

Community Development Committee

For the Metropolitan Council meeting of November 28, 2018

Subject: City of Edina Mixed Use Center (MXC) & Office Residential (OR) District Density and Building Height Comprehensive Plan Amendment, Review File No. 20413-14

Proposed Action

That the Metropolitan Council:

1. Adopt the attached Review Record and allow the City of Edina to place the Mixed Use Center (MXC) & Office Residential (OR) District Density and Building Height Comprehensive Plan Amendment into effect.
2. Revise the City's forecasts for population and households for 2020, 2030, and 2040, as shown in Table 1 of the Review Record.
3. Revise the City's allocation of the region's affordable housing need for 2021 to 2030 to 1,220 units.
4. Advise the City to implement the advisory comments in the Review Record for Transit, Forecasts, Land Use, and Housing.

Summary of Committee Discussion/Questions

Senior Planner Michael Larson presented the staff's report to the Committee. There were no staff or representatives from the City of Edina present. Councilmember Elkins remarked on the significant market demand for redevelopment in Edina. The Community Development Committee unanimously recommended approval of the proposed action with no additional questions or discussion at its meeting on November 19, 2018.

Community Development Committee

Meeting date: November 19, 2018

For the Metropolitan Council meeting of November 28, 2018

Subject: City of Edina Mixed Use Center (MXC) & Office Residential (OR) District Density and Building Height Comprehensive Plan Amendment, Review File No. 20413-14

District(s), Member(s): District 5, Steve Elkins

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

Staff Prepared/Presented: Michael Larson, AICP, Senior Planner, Local Planning Assistance (651-602-1407)

Division/Department: Community Development / Regional Planning

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3. Revise the City's allocation of the region's affordable housing need for 2021 to 2030 to 1,220 units.
4. Advise the City to implement the advisory comments in the Review Record for Transit, Forecasts, Land Use, and Housing.

Background

The amendment increases the guiding density range in the MXC District in the Greater Southdale Area to 100-150 dwelling units per acre and adds text to allow for flexibility in building height. The amendment is associated with a proposal for a 19-story, 186-unit apartment building on a 1.25-acre parcel at 3650 Hazelton Road, which borders the Edina Promenade on the west.

Furthermore, the amendment increases the guiding density range to 30-55 units/acre for a specific set of parcels in the OR District in the Pentagon Park/Gateway Study Area. This is related to a development proposal that would, at build out, include 1,500 housing units. The first phase of the project includes a 365-unit market rate apartment and a 225-unit senior apartment building on 10.86 acres. The project would be located at 4600/4660 77th Street. The project proposal and change in guiding density are associated with a recent Alternative Urban Areawide Review (AUAR) Update for the Gateway Study Area (Review File No. 20052-4).

Rationale

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

Thrive Lens

The proposed amendment is reviewed against the land use policies in Thrive MSP 2040. To achieve the outcomes identified in Thrive, the metropolitan development guide defines the Land Use Policy for the region and includes strategies for local governments and

the Council to implement. These policies and strategies are interrelated and, taken together, serve to achieve the outcomes identified in Thrive.

Funding

None.

Known Support / Opposition

None known.

Review Record

*City of Edina
Mixed Use Center (MXC) & Office Residential (OR) District Density and Building Height
Comprehensive Plan Amendment*

Review File No. 20413-14, Council Business Item No. 2018-321

BACKGROUND

The City of Edina (City) is a first-ring suburban community of approximately 16 square miles, located in southeastern Hennepin County. It is bordered by the cities of Bloomington, Eden Prairie, Hopkins, Minneapolis, Minnetonka, Richfield and St. Louis Park (Figure 1).

Consistent with the policies adopted by the Council in June 2014 ([Business Item 2014-143](#)) regarding review of local comprehensive plans, this amendment is being reviewed under *Thrive MSP 2040* and its policy plans. The proposed amendment was found complete for review after January 1, 2016.

Thrive MSP 2040 (Thrive) designates the City with an “Urban” community designation. The Council currently forecasts that from 2017 to 2040 the City will grow from 52,497 to 55,100 population and 22,657 to 25,400 households. The Council also forecasts that between 2017 and 2040, the City’s employment will increase from 48,521 to 56,100 jobs.

The Metropolitan Council reviewed the City of Edina 2030 Comprehensive Plan Update (Update), Review File No. 20413-1, on August 12, 2009. This is the twelfth amendment since the Update was reviewed.

