

Community Development Committee

For the Metropolitan Council meeting of March 28, 2018

Subject: City of Bloomington Friendship Village Comprehensive Plan Amendment, Review File No. 20427-8

Proposed Action

That the Metropolitan Council:

1. Adopt the attached Review Record and allow the City of Bloomington to place the Friendship Village Comprehensive Plan Amendment into effect.
2. Find that the amendment does not change the City's forecasts.
3. Advise the City to implement the advisory comments in the Review Record for Regional Parks, Land Use, and Surface Water Management.
4. Strongly encourage the City to support new development in ways that preserve and benefit from the natural environment and reduce development pressures that endanger remaining regional wetlands.

Summary of Committee Discussion/Questions

Senior Planner Michael Larson presented the staff's report to the Committee. Chair Commers noted the inconsistency with regional policy on natural resources. There was no other discussion.

The Community Development Committee unanimously recommended approval of the proposed action with no questions or discussion at its meeting on March 19, 2018.

Community Development Committee

Meeting date: March 19, 2018

For the Metropolitan Council meeting of March 28, 2018

Subject: City of Bloomington Friendship Village Comprehensive Plan Amendment, Review File No. 20427-8

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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4. Strongly encourage the City to support new development in ways that preserve and benefit from the natural environment and reduce development pressures that endanger remaining regional wetlands.

Background

The proposed amendment reguides approximately 1.76 acres from Office to High Density Residential at 8210 Highwood Drive. The amendment supports redevelopment and expansion of the Friendship Village of Bloomington senior living campus, which is located on an adjacent 23.3-acre site that is currently guided as High Density Residential. The campus is in the northwest corner of the City, immediately southeast of the U.S. Highway 169 / I-494 Interchange.

Rationale

The proposed amendment conforms to regional system plans; and except for the Natural Resources Protection policy, the amendment is consistent with Council policies; and is compatible with the plans of other local communities and school districts.

Thrive Lens Analysis

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

There is no known local government opposition to this proposal. There is support for the proposal from Friendship Village residents, but there is also opposition from nearby residents concerned about density, impacts to the wetland, and resident displacement.

Review Record

City of Bloomington Friendship Village Comprehensive Plan Amendment

Review File No. 20427-8, Council Business Item No. 2018-73

BACKGROUND

The City of Bloomington (City) is located in southeastern Hennepin County, bordered by Richfield, Edina and Fort Snelling to the north, Eden Prairie to the west, Shakopee to the southwest, Savage and Burnsville to the south, and Eagan to the east.

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.

Thrive MSP 2040 (Thrive) designates Bloomington with an “Urban” community designation. The Council forecasts from 2016 to 2040 that the City will grow from 88,299 to 93,300 population and 38,047 to 41,250 households. The Council also forecasts that between 2010 and 2040, the City’s employment will increase from 86,530 to 109,700 jobs.

The Metropolitan Council reviewed the City of Bloomington 2030 Comprehensive Plan Update ([Business Item 2009-88](#), Review File No. 20427-1) on May 13, 2009. This is the seventh comprehensive plan amendment (CPA) since the Update was reviewed. An eighth comprehensive plan amendment, the 2017 Normandale Lake District Plan Update (Review File 20427-9), was administratively approved on March 6, 2018. A ninth comprehensive plan amendment, 3100 W. 98th Street (Review File 20427-10), was administratively approved on March 12, 2018.

REQUEST SUMMARY

The proposed amendment reguides approximately 1.76 acres from Office to High Density Residential at 8210 Highwood Drive. The amendment supports redevelopment and expansion of the Friendship Village of Bloomington senior living campus, which is located on an adjacent 23.3-acre site that is currently guided as High Density Residential. The campus is in the northwest corner of the City, immediately southeast of the U.S. Highway 169 / I-494 Interchange.

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 *Thrive MSP 2040* except for the Natural Resources Protection policy; with the *Housing Policy Plan*; and with Council forecasts. The amendment is not consistent with the Water Sustainability Goal of the *Water Resources Policy Plan*.

