

## Community Development Committee

Meeting date: October 7, 2019

## Environment Committee

Meeting date: October 8, 2019

For the Metropolitan Council meeting of October 23, 2019

**Subject:** City of Hugo 2040 Comprehensive Plan and Comprehensive Sewer Plan, Review File 21932-1

### Proposed Action

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

#### Recommendations of the Community Development Committee

1. Authorize the City of Hugo to place its 2040 Comprehensive Plan into effect.
2. Strongly encourage the City to address all widely known tools in order to be fully consistent with Council housing policy. The City should consider addressing the following tools in the Plan before final adoption:
  - a. A local 4d tax program
  - b. Partnership with local NOAH preservation organizations
  - c. Consideration of a local Fair Housing Policy
  - d. Consideration of measures to support and protect existing manufacture housing
3. Advise the City to implement the advisory comments in the Review Record for Land Use.

#### Recommendation of the Environment Committee

1. Approve the City of Hugo's Comprehensive Sewer Plan.

### Summary of Community Development Committee Discussion/Questions

Senior Planner Michael Larson presented the staff's report to the Committee. No representatives from the City of Hugo were in attendance. Councilmember Johnson inquired about resources to assist the City in addressing the recommendations regarding housing tools. Larson stated that housing policy staff were available to assist the City. The Community Development Committee unanimously recommended approval of the proposed actions at its meeting on October 7, 2019.

### Summary of Environment Committee Discussion/Questions

No comments or questions. The Environment Committee approved the proposed action on its consent agenda at the October 8, 2019 meeting.

## Community Development Committee

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**Subject:** City of Hugo 2040 Comprehensive Plan and Comprehensive Sewer Plan, Review File 21932-1

**District(s), Member(s):** District 11, Susan Vento

**Policy/Legal Reference:** Metropolitan Land Planning Act (Minn. Stat. § 473.175), Minn. Stat. § 473.513

**Staff Prepared/Presented:** Michael Larson, Senior Planner (651-602-1407)  
Angela R. Torres, Local Planning Assistance Manager (651-602-1566)  
Kyle Colvin, Engineering Programs, Manager (651-602-1151)

**Division/Department:** Community Development / Regional Planning  
Environmental Services / Technical Services

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#### Recommendation of the Environment Committee

1. Approve the City of Hugo's Comprehensive Sewer Plan.

## ***Advisory Comments***

The following Advisory Comments are part of the Council action authorizing the City of Hugo 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. § 473.858, subd. 3)
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

The City of Hugo is located in northwestern Washington County. It is surrounded by the communities of Forest Lake, Scandia, May Township, Grant, White Bear Township, Lino Lakes, and Columbus.

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	<i>Thrive MSP 2040</i> and Land Use	Consistent
Consistency with Council Policy	Forecasts	Consistent
Consistency with Council Policy	<i>2040 Housing Policy Plan</i>	Substantially 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**

The Metropolitan Council awarded the City a Planning Assistance Grant of \$32,000 to complete its 2040 comprehensive plan. The first half of this grant was paid to initiate the local planning process. The second half of the grant will be paid after Council authorization of the City's plan, local adoption, and the City's submittal of final reporting requirements.

## **Known Support / Opposition**

There is no known local opposition to the 2040 comprehensive plan.

# REVIEW RECORD

## City of Hugo 2040 Comprehensive Plan

### Review File No. 21932-1, Business Item No. 2019-273 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 (RPPP). Washington County is the Park implementing agency for the Regional Parks System components in the City of Hugo, for which the Plan accurately describes the Regional Parks System components. Regional Trails located within the City include the Hardwood Creek Regional Trail and Glacial Hills Regional Trail Search Corridor (Figure 1). The City also appropriately acknowledges State lands within the City, including the Paul Hugo Farms Wildlife Management Area.

#### *Regional Transportation, Transit, and Aviation*

*Reviewer: Russ Owen, Metropolitan Transportation Services (MTS) (651-602-1724)*

The Comprehensive Plan Update (Plan) conforms to the 2040 Transportation Policy Plan (TPP) adopted in 2015, except for Transit, which conforms to the 2040 TPP adopted in 2018, as detailed below. It accurately reflects transportation system components of the TPP as well as applicable land use policies for regional transitways. The Plan is also consistent with Council policies regarding community roles, the needs of non-automobile transportation, access to job concentrations, and the needs of freight, except as detailed below.

#### **Roadways**

The Plan conforms to the Roadways system element of the TPP. The Plan accurately reflects the regional functional classification map of A-minor arterials, and it has delineated major and minor collectors.

The Plan identifies all the required characteristics of the community'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 is 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 system element of the TPP. The community is not within the Transit Capital Levy District and the Plan acknowledges the only transit services provided are Transit Link dial-a-ride service and various ridesharing services. The Plan notes transit service in adjacent communities that residents may use.