REQUEST SUMMARY

The amendment increases the guiding density range in the MXC District in the Greater Southdale Area to 100-150 dwelling units per acre and adds text to allow for flexibility in building height. The amendment is associated with a proposal for a 19-story, 186-unit apartment building on a 1.25-acre parcel at 3650 Hazelton Road, which borders the Edina Promenade on the west.

Furthermore, the amendment increases the guiding density range to 30-55 units/acre for a specific set of parcels in the OR District in the Pentagon Park/Gateway Study Area. This is related to a development proposal that would, at build out, include 1,500 housing units. The first phase of the project includes a 365-unit market rate apartment and a 225-unit senior apartment building on 10.86 acres. The project would be located at 4600/4660 77th Street. The project proposal and change in guiding density is associated with a recent Alternative Urban Areawide Review (AUAR) Update for the Gateway Study Area (Review File No. 20052-4).

OVERVIEW

Conformance with Regional Systems

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

Consistency with Council Policies

The amendment is consistent with the *Thrive MSP 2040*, with the *Housing Policy Plan*, with water resources management, and is consistent with Council forecasts, as amended.

Compatibility with Plans of Adjacent Jurisdictions

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

PREVIOUS COUNCIL ACTIONS

- The Council acted on the City's Update on August 12, 2009 (Review File No. 20413-1, [Business Item No. 2009-239](#)).
- The Council acted on the Waters amendment (Review File No. 20413-2, [Business Item No. 2010-232](#)) on June 23, 2010. The amendment re-guided 6.27 acres from Public/Semi-Public to High Density Residential to support a 150-unit senior nursing and assisted living complex.
- The Residential Density Range Adjustments for Mixed-Use Areas amendment (Review File No. 20413-3) was reviewed administratively on June 27, 2014. The CPA corrected erroneous density designations for residential development within the City's mixed-use districts that were inconsistent with other elements of the comprehensive plan.
- The Lennar amendment (Review File No. 20413-4) was reviewed administratively on June 27, 2014. The amendment re-guided 1.2 acres from Low Density Residential to Community Activity Center to support a mixed unit development on a larger site that included 240 housing units.
- The Council acted on the Regional Medical District amendment (Review File No. 20413-5, [Business Item No. 2014-273](#)) on November 12, 2014. The amendment amended the Regional Medical District to allow both senior housing and affordable housing with supportive services at a density range of 12-80 dwelling units per acre.
- The Pedestrian Facilities amendment (Review File No. 20413-6) was reviewed administratively on January 9, 2015. The amendment revised the Pedestrian Facilities section of the Transportation element of its comprehensive plan.
- The Valley View Wooddale Small Area Plan amendment (Review File No. 20413-7) was reviewed administratively on November 13, 2015. The amendment incorporated the Wooddale Valley View Small Area Plan into the City's comprehensive plan, created a new land use designation of Neighborhood Node, and re-guided 6.5 acres from Neighborhood Commercial and High Density Residential to Neighborhood Node.
- The Council acted on the CAC Density and Gateway Point amendment (Review File No. 20413-8, [Business Item No. 2016-33](#)) on February 24, 2016. The amendment increased the maximum allowable residential density in the Community Activity Center (CAC) district from 75 to 105 dwelling units per acre, and re-guided approximately 0.3 acres from Low Density Residential to CAC.
- The Council acted on the Millennium at Southdale amendment (Review File No. 20413-9, [Business Item No. 2016-152](#)) on July 27, 2016. The amendment re-guided 8.08 acres from Regional Medical District (RMD) to Community Activity Center (CAC), which supported a 372-unit residential development project on 5.67 acres. The Council increased the City's forecasts by 400 households and 1,000 population in 2020, 2030, and 2040.
- The City submitted the Mixed Use Center (MXC) Districts – Density and Height amendment (Review File No. 20413-10) on July 14, 2017, which was suspended by the City on August 2, 2017 and then subsequently withdrawn on September 26, 2017.

