

## Community Development Committee

Meeting date: May 21, 2018

For the Metropolitan Council meeting of May 23, 2018

**Subject:** City of Shakopee Entertainment District Comprehensive Plan Amendment, Review File No. 20434-8

**District(s), Member(s):** District 4, Deb Barber

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

**Staff Prepared/Presented:** Angela R. Torres, AICP, Planning Analyst, Local Planning Assistance (651-602-1566)

**Division/Department:** Community Development/Regional Planning

### Proposed Action

That the Metropolitan Council

1. Adopt the attached Review Record and allow the City of Shakopee to place the Entertainment District Comprehensive Plan Amendment (CPA) into effect.
2. Find that the proposed amendment does change the City's forecasts. The City will address all forecast adjustments, community-wide and TAZ forecasts, through the City's 2040 Plan Update.
3. Advise the City to implement the advisory comments in the Review Record for Regional Parks, Forecasts, and Housing.

### Background

The Metropolitan Council reviewed the City of Shakopee 2030 Comprehensive Plan Update (Update), ([Business Item No. 2009-123](#), Review File No. 20434-1) on June 24, 2009. This is the seventh comprehensive plan amendment since the Update was reviewed. The amendment proposes to amend the local comprehensive plan to add a definition for the Entertainment District land use category. Allowed uses will complement the entertainment uses found at Valleyfair and Canterbury Park as well as permit medium and high density residential uses on up to 10% of the land area with a density range between 5.01 and 28 units per acre. The purpose of the text amendment is to accommodate Canterbury Commons, a proposed mixed-use redevelopment proposal.

### 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 Analysis

The proposed amendment is reviewed against the land use policies in *Thrive MSP 2040* (Thrive). 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 Shakopee Entertainment District Comprehensive Plan Amendment*

Review File No. 20434-8, Council Business Item No. 2018-126 SW

### BACKGROUND

The City of Shakopee (City) is located in northern Scott County, bordered by the cities of Eden Prairie, Bloomington, Savage, Prior Lake, Spring Lake Township, Sand Creek Township, Louisville Township, Jackson Township, and Chanhassen.

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 in a letter dated April 30, 2018.

*Thrive MSP 2040* (Thrive) designates Shakopee with an “Suburban Edge” community designation. According to the Council’s forecasts, the City should plan on growing from 36,946 in 2010 to 53,100 population in 2040 and from 12,722 to 18,800 households. The Council also forecasts that, between 2010 and 2040, the City’s employment will increase from 18,831 to 31,900 jobs.

The Metropolitan Council reviewed the City of Shakopee 2030 Comprehensive Plan Update ([Business Item 2009-123](#), Review File No. 20434-1) on June 24, 2009. This is the seventh comprehensive plan amendment since the Update was reviewed.

### REQUEST SUMMARY

The amendment proposes to amend the local comprehensive plan to add a land use definition for the Entertainment District category. Allowed uses will be complimentary to the entertainment use found at Valleyfair and Canterbury Park including restaurants, hospitality, entertainment, office, office tech, office flex, medical, retail, and commercial recreational uses. In addition, the use will permit medium and high density residential uses on up to 10% of the land area with a density range between 5.01 and 28 units per acre. Approximately 700 acres within the City are in the Entertainment District. This equates to 70 acres of new land area for residential uses; 25 acres at Valleyfair and 45 acres at Canterbury Park. The purpose of the text amendment is to accommodate Canterbury Commons, a proposed mixed-use redevelopment proposal. The first phase of the project includes approximately 600 units of high density residential development.