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 May 13, 2009 ([Business Item No. 2009-88](#), Review File No. 20427-1).
- The Council administratively approved the Bethany Fellowship CPA (Review File No. 20427-2) on April 19, 2011. This CPA reguided 23.5-acres from High Density Residential and Quasi Public to Low Density Residential and Quasi Public to support the development of 40 single-family homes.
- The Council approved the South Loop District Plan ([Business Item No. 2013-53](#), Review File No. 20427-3) on February 13, 2013. The CPA incorporated the South Loop District Plan and updated wastewater plan by reference into the City's Update. The CPA added two new land use categories and changed land use for 184 acres within the South Loop District.
- The Council administratively approved the Mount Hope CPA (Review File No. 20427-4) on December 13, 2013. The CPA reguided approximately 3.51 acres from Quasi Public to High Density Residential to support the development of a 77-unit senior cooperative housing development.
- The Council approved on the Penn American District Plan CPA ([Business Item No. 2014-128](#), Review File No. 20427-5) on June 11, 2014. The CPA incorporated the 133-acre Penn American District Plan by reference, which includes planning objectives for a dense, walkable, mixed-use district served by METRO Orange Line.
- The Council approved the Adjoining Lands CPA on August 23, 2017 ([Business Item No. 2017-179](#), Review File No. 20427-6) on August 23, 2017. The CPA reguided 31 acres immediately east of the Mall of America from Innovation and Technology to High Intensity Mixed Use. The purpose of the CPA was to modify guiding land use based on developer interest.
- The Council administratively approved the Thunderbird CPA (Review File 20427-7) on December 18, 2017. The CPA guided 11.7 acres from Office to High Intensity Mixed Use at the site of the former Thunderbird Hotel. The purpose of the CPA was to allow a greater mix of future uses based on developer interest.
- The Council administratively approved the 2017 Normandale Lake District Plan Update CPA (Review File 20427-9) on March 6, 2017. The CPA updated the district plan's traffic, sewer, and water modeling based on recent changes in development assumptions.
- The Council administratively approved the 3100 W. 98th Street CPA (Review File 20427-10) on March 12, 2018. The CPA reguided a single-family home from Public to Low Density Residential. The purpose of the amendment was to allow its continuing use as residential rather than to acquire and incorporate it into the adjoining city park.

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 plans for Regional Parks, Transportation, and Wastewater, with no substantial impact on, or departure from, these system plans. Additional review comments for regional parks are included below.

Transportation

Reviewer: Russ Owen (651-602-1724)

The amendment conforms to the *2040 Transportation Policy Plan* (TPP). The proposed project is an expansion of existing campus immediately southeast of the U.S. Highway 169 / I-494 Interchange. The amendment does impact regional surface transportation or aviation systems.

Wastewater

Reviewer: Roger Janzig (651-602-1119)

The amendment conforms to the system elements of the *2040 Water Resources Policy Plan* (WRPP). The existing Metropolitan Disposal System has adequate capacity for the proposed change in guided land use.

Regional Parks

Reviewer: Jake Reilly (651-602-1822)

The amendment conforms to the *2040 Regional Parks Policy Plan* (RPPP). Hyland-Bush-Anderson Lakes Park Reserve, part of the regional system, is adjacent to and immediately south of the Friendship Village Campus. The City of Bloomington and Three Rivers Park District actively manage the Hyland-Bush-Anderson Lakes Park Reserve. The change in land use guiding from “Office” to “High Density Residential” is not anticipated to negatively impact the park reserve.

Advisory Comments

Development plans associated with the amendment show impacts to the wetland on the site to accommodate stormwater runoff. Council staff encourage the City and developer to work closely with Nine Mile Creek Watershed District and the park implementing agencies to maintain the integrity of the adjoining park land. Council staff also encourage the City to ensure continued park access to Tierney’s Woods during construction.

Consistency with Council Policy

The amendment is consistent with Council policies for forecasts, housing, sub-surface sewage treatment systems, and water supply. The amendment is not consistent with Thrive land use policies related to Natural Resources Protection as well as the Water Sustainability Goal of the *2040 Water Resources Policy Plan*. Additional review comments regarding policy consistency are detailed below.