- The Council acted on the Mixed Use Center (MXC) District – Density and Height amendment (Review File No. 20413-11, [Business Item No. 2017-249](#)) on November 8, 2017. The amendment increased the maximum allowable residential density in areas guided as MXC in the Grandview and 50th & France Districts from 30 to 100 dwelling units per acre. The amendment also increased the maximum allowable height for buildings along Market Street. The amendment was associated with 165-unit senior housing development proposal in the Grandview District and a 100-unit, mixed-use development proposal in the 50th & France District. The Council increased the City’s forecasts by 300 households and 700 population in 2020, 2030, and 2040.
- The Edina Flats amendment (Review File No. 20413-12) was reviewed administratively on January 4, 2018. The amendment re-guided 0.6 acres from Low Density Residential to Neighborhood Node. The project supported the Edina Flats development, an 18-unit owner-occupied residential development on 1.27 acres.
- The Building Height at 6000 France amendment (Review File No. 20413-13) was reviewed administratively on January 11, 2018. The amendment changed the mapped height guidance in its comprehensive plan (from 4 to 8 stories) associated with a redevelopment project at 6600 France Avenue.
- The Gateway Study Area Alternative Urban Areawide Review Update (AUAR Update) (Review File No. 20052-4) was reviewed administratively by Council staff on September 12, 2018. Council staff concluded that planned improvements to the regional wastewater system were sufficient to serve the development scenario that is associated with the current review.

ISSUES

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

ISSUES ANALYSIS AND FINDINGS

Conformance with Regional Systems

The amendment conforms to the regional system plan for Regional Parks, Transportation, and Wastewater, with no substantial impact on, or departure from, these system plans. Additional and advisory comments for regional parks, wastewater, and transit are included below.

Regional Parks

Reviewer: Michael Larson (651-602-1407)

The proposed amendment conforms to the *2040 Regional Parks Policy Plan*. As shown in Figure 2, the Nine Mile Creek Regional Trail travels through the area guided as Mixed Use Center in the Greater Southdale Area, and just north of the area guided as Office Residential in the Pentagon Park/Gateway Study Area. Neither the increase in allowable density nor the specific project proposals are anticipated to impact the regional trail.

Wastewater

Reviewer: Roger Janzig (651-602-1029)

The proposed amendment conforms to the *2040 Water Resources Policy Plan*. As shown in Figure 2, the Greater Southdale Area is served by Metropolitan Council Environmental Services (MCES) Interceptor 1-RF-491 and Relief Interceptor 1-RF-491R. Interceptor 1-RF-491R, which was completed

in 2010, has capacity for the increase in flow associated with the increased density in the Mixed Use Center designation in the Greater Southdale Area, including the associated development proposal.

The proposed increase in density in the Pentagon Park/Gateway Study Area was recently the subject of an Alternative Urban Areawide Review Update (AUAR Update) (Review File No. 20052-4).

Interceptor 3-BN-499 and Lift Station L55 convey wastewater flows from this part of Edina. Metropolitan Council Environmental Services staff are in the final stages of completing the design for improvements to Lift Station L55, which will be sufficient to accommodate the increased density and associated development proposal.

Transit

Reviewer: John Dillery (612-349-7773)

The proposed amendment conforms to the *2040 Transportation Policy Plan* (TPP). It supports policies of Thrive and the TPP regarding land use and transportation. Specifically, the amendment supports the intensification and diversification of land uses in locations served by regional transportation and transit services. Metro Transit provides services to the Greater Southdale and Pentagon Park/Gateway Study Area, including Routes 6, 540, and 537/538.

Advisory Comments

Increased density and diversification of land uses support existing transit service and could lay the groundwork for improvements. Though not funded, Metro Transit's Service Improvement Plan identifies increased service during off-peak and weekend hours on Route 540 (West 77th Street). Metro Transit is concerned, however, about high traffic volumes at intersections that buses must traverse. Staff encourages the City to explore the possibility of replacing signalized intersections with roundabouts. Staff also encourages the City to work with Metro Transit to explore opportunities for a higher amenity transfer point between Routes 6 and 540.

Consistency with Council Policy

The amendment is consistent with Council policies for land use, forecasts, housing, and water resources. Additional review comments regarding consistency with land use, forecasts, and housing policies are detailed below.

Land Use

Reviewer: Michael Larson (651-602-1407)

The proposed amendment is consistent with the land use policies in Thrive, which designates the City as an Urban community. The increase in density ranges is consistent with overall density expectations for Urban communities, which is a minimum of 10 units per acre for new growth, development, and redevelopment. The amendment is also consistent with the Thrive policy to "align land use, development patterns, and infrastructure to make the best use of public and private investment."