### 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.

**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 June 24, 2009 (Review File No. 20434-1).
- The Liberty Properties amendment was administratively approved by the Council on November 30, 2010 (Review File No. 20434-2). This amendment reguided 25 acres from Commercial to Industrial use.
- The Valley Park 17<sup>th</sup> Addition amendment was administratively approved by the Council on November 13, 2012 (Review File No. 20434-3). This amendment reguided 11 acres from Business Park to Commercial use.
- The Recovery Technology Solutions amendment was administratively approved by the Council on July 22, 2013 (Review File No. 20434-4). This amendment reguided 19.65 acres from Commercial to Industrial use.
- The Checkered Flag Properties amendment was administratively approved by the Council on August 11, 2014 (Review File No. 20434-5). This amendment reguided 5 acres from Commercial to Industrial use.
- The Hy-Vee amendment was administratively approved by the Council on September 14, 2016 (Review File No. 20434-6). This amendment reguided 23.89 acres from Medium Density Residential to Commercial and High Density Residential to support a mixed-use development with grocery store, liquor store, convenience store, and medical office building as well as a 100-unit residential development on 7.89 acres of the subject property.
- July 19, 2017: the Council provided comments on the Canterbury Commons Environmental Assessment Worksheet (EAW) (Review File No. 21751-1).
- The United Properties Canterbury amendment was administratively approved by the Council on April 30, 2018 (Review File No. 20434-7). This amendment reguided 24 acres from Entertainment District to Industrial use.

## 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 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*

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.

### **Regional Parks**

*Reviewer: Angela R. Torres (651-602-1566)*

The proposed amendment conforms to the *2040 Regional Parks Policy Plan (RPPP)*. The amendment area is within 0.5 mile of The Landing, a Special Recreation Feature identified in the RPPP. The

Landing is owned and operated by Three Rivers Park District and governed by the RPPP. The Minnesota Valley State Trail is also located within 0.5 miles of the proposed amendment. The change in the land use category description to permit residential uses is not anticipated to impact the regional parks system.

### *Advisory Comments*

The amendment area is within the Minnesota River Extension Regional Trail Search Corridor. The regional trail search corridor extends the Minnesota River Greenway Regional Trail west from Burnsville through Savage and Shakopee as it connects the Prior Lake Outlet Regional Trail Search Corridor, The Landing, and the Minnesota Valley State Trail. The master plan alignment for this regional trail extension is not yet determined. The Council recommends that the City coordinate with Scott County as the park implementing agency prior to development to accommodate potential future alignments within the trail search corridor.

### **Transportation**

*Reviewer: Russ Owen (651-602-1724), Steve Mahowald (612-349-7775)*

The proposed amendment conforms to the *2040 Transportation Policy Plan (TPP)*. This proposed text amendment will not have an impact on the existing transit or transportation network.

### **Wastewater**

*Reviewer: Roger Janzig (651-602-1119)*

The proposed amendment conforms to the *2040 Water Resources Policy Plan*. The amendment would support the potential development of 700 apartments, 156 townhomes, 93,000 square feet of commercial uses (retail, restaurant, and entertainment), and a 120-room hotel on 68.5 acres. The wastewater for this project location is conveyed through Metropolitan Council Interceptor 9206-1 and treated at the Blue Lake Wastewater Treatment Plant. The Regional System has sufficient reserve capacity to accommodate the wastewater flow generated by the proposed project.

### *Consistency with Council Policy*

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

### **Forecasts**

*Reviewer: Todd Graham (651-602-1322)*

This amendment would enable a proposed Canterbury Commons development with 700 apartments, 156 townhomes, 93,000 sq. ft. of commercial/retail, and a 120-guest room hotel on a site across the street from the Canterbury racetrack. Much of this development is expected to open for occupancy in 2020.

Previously, in land use forecast modeling, the Metropolitan Council did not interpret “Recreation” or “Entertainment” as residential categories – that is, land uses that would accommodate new housing as the Plan did not explicitly state that potential. The development proposed is therefore above and beyond the residential supply capacity previously considered by the Council. Changes will be needed to both the community-wide forecast and TAZ forecast allocations, attributable to the Canterbury Commons project. Council staff recommend adjusting the community-wide forecast upward.