Land Use

Reviewer: Michael Larson (651-602-1407)

Thrive MSP 2040 designates the City as an Urban community (Figure 1). The amendment is consistent with Thrive’s land use policies regarding Orderly and Efficient Land Use, as it accommodates the redevelopment of portions of an existing senior housing campus, as well as its expansion. However, the amendment is associated with a campus plan that includes the filling of portion of a wetland. Staff find that the wetland impacts proposed are inconsistent with Thrive land use policies regarding Natural Resources Protection.

The proposed amendment reguides approximately 1.76 acres from Office to High Density Residential (at least 10 units per acre) at 8210 Highwood Drive. The amendment supports redevelopment and

expansion of the Friendship Village of Bloomington senior living campus, which is located on an adjacent 23.3-acre site that is currently guided as High Density Residential. This campus plan includes residential options of independent living, assisted living, skilled nursing, and memory care.

The 1.76-acre amendment site accommodates replatting of the campus into a single parcel and is part of the first phase of the campus plan (Figure 4). A new three-story facility replaces the existing office building on the site. Upon completion of this facility, residents living elsewhere on the campus will relocate to this facility. This, in turn, facilitates further redevelopment as part of the second phase (Figure 5).

A central feature of the second phase is the development of a 98-unit independent living building on part of the campus that is currently guided as High Density Residential. The site plan accommodates the building by filling in a portion of a wetland, which will border the new building on the south (shown as “pond” in Figures 4 and 5). This action appears to be driven mostly by a desire to optimize site planning rather than that no reasonable alternatives exist. More detailed review to this effect can be found under the Surface Water Management section of this report.

As a result of the amendment, the City’s overall minimum planned density increases only slightly from 9.645 to 9.654 du/acre, as shown in Table 1 with changes underlined.

Table 1. City of Bloomington Planned Residential Density

Category	2010-2030 Change				
	Density Range		Net Acres	Min Units	Max Units
	Min	Max			
Low Density Residential	0	5	15.7	0	79
Medium Density Residential	5	10	20	100	200
High Density Residential (10-24 du/ac)	10	24	<u>6.97</u>	<u>70</u>	<u>167</u>
High Density Residential (10-60 du/ac)	10	60	24.41	244	1,465
Airport South Mixed Use	90	90	3	270	270
South Loop Mixed Use	30	131	0.75	22	98
General Business	0	22	13.03	0	397
TOTALS			73.16	706	2,597
			Overall Density	9.654	35.49

Advisory Comments

In the City’s current comprehensive plan, the minimum density for High Density Residential uses is 10 units/acre, with no designated upper limit. Table 1 shows estimated upper limits based on two scenarios provided by the City during the 2009 review of their comprehensive plan. For the 2040 comprehensive plan update, please note that the Metropolitan Council expects density ranges to have both an upper and a lower bound. Please also refer to related and more detailed advisory comments associated with the recent administrative review of the 2017 Normandale Lake District Plan Update CPA (Review File 20427-9) on March 6, 2017.

Surface Water Management

Reviewer: Jim Larsen (651-602-1159)

The development associated with the amendment, as proposed, impacts wetland habitat in a manner that is inconsistent with the Natural Resources Protection Policy of *Thrive*, as well as the Water Sustainability Goal of the *WRPP*.

Thrive Natural Resources Protection policies direct the Council to:

- [E]ncourage local governments to locate and design new developments in a way that preserves and benefits from the natural environment and reduces development pressures that endanger natural resources...and
- promote the long-term sustainability of the region's water resources, and to balance growth and protection to improve and maintain the quality and quantity of our lakes, rivers, streams, wetlands, and groundwater supplies.

Additionally, the *WRPP* Water Sustainability Goal directs the Council to:

- Protect, conserve and utilize the region's groundwater and surface water in ways that protect public health, support economical growth and development, maintain habitat and ecosystem health, and provide recreational opportunities, all of which are essential to our region's quality of life.

As proposed, development associated with the amendment will result in the filling of 0.64 acres of the existing 1.93-acre wetland on the site. Nine-Mile Creek Watershed District has assessed this wetland to be a shallow marsh wetland of medium value. Excavation to increase the size of the remaining wetland by 0.5 acres, for purposes of stormwater management, will further negatively impact its ability to sustain its current diversity of aquatic life and other sensitive functions and values. Because its design does not replace lost wetland habitat, function, or value, the expansion does not qualify as on-site mitigation.

