4 units per acre, Urban Medium Density at 4.5-7 units per acre, and Urban High Density at 7.5-15 units per acre. For comparison, the existing planned land uses for sewer residential development in the I-94 corridor included just one category: Sewer Residential Density at a density of at least 3.5 units per acre. The CPA also proposes to expand Business Park areas from 120.65 acres to 329.7 acres and to expand Commercial land use area from 67.9 acres to 206.5 acres.

The proposed residential land use guiding in the I-94 corridor is consistent with the Council's policy for sewer residential density of at least 3 units per acre, resulting in a minimum average density of 4.0 units per acre as shown in Table 1 below.

Table 1. Lake Elmo Residential Density

Category	Density Range		Gross Acres	Min Units	Max Units
	Min	Max			
Urban Low Density	2.5	4	496.39	1241	1985.56
Urban Medium Density	4.5	8	390.49	1757	3123.92
Urban High Density	7.5	15	157.67	1183	2365.05
TOTALS			1044.55	4181	7474.53
Overall Density				4.00	7.16

In addition to these new base level residential land use categories, the City has also identified parcels within the I-94 corridor that may be appropriate for mixed uses. These are guided as additional options to the base level land use guiding described above. These areas are located in the far southeastern portion of the subject area, along Keats Avenue just north of the Commercial area in the central portion of the subject area, and in the western portion of the area just north of Eagle Point Business Park. The intent of this designation is to allow flexibility on future land uses, allowing a development proposal to respond to market conditions.

Forecasts

Reviewer: LisaBeth Barajas (651-602-1895)

The CPA is consistent with the MOU and subsequent legal agreements for forecasts. The CPA proposes modifications to the staging of forecasted sewer development to reflect a shift from the 2010 milestone to 2015 and a more compressed timeframe for meeting target 2030 milestones outlined in the MOU and Resolution 2005-20. As discussed in the wastewater section of this report above, the CPA also proposes a variation in the 2030 RECs to reflect 300 fewer households that had been previously identified as existing in the Village. The reduction in RECs is compensated by an increase of 300 employment RECs.

Table 2. City of Lake Elmo Revised Forecasts

	2010	2020	2030
Population – Unsewered	8,069	9,734	10,600
Population – Sewered	0	4,330	13,400
Population - TOTAL	8,069	14,064	24,000
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Employment – Unsewered	1,250	1,250	1,000
Employment – Sewered	1,000	7,700	17,000
Employment – TOTAL	2,250	7,950	18,000

These proposed changes are consistent with the MOU regarding relief from the WIF, and consistent with the proposed amendment to the MOU, being reviewed concurrently but under separate cover, to clarify this compressed schedule.

Housing

Reviewer: Linda Milashius (651-602-1541)

The CPA includes a revised Housing element, which fulfills the affordable housing planning requirements of the Metropolitan Land Planning Act. The Update acknowledges the City's share of the region's affordable housing need for 2011-2020 based on the previous growth forecasts to 2020, which was 661 units. Given the reduced household growth number to 2020, that housing need number is now 465 units. To provide opportunities to meet this need, the CPA indicates that approximately 79 acres of land will be available for high density urban residential development at 7-15 units per acre; however zoning may allow a greater net density if approved through the PUD process.

The CPA provides the implementation tools and programs that the City will use to promote opportunities to address its share of the region's housing need. The City will work directly with developers to explore various funding opportunities to support greater housing variety and affordability. In addition, the City will pursue opportunities to work with Washington County HRA, as well as explore opportunities for affordable housing when considering the disposal of excess properties.

The City will maintain and improve the condition of the existing manufacture home park, enforce existing housing maintenance requirements, promote mixed-use housing opportunities in the Village planning area, and review zoning and subdivision ordinances to ensure that there are not any impediments to affordable housing options.

Advisory Comments

The City is not currently a participant in the Local Housing Incentives program of the Livable Communities Act, but is strongly encouraged to participate. In addition, the City is encouraged to consider forming partnerships with the Washington County HRA and other state agencies to assist them with identifying and accessing tools and resources to advance both their affordable and lifecycle housing goals.