### *Advisory Comments*

Through discussions with City staff, Council staff learned of the need for the City’s household and population forecasts to be increased in the Canterbury area as well as other parts of the City. Notably, the City also expects to annex land from neighboring Jackson Township to the west. This expanded

land supply was not previously considered at the time of the Council's 2014 land use forecast modeling as an orderly annexation agreement did not exist at that time. City staff would like to address all forecast adjustments, community-wide and TAZ forecasts, through the City's 2040 Plan Update. Council staff recommend this as an acceptable approach in this case.

## Land Use

*Reviewer: Angela R. Torres (651-602-1566)*

The proposed amendment is consistent with the land use policies in *Thrive MSP 2040* (Thrive), which designates the City as a Suburban Edge community. Thrive directs Suburban Edge communities to support forecasted housing growth at an average minimum density of 3 to 5 units per acre, and to target higher-intensity developments in areas with better access to sewer and transportation infrastructure, connections to local commercial activity centers, transit facilities, and recreational amenities.

The amendment proposes to clarify the Entertainment District land use category's description and allowed uses. The Entertainment District includes land around both Valleyfair and Canterbury Park. In total, there is approximately 700 acres of land in the Entertainment District. Valleyfair has about 250 acres and Canterbury Park has approximately 450 acres (see Figures 3 and 4).

The amendment proposes that the District include uses such as restaurants, hospitality, entertainment, office, office tech, office flex and medical, and retail, in addition to the existing commercial recreational uses. A limited amount of medium and high density residential is proposed to be allowed within an approved Planned Unit Development (PUD), not to exceed 10% of the designated land guided for Entertainment, with a maximum density of 28 density units per acre.

The purpose of the amendment is to accommodate a proposed development called Canterbury Commons located on the north side of Eagle Creek Boulevard, west of County Highway 83, and adjacent to Canterbury Park. The proposed development was also evaluated as part of Canterbury Commons Environmental Assessment Worksheet (EAW), on which the Council provided comments in a letter dated July 19, 2017 (Review File No. 21751-1). The EAW included 68.5 acres for a development that was proposed to include 856 residential units, including 700 apartments, 156 townhomes, 93,000 sf of commercial uses (retail, restaurant, and entertainment), and a 120-room hotel. As part of the Council's comments on the EAW, staff requested that the City amend their plan to provide a category definition and describe allowed uses within the District. Residential uses were not considered as part of the Entertainment District in previous City plans.

The City's Update, with previous amendments, has a planned minimum residential density of 3.22 units per acre. Consistent with the Council's [MUSA Implementation Guidelines](#), communities participating in the Plat Monitoring Program (PMP) receive credit for development platted beginning in the year 2000. Since 2000, the City has averaged 3.63 units per acre in the PMP. As shown in Table 1 below, the City has a combined overall minimum residential density of 3.35 units per acre.

The proposed change is consistent with Council policies and has minimal impact on the City's overall planned residential density, which remains above 3 units per acre (changes are underlined in Table 1 below).

Table 1: City of Shakopee Planned Residential Density

| Category                                 | 2008-2030 Change     |                      |              |               |               |
|------------------------------------------|----------------------|----------------------|--------------|---------------|---------------|
|                                          | Density Range<br>Min | Density Range<br>Max | Net<br>Acres | Min Units     | Max Units     |
| Single Family Residential                | 3                    | 5                    | 2,439        | 7,317         | 12,195        |
| Medium Density Residential               | 5.01                 | 8                    | 211          | 1,058         | 1,689         |
| High Density Residential                 | 8.01                 | 12                   | 7.89         | 63            | 95            |
| <u>Entertainment District (10%)*</u>     | <u>5.01</u>          | <u>28</u>            | <u>70</u>    | <u>351</u>    | <u>1,960</u>  |
| Mixed Use - Residential                  | 3                    | 5                    | 40           | 120           | 200           |
| Subtotals                                |                      |                      | 2,768        | 8,909         | 16,139        |
| Planned Density                          |                      |                      |              | 3.22          | 5.83          |
| Plat Monitoring<br>Program 2000-<br>2016 |                      |                      | 1,372        | 4,980         | 3.63          |
| <b>TOTALS</b>                            |                      |                      | <b>4,140</b> | <b>13,889</b> | <b>16,139</b> |
| <b>Overall Density</b>                   |                      |                      |              | <b>3.35</b>   | <b>3.90</b>   |

\* Net acres reflects 10% of the 700 total acres in the Entertainment District, which allows up to 10% of the area to be used for residential purposes.