The Plan identifies existing and future transitways that are part of the Current Revenue Scenario in the TPP adopted in 2018. For the City of Hugo, the most relevant transitway is the Rush Line Dedicated Bus Rapid Transit (BRT). Although the transitway will only extend as far north as White Bear Lake, there may be opportunities for future bus connections from the City of Hugo. Any potential future bus connections are dependent on the City joining Transit Capital Levy District.

## Aviation

The Plan conforms to Aviation system element of the TPP. The Plan includes policies that protect regional airspace from obstructions and addresses seaplane use.

## Bicycling and Walking

The Plan is consistent with the Bicycle and Pedestrian chapter of the TPP. The Plan identifies existing and future segments of and connections to the Regional Bicycle Transportation Network (RBTN) and regional trails. (For other comments regarding regional trails, see the Regional Parks section of this Review Record.)

The Plan is also consistent with Bicycle and Pedestrian policies of the TPP by planning for local pedestrian and bicycle connections to transit, regional trails, regional job concentrations, and other regional destinations as identified on the RBTN map.

## Freight

The Plan is consistent with Freight policies of the TPP. The Plan identifies the needs of freight movement in and through the community, including accessibility to freight terminals and facilities.

## Transportation Analysis Zones (TAZs)

The Plan includes 2020, 2030, and 2040 forecasts assigned transportation analysis zones (TAZs), or portions of TAZs, within the City. The Plan includes a TAZ allocation matching the Council's official forecasts as Table 8.8. The Council, Washington County, and MnDOT will use the Table 8.8 allocation for transportation planning over the coming decade.

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.

## Water Resources

### Wastewater Service

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

The Plan conforms to the *2040 Water Resources Policy Plan (WRPP)*. The Plan represents the City's guide for future growth and development through the year 2040. It includes growth forecasts that are **not** consistent with the Council's official forecasts for population, households, and employment, but rather forecasts that were represented in the City's adopted 2030 Plan. The Plan acknowledges the difference between the Council's official forecasts and those reflected in the 2040 Plan.

Current wastewater treatment services are provided to the City by Metropolitan Council Environmental Services. Wastewater generated within the City is conveyed through the following Council Interceptors: 7029, 6901, 8023, and 9708. Flow generated within the City is conveyed to and treated at the Council's Metropolitan Wastewater Treatment Plant in St. Paul.

The Plan projects that the City will have 14,400 sewer households and 4,500 sewer employees by 2040. As stated previously, these forecasts are greater than the 9,650 sewer households and 3,420 sewer employees forecasted by the Council and closely reflects forecasts adopted in the City's 2030 Plan. The Council acknowledges its approval of the higher forecasted sewer growth in the City's 2030 Plan and has committed to the level of service reflected in the City's proposed sewer forecast



projections, although the Council projects a much longer timeframe to meet that higher level of growth as discussed in the Forecast section below. This commitment is consistent with *Thrive MSP 2040*, which states that “[a]lthough it has reduced 30-year population forecasts for some jurisdictions, the Council will provide necessary infrastructure to honor existing 2030 commitments for land to be included in the Metropolitan Urban Service Area by 2040.” The Metropolitan Disposal System (MDS) with its scheduled improvements has or will have adequate capacity to serve the City’s growth forecasts.

The Land Use Plan reflects an overall minimum residential sewer density guiding consistent with the Council’s policy for future sewer residential densities for Emerging Suburban Edge communities.

The Plan provides a sanitary flow projection for the year 2040 without any incremental projections between 2020 and 2040. The rationale for the 2040 flow projection is given in the Plan and determined appropriate for planning local services. The Council is committing to providing the level of wastewater service based on the sewer forecasts as stated in the sewer element of the Plan.

The Plan defines the City’s goals, policies, and strategies for preventing and reducing excessive inflow and infiltration (I/I) in the local municipal (public) and private property sanitary sewer systems; including a summary of activities and programs intended to identify and mitigate I/I from the public portion of the collection system. The City televises its wastewater system as part of its street and utility improvement program, and includes installation and repairing maintenance hole cover seals, cover replacement with non-vented covers, pipeline replacement and lining, and addresses identified private property I/I sources. The Plan also states that the City will consider a sump pump inspection program as part of an upcoming water meter changeout program.

The Plan describes the sources, extent, and significance of existing I/I within the total sanitary sewer collection system. The Plan states that approximately 8% of the City’s total average flow is attributable to I/I, and approximately 18% of the City’s peak, wet weather, monthly flow is from I/I. Approximately 8% of the residential housing in the City was constructed prior to 1970 when clay tile pipe was the primary material for home services.

The Plan describes the requirements and standards for minimizing I/I and references a City Code that prohibits connection of sump pump, roof and surface water drains, and foundation drains, to the sewer system, and requires the disconnection of said connections if discovered.