The Mixed Use Center (MXC) designation in the Greater Southdale Area is a contiguous 93 acres (Figures 3 and 5) with a current density range of 12-30 units per acre. The amendment increases the density range in this district to 100-150 units/acre. A development proposal associated with this change includes 186 units on 1.25 acres (149 units/acre).

Parcels with the Office Residential (OR) designation in Pentagon Park/Gateway Study Area that are affected by the amendment total 29 acres (Figures 4 and 5), with a current density range of 12-30 units per acre. The amendment increases the density range for these parcels to 30-55 units/acre. A multi-phase development proposal on the overall Study Area includes 1,500 housing units (52 units/acre). The first phase of the project includes a 365-unit market rate apartment and a 225-unit senior apartment building on 10.86 acres.

The changes in guiding densities and the identification of land for redevelopment has a significant impact on the City's overall minimum planned density, which increases from 10.5 to 14.7 units per acre. Table 1 shows guiding land uses, densities, and acreage of expected redevelopment. Changes to the MXC and OR guiding land uses are shown in underline.

Table 1. City of Edina Planned Residential Density

Category	2010-2030 Change				
	Density Range		Net Acres	Min Units	Max Units
	Min	Max			
Medium Density Residential	5	12	21	105	252
Neighborhood Node	5	12	7.1	36	85
High Density Residential	12	30	48.67	584	1460
<u>Office Residential</u>	<u>30</u>	<u>55</u>	<u>28.91</u>	<u>867</u>	<u>1590</u>
Community Activity Center (CAC)	12	75	7.16	86	537
Regional Medical District	12	80	42.4	509	3392
Mixed Use Center - 50th/France & Grandview	12	100	4.55	55	455
<u>Mixed Use Center - Greater Southdale</u>	<u>100</u>	<u>150</u>	<u>1.25</u>	<u>125</u>	<u>188</u>
TOTALS			<u>161.04</u>	<u>2366</u>	<u>7959</u>
Overall Density				<u>14.69</u>	<u>49.42</u>

Forecasts

Reviewer: Todd Graham (651-602-1322)

The proposed amendment is associated with two development projects that will add 1,500 housing units in the Pentagon Park/Gateway Study Area and 186 units in the Greater Southdale area. Elsewhere in the City, including the Greater Southdale Area, residential projects that are newly completed or already underway have already advanced the City past its 2020 forecast. With the concurrence of City staff, Council staff recommend adjusting the City's forecasts upward as shown underlined in Table 2 below.

Table 2. Metropolitan Council Forecasts for the City of Edina

	Census	Estimate	Previous Council Forecasts			Revised Council Forecasts		
	2010	2017	2020	2030	2040	2020	2030	2040
Population	47,941	52,497	51,900	54,600	55,100	<u>53,700</u>	<u>57,900</u>	<u>59,600</u>
Households	20,672	22,657	22,900	24,700	25,400	<u>23,500</u>	<u>26,000</u>	<u>27,200</u>
Employment	47,457	48,521	51,800	54,000	56,100	51,800	54,000	56,100

(Note: All of the households and population in Edina are sewer-serviced.)

Advisory Comments

With this forecast revision, the 2021-30 Affordable Housing Need for the City increases. The new 2021-2030 Affordable Housing Need numbers are: 508 units at <=30% AMI, 325 units at 31-50% AMI; 387 units at 51-80% AMI; totaling 1,220 units. These forecast and affordable housing need changes are effective at the time of Metropolitan Council action on the amendment.

On May 7, 2018, the Council administratively approved the City's Comprehensive Plan Extension Request to December 31, 2019. Council and City staff are currently discussing the need for further adjustments to forecasts that will accompany the forthcoming 2040 Comprehensive Plan.

Housing

Reviewer: Hilary Lovelace (651-602-1051)

The amendment is consistent with the Council's *2040 Housing Policy Plan*. The City currently provides sufficient land to address its share of the region's 2011-2020 need for affordable housing, which is 212 units. After this amendment, the City will still be guiding more than 127 acres of medium- and high-density and mixed-use residential land such that at least 2,060 units could be built. The amendment increases the density range of its Mixed Use Center land use designation in the Greater Southdale Area as well as for a specific set of parcels in the Office Residential land use designation in Pentagon Park/Gateway Study Area. This creates additional flexibility in the types of housing projects that can be built.