Valleyfair and Canterbury Park, as metro-area entertainment destinations, are located near both Highway 169 and CR 101. The Entertainment District, which encompasses these facilities and the proposed Canterbury Commons development, defines a mix of allowable uses that require accessibility and proximity to sewer capacity, transportation networks, local commercial activity, transit, and recreation opportunities. The amendment is consistent with policy for Suburban Edge communities.

## Housing

Reviewer: Tara Beard (651-602-1051)

The proposed amendment is 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 2,105 units. Because the minimum density associated with the new residential use allowed in the Entertainment district is less than 6 units per acre, these acres do not count toward the City’s need to guide land for affordable housing. However, even without adding these acres, the City’s inventory of land guided to promote the development of low- and moderate-income housing is sufficient. After this amendment, the City will be guiding over 487 acres of residential land such that at least 2,282 units could be built.

The City is not currently a participant in Livable Communities Act programs although the City adopted a resolution on April 3, 2018, to rejoin the program. The most recent affordable housing built in Shakopee was 26 rental units built in 2015.

## Advisory Comments

The City should be aware that its share of the region’s 2021-2030 need for affordable housing is 598 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.

## Surface Water Management

Reviewer: Jim Larsen (651-602-1159)

The proposed amendment site is located within the Drinking Water Supply Management Area (DWSMA) for the City, where the groundwater can be vulnerable to contamination, and infiltration of stormwater runoff is not allowed. Stormwater runoff generated by increased impervious surface associated with site development is proposed to be managed by treatment in on-site treatment ponds which will be constructed to provide nutrient removal and rate control prior to off-site discharge. The ponds will either be designed to be under-drained to filter out accumulated sediment or will be sealed to prevent filtered stormwater from infiltrating into the area soils.