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

The proposed CPA 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: Lake Elmo Comprehensive Plan Amendment Area
- Figure 2: Existing Planned Land Use
- Figure 3: Proposed Planned Land Use

Figure 1: Lake Elmo Comprehensive Plan Amendment Area

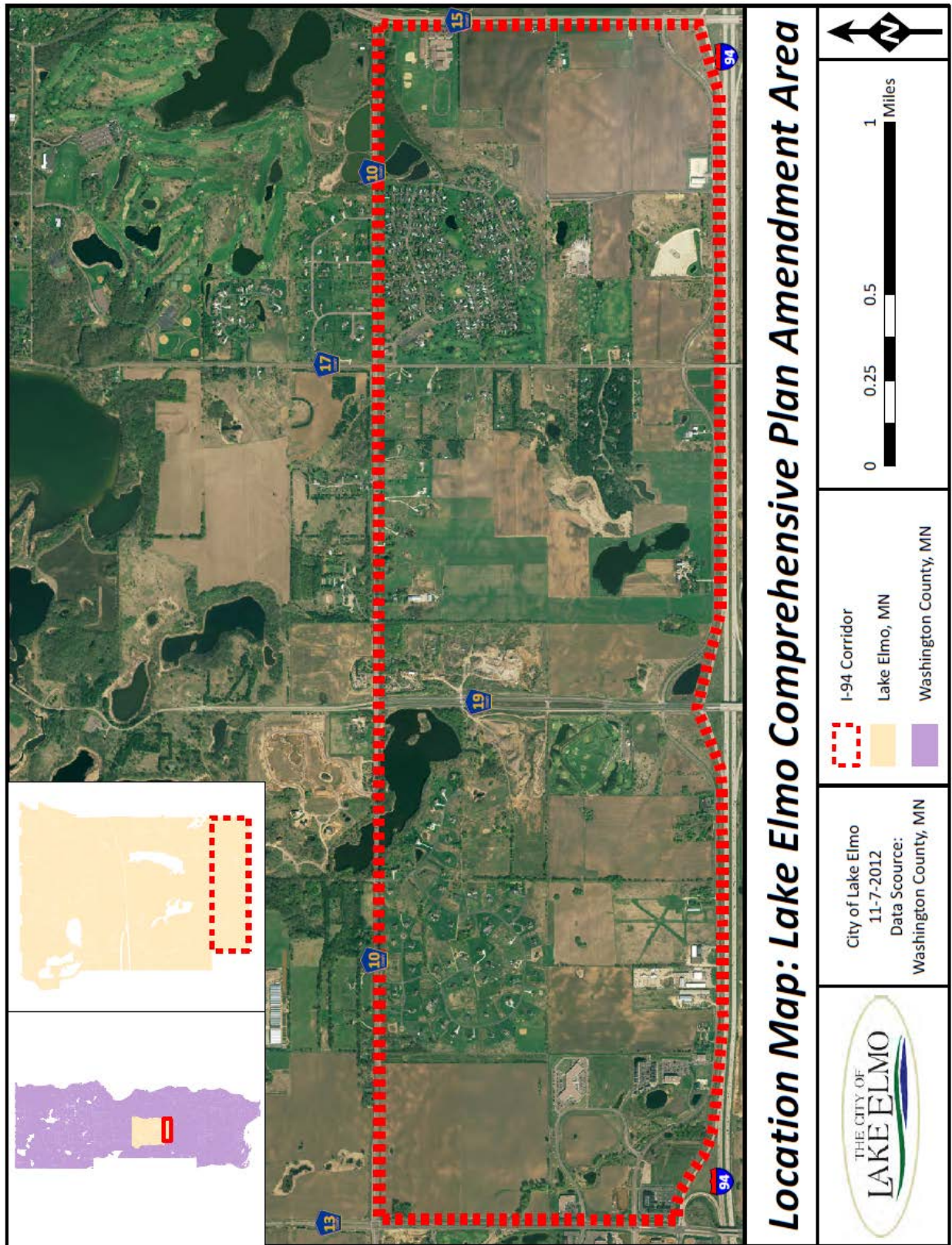


Figure 2: Existing Planned Land Use

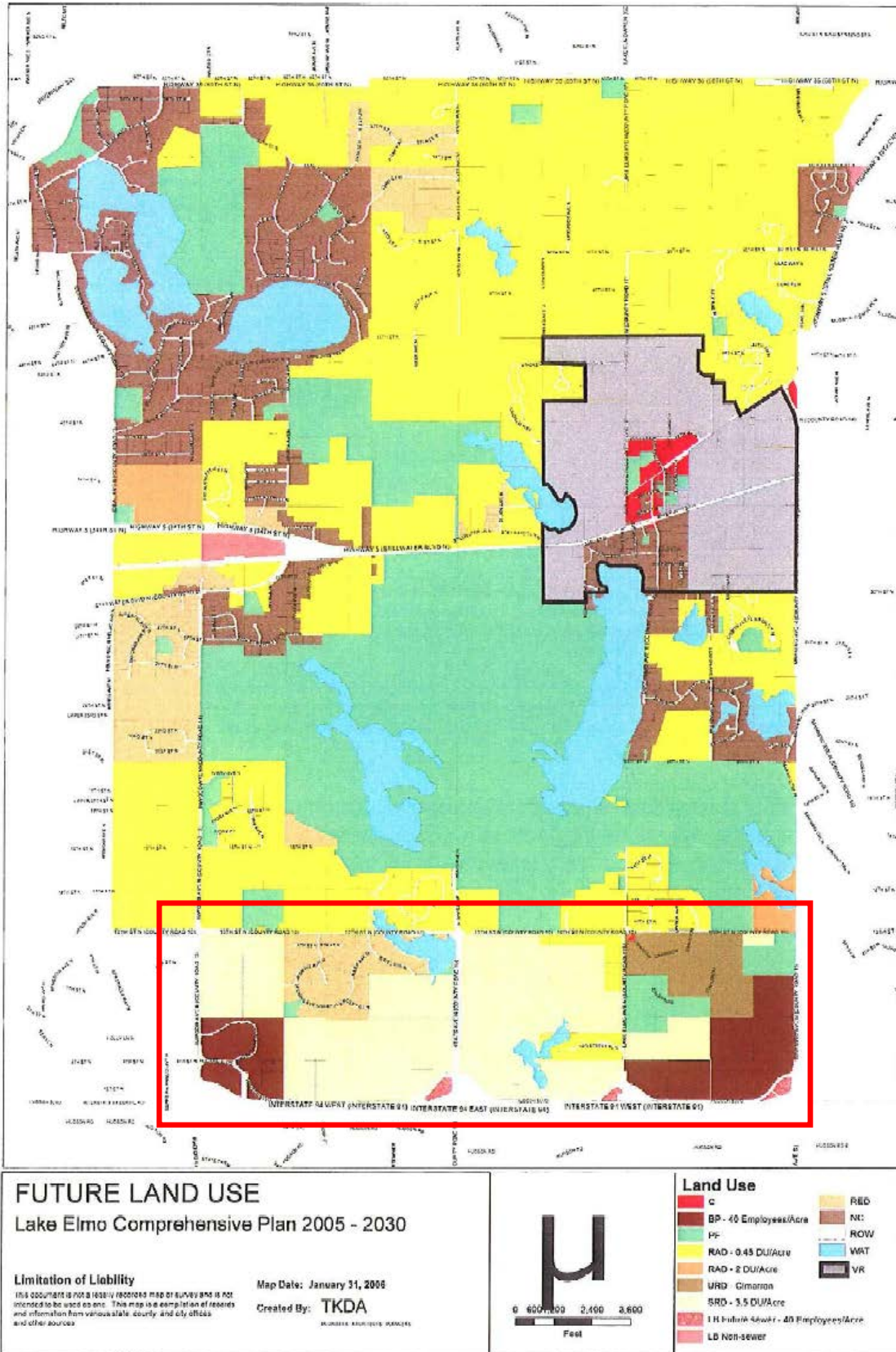


Figure 3: Proposed Planned Land Use