The City participates in Livable Communities Act programs and has requested and received grant funds recently. In 2017, the City received a Tax Base Revitalization Account (TBRA) grant award of \$338,900 for the construction of 110 mixed-income apartments in their 49½ Street Mixed Use Redevelopment project. The most recent affordable housing built in the City was 39 rental units for youth experiencing homelessness that opened in 2017, and that project received \$1,300,000 in combined 2016 Livable Communities Demonstration Account-Transit Oriented Development (LCDA-TOD) and Local Housing Incentives Account (LHIA) grants.

Advisory Comments

The City should be aware that with the forecast adjustment associated with this amendment, its share of the region's *2021-2030* need for affordable housing will increase to 1,220 units. In preparing the 2040 Comprehensive Plan, the City should note that the minimum density of land guided to address this need is 8 units per acre. The City is encouraged to contact their Sector Representative or Council housing staff with any questions regarding the Council's housing policy for the 2040 Comprehensive Plan.

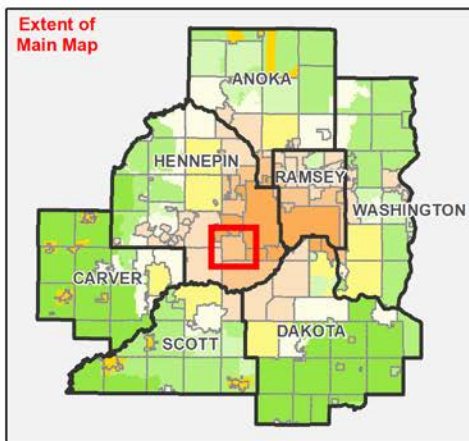
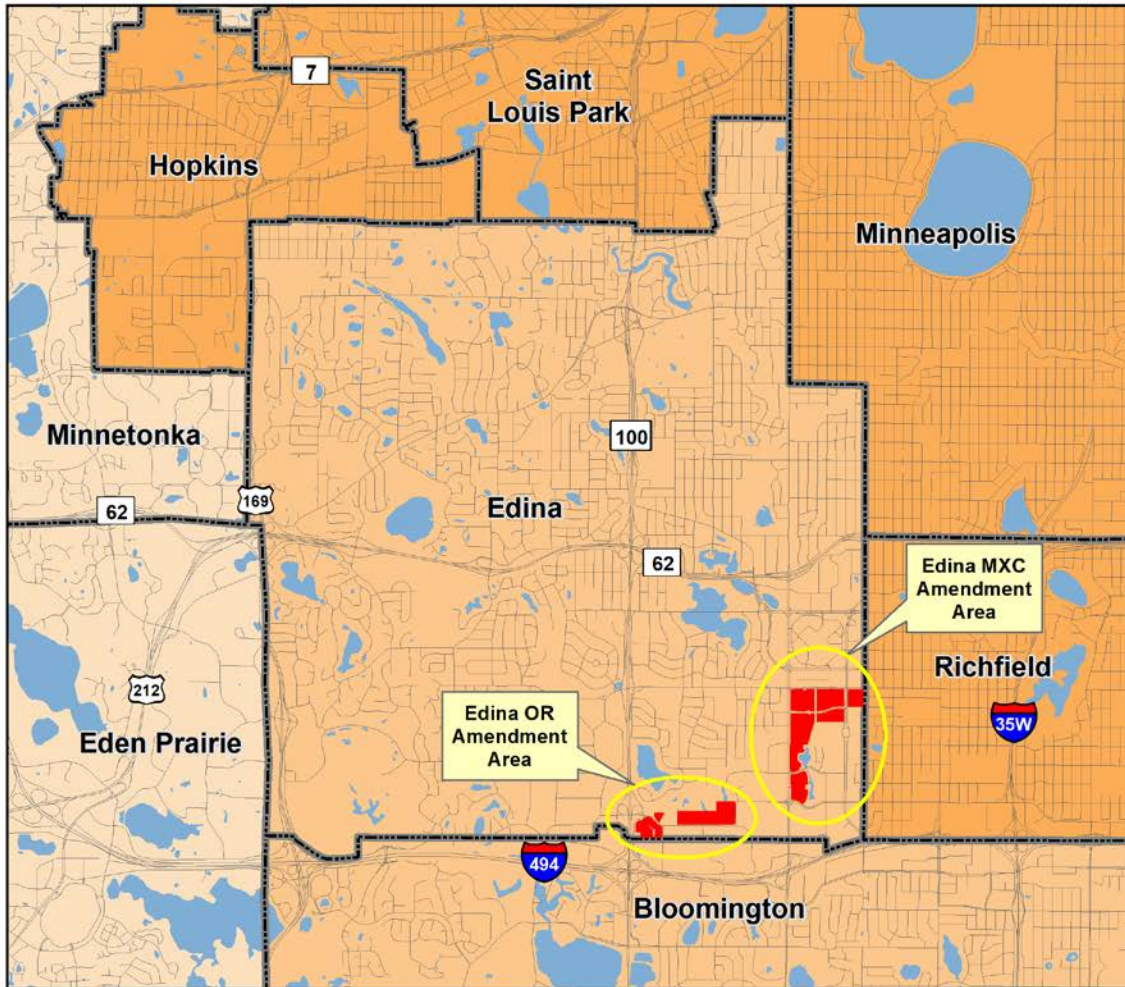
Compatibility with Plans of Adjacent Governmental Units and Plans of Affected Special Districts and School Districts