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

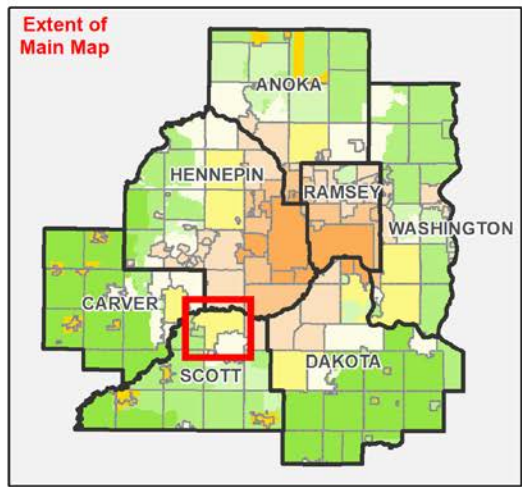
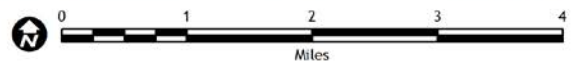
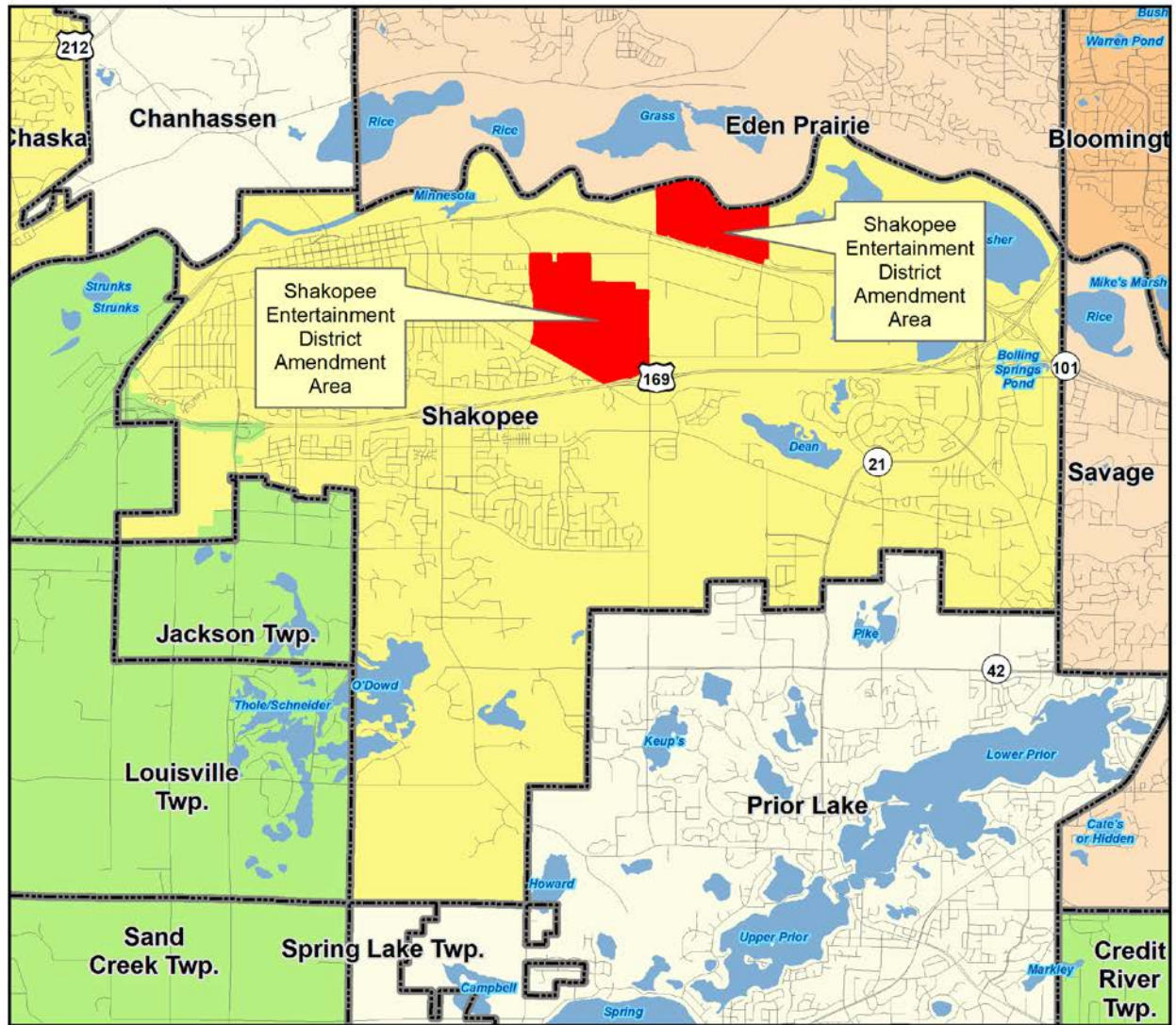
The proposed amendment is compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

## ATTACHMENTS

- Figure 1: Location Map Showing Community Designations
- Figure 2: Location Map showing Regional Systems
- Figure 3: City of Shakopee's Proposed Land Use Map showing the General Location of the Entertainment District
- Figure 4: City of Shakopee's Proposed Land Use Map showing the Entertainment District Affected Areas