Council staff concurs with City staff comments contained in their February 5, 2018 staff report to the City Council, in which they "strongly encouraged the applicant to modify their plan in a manner that would have no impact to the wetland or the existing (twin-home) units by building all proposed units vertically west of the wetland." The project proposer's response to that recommendation was that it would be "cost prohibitive and restrict the desired connectivity."

The seven-county metropolitan area, except for Anoka County, is located within a block of western and southern counties in Minnesota that retain less than 50 percent of their pre-settlement wetland areas. As of 1981, Hennepin County was found to retain only an estimated 31 percent of its circa-1860s wetland acreage. The City of Bloomington has administrative authority and responsibility to implement the Minnesota Wetland Conservation Act (WCA) as the Local Government Unit (LGU) within the legal boundaries of the City. The City has, through the required WCA wetland replacement process, overseen the purchase by the developer of the required wetland replacement credits (at a 2:1 replacement ratio) in rural Scott and Lyon Counties, having been unable to fully replace the necessary wetland acreage at a WCA Wetland Bank site within the seven-county metropolitan area.

Housing

Reviewer: Tara Beard (651-602-1051)

The proposed comprehensive plan amendment is complete and consistent with the Council's policies for housing. The City currently provides sufficient land to address its share of the region's 2011-2020 need for affordable housing, which is 961 units. The proposed amendment increases the City's inventory of land guided to promote the development of low- and moderate-income housing. After this

amendment, the City will be guiding over 73 acres of land at medium, high, and mixed-use densities such that at least 1,103 units could be built.

Bloomington is a participant in Livable Communities Act programs. In 2016 the City received \$1,400,000 in Livable Communities Demonstration Account (LCDA) funds toward the construction of 248 rental units, including 50 affordable units. That year the City was also a part of a Local Housing Incentives Account (LHIA) award to Hennepin County that included the acquisition of a tax-forfeited property in Bloomington that will be rehabilitated and sold via a land trust model to an income-qualifying family. The most recent affordable housing built in Eden Prairie was 15 owner-occupied homes built in 2009. Prior to the completion of these projects, the most recent affordable housing built in Bloomington was 8 rental units in 2015.

Advisory Comments

The City should be aware that its share of the region's 2021-2030 need for affordable housing is 586 units. In preparing the 2040 comprehensive plan update, 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 update.