The proposed amendment is compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

ATTACHMENTS

- Figure 1: Location Map Showing Community Designations
- Figure 2: Location Map Showing Regional Systems
- Figure 3: MXC Land Use Guiding – Greater Southdale
- Figure 4: OR Land Use Guiding (Impacted Parcels) – Pentagon Park/Gateway
- Figure 5: Overall Land Use Guiding

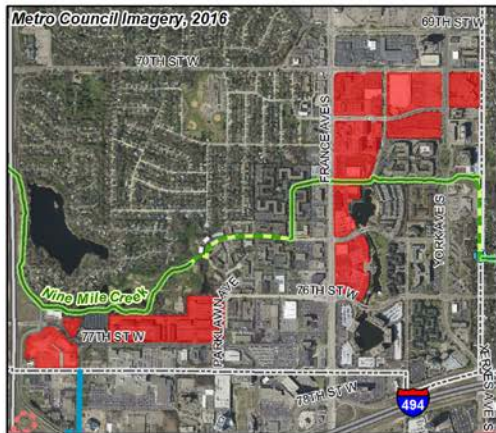
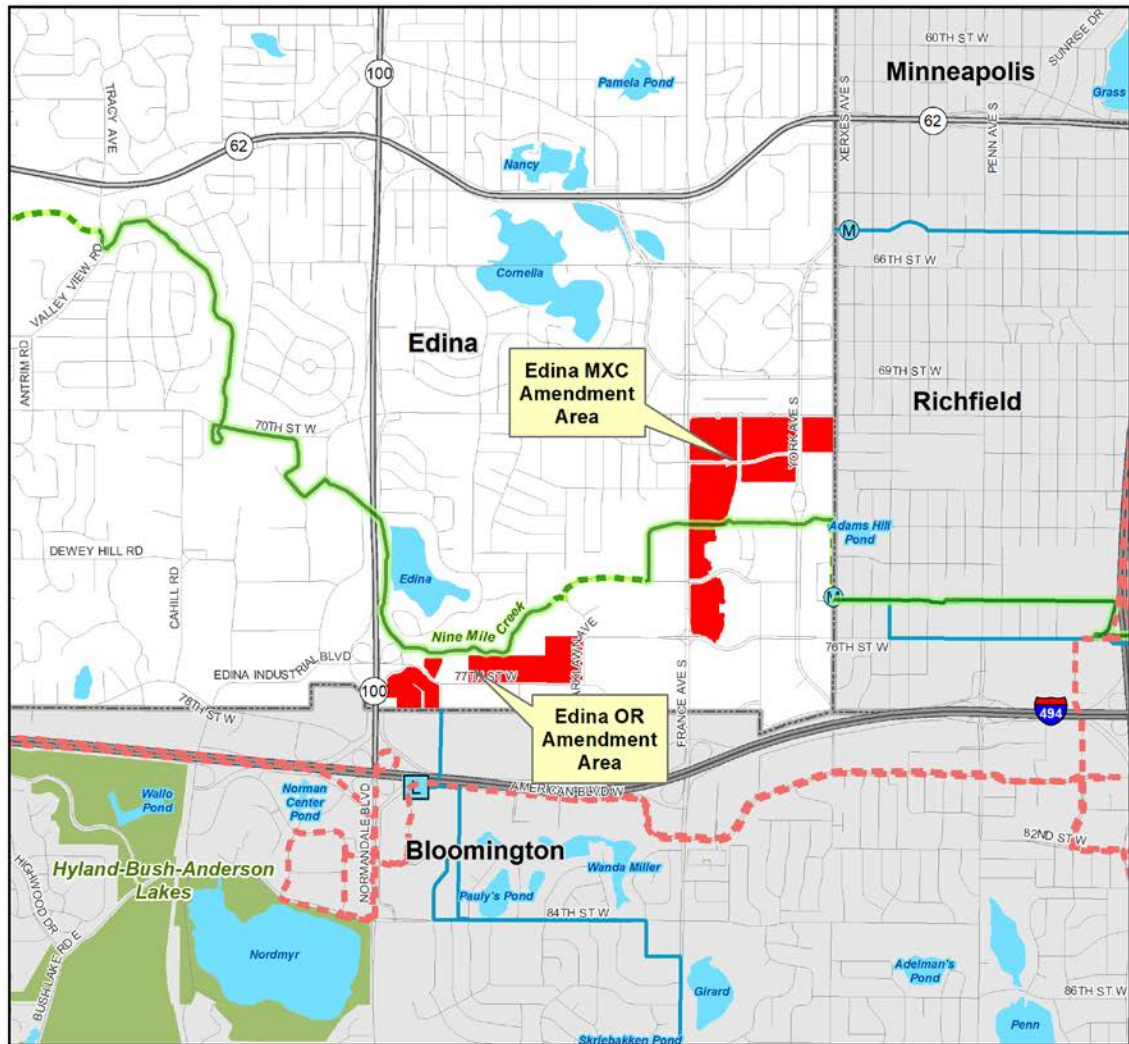
Figure 1: Location Map Showing Community Designations