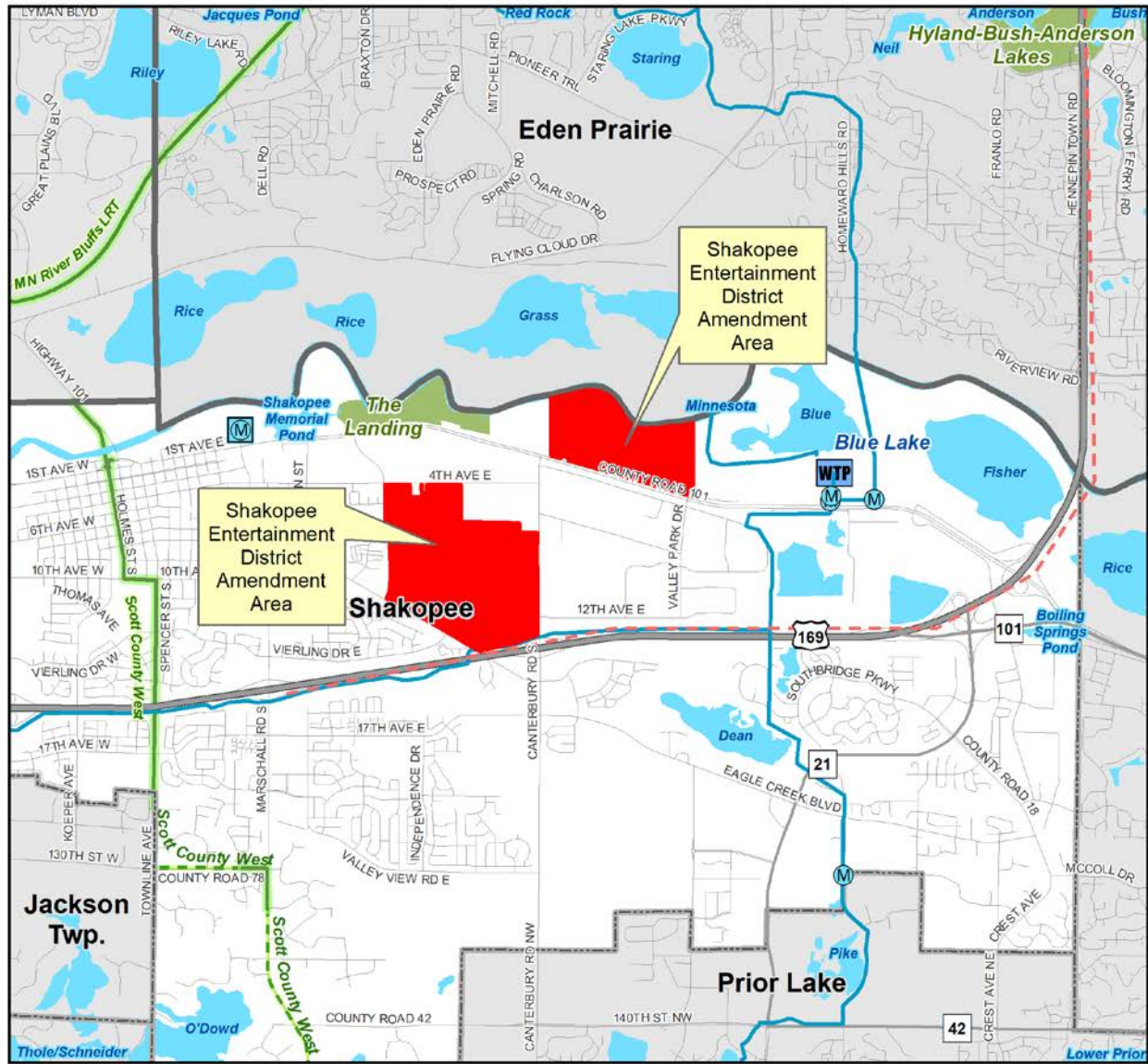


Figure 1: Location Map Showing Community Designations



- 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**

- Planned Fixed Guideway Stations
- Existing Fixed Guideway Stations
- Regional Transitways**
- Existing, Fixed Guideway
- Proposed, Fixed Guideway
- Existing, Bus Rapid Transit
- Proposed, Bus Rapid Transit
- Shakopee\_Entertainment\_Parcel
- Wastewater Treatment**
- Meters
- Lift Stations
- MCES Interceptors
- WTP MCES Treatment Plants
- Regional Highway System**
- Interstates
- US Highways
- State Highways
- County Roads
- Ncompass Street Centerlines
- Regional Parks**
- STATUS**
- Existing (Open to Public)
- In Master Plan (Not Open to Public)
- Planned Units
- Existing Regional Trails
- Planned Regional Trails