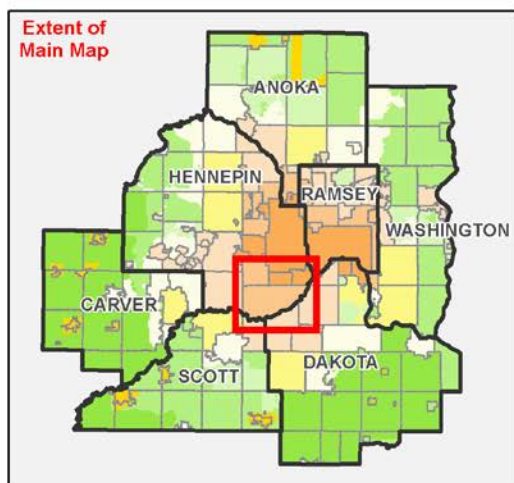
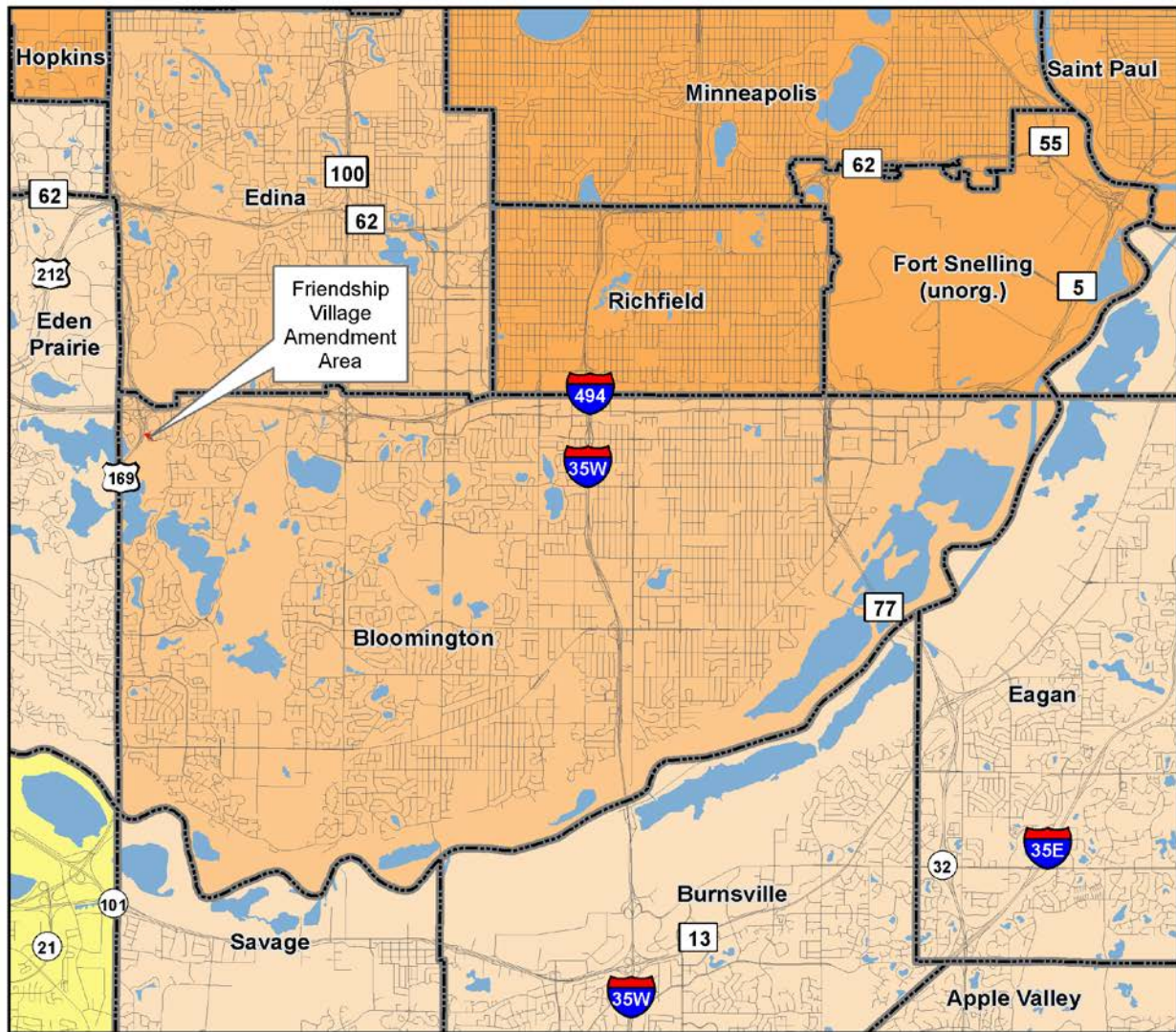
Compatibility with Plans of Adjacent Governmental Units and Plans of Affected Special Districts and School Districts

The proposed amendment is compatible with the plans of adjacent jurisdictions. Outside of the surface water management concerns noted above, 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: Current and Proposed Land Use Guiding
- Figure 4: Friendship Village Campus Plan, Phase 1
- Figure 5: Friendship Village Campus Plan, Phase 2