ThriveMSP 2040 Community Designations

- Agricultural
- Rural Residential
- Diversified Rural
- Rural Center
- Emerging Suburban Edge
- Suburban Edge
- Suburban
- Urban
- Urban Center
- Ncompass Street Centerlines

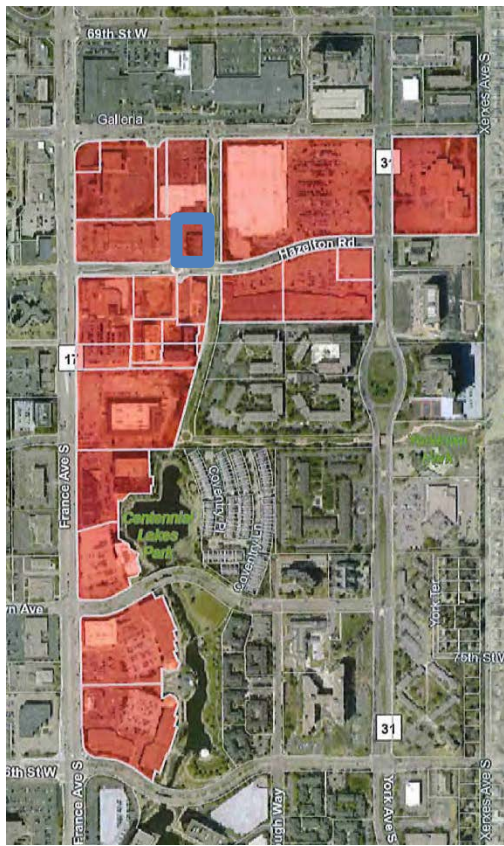
Figure 2: Location Map Showing Regional Systems



Regional Systems

- | | |
|--|--|
| <ul style="list-style-type: none"> Planned Fixed Guideway Stations Existing Fixed Guideway Stations Regional Transitways Existing, Fixed Guideway Proposed, Fixed Guideway Existing, Bus Rapid Transit Proposed, Bus Rapid Transit Wastewater Treatment Meters Lift Stations MCES Interceptors MCES Treatment Plants | <ul style="list-style-type: none"> Regional Highway System Interstates US Highways State Highways County Roads Ncompass Street Centerlines Regional Parks Existing (Open to Public) In Master Plan (Not Open to Public) Planned Units Existing Regional Trails Planned Regional Trails |
|--|--|

Figure 3: MXC Land Use Guiding – Greater Southdale



Legend

 1.25-acre development site (186 units)

Figure 4: OR Land Use Guiding (Impacted Parcels) – Pentagon Park/Gateway



Legend

 10.86-acre Phase 1 development site (590 units)

Figure 5: Overall Land Use Guiding