Figure 3: City of Shakopee's Proposed Land Use Map showing the General Location of the Entertainment District

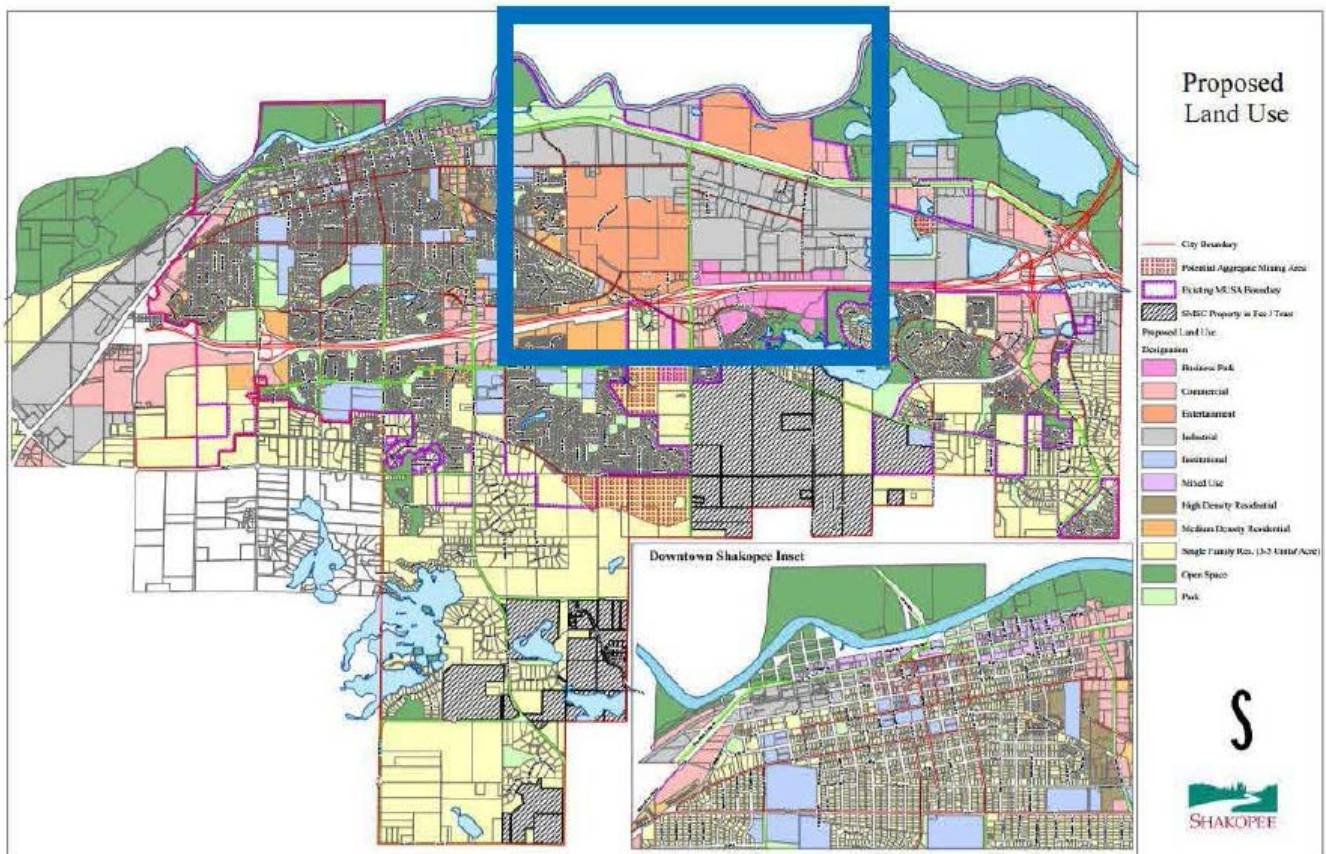


Figure 4: City of Shakopee's Proposed Land Use Map showing the Entertainment District Affected Areas