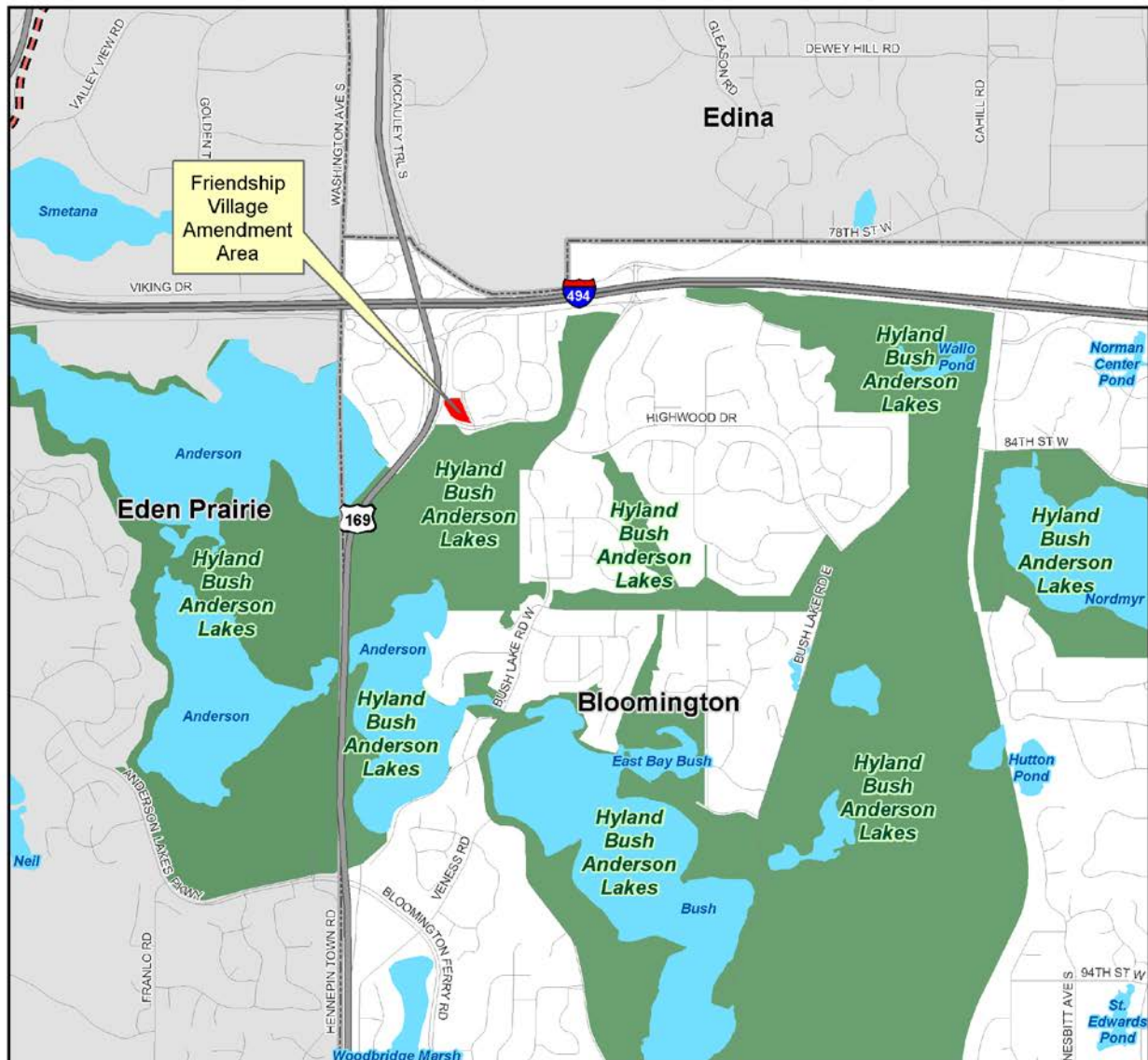
Figure 1: Location Map Showing Community Designations



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

Regional Highway System

- Interstates
- US Highways
- State Highways
- County Roads
- Regional Transitways**
- Existing, Fixed Guideway
- Proposed, Fixed Guideway
- Existing, Bus Rapid Transit
- Existing Fixed Guideway Stations
- Planned Fixed Guideway Stations

Recreation Open Space

- Park Reserves
- Regional Parks
- Special Recreation Features
- Existing Regional Trails
- Planned Regional Trails

Wastewater Treatment

- Meters
- Lift Stations
- MCES Interceptors
- MCES Treatment Plants

Ncompass Street Centerlines

Figure 3: Current and Proposed Land Use Guiding

Existing Guide Plan



Proposed Guide Plan Amendment



Figure 4: Friendship Village Campus Plan, Phase 1