### ***Sewer Element Comments***

The City includes two *Thrive MSP 2040* Community Designations: Diversified Rural and Emerging Suburban Edge. That portion of the City that is served through the MDS is identified as Emerging Suburban Edge. Therefore, the Sewer Element of the Plan has been reviewed against the requirements for Comprehensive Sewer Plans for Emerging Suburban Edge communities. Council staff found the element complete and consistent with Council policies and the regional wastewater system plan. 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 Comprehensive Sewer Plan. A copy of the City Council Resolution adopting its Plan needs to be submitted to the Metropolitan Council for its records.

### **Surface Water Management**

*Reviewer: Jim Larsen, CD – Local Planning Assistance (651-602-1159)*

The Plan is consistent with Council policy requirements and in conformance with the Council’s 2040 WRPP for local surface water management. The Plan satisfies the requirements for 2040 comprehensive plans. Hugo lies within the oversight boundaries of the Browns Creek, Carnelian-Marine-Saint Croix, and Rice Creek Watershed Districts. The Council received the Hugo draft Local Water Management Plan (LWMP) update for review in October 2017. Council Water Resources staff reviewed and commented on the draft LWMP to the City and Watershed Districts (WDs) in a letter



dated November 16, 2017. The LWMP was approved by the Browns Creek WD on December 13, 2017, Carnelian-Marine-Saint Croix WD on January 10, 2018, and the Rice Creek WD on July 25, 2018. The City adopted the final LWMP on February 4, 2019. The Plan incorporates the final LWMP in Appendix 10-1.

## 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 substantially consistent with the Council’s policies, as detailed below.

### Forecasts

*Reviewer: Todd Graham, CD – Research (651-602-1322)*

The Council has forecasted that Hugo will grow to 11,900 households; 29,000 population; and 4,000 jobs by 2040. The Plan identifies the System Statement forecast in Figures 3.3, 3.4, and 3.5, which is also shown below in Table 1. Elsewhere in the Plan, the City has presented a significantly higher forecast (Table 2.1, Figure 2.12, Table 3.1, and Table 4.4 in the Plan). As discussed in the Wastewater Services section above, the Plan describes an intent to maintain wastewater system plans and land use plans that were put in place with the City’s 2030 comprehensive plan, which was developed with higher forecasted growth. As shown in Table 1, the Plan presents forecasts of 15,600 households and 40,000 population for 2040.

**Table 1. Metropolitan Council / City of Hugo Forecasts**

	Census 2010	Estimated 2018	Council Forecasts			Plan Forecasts		
			2020	2030	2040	2020	2030	2040
<b>Population</b>	13,332	15,247	16,900	22,800	29,000	19,100	29,000	40,000
<b>Households</b>	4,990	5,744	6,700	9,200	11,900	7,200	11,100	15,600
<b>Employment</b>	1,973	2,859	3,000	3,500	4,000	3,000	3,600	4,500

The Council has provided and will continue to provide wastewater service for land in the Metropolitan Urban Service Area (MUSA). However, the Council has not agreed to revise the official forecast. Council staff have only agreed to continue to plan for wastewater capacity that reflects previous commitments. The Council’s official forecasts are used in all areas of regional planning including transportation and parks planning.

The Plan includes a sewer-serviced forecast in Appendix 11.1, which is represented in Table 2 below. As with the forecast for the entire City, the sewer-serviced forecasts differ from that published in the City’s System Statement. However, the Plan’s sewer-serviced forecasts do not pose potential impacts to the regional wastewater system. Although the Council has not agreed to revise its sewer-serviced forecast for Hugo, it will continue to plan for wastewater capacity that reflects previous commitments.

**Table 2. Metropolitan Council / City of Hugo Sewer Serviced Forecasts**

	Census 2010	Council Forecasts			Plan Forecasts		
		2020	2030	2040	2020	2030	2040
<b>Population</b>	7,097	10,680	16,560	22,770	11,862	24,431	37,000
<b>Households</b>	2,743	4,460	6,950	9,650	4,471	9,436	14,400
<b>Employment</b>	1,397	2,420	2,920	3,420	2,920	3,710	4,500

The Plan identifies an inventory of land for development in Chapter 3: Land Use. The land supply for residential development is 817 acres of platted land as well as 3,394 undeveloped acres, with a planned capacity of 12,600 to 31,900 housing units if the entire land supply is developed and absorbed (Table 3.3 in the Plan). This land supply can accommodate the Council forecast of households and

employment growth. The Council does not expect the identified land supply to be fully developed and absorbed by 2040.

The Plan includes 2020, 2030, and 2040 forecasts assigned transportation analysis zones (TAZs), or portions of TAZs, within the City. The Plan includes a TAZ allocation matching the Council's official forecasts as Table 8.8. The Council, Washington County, and MnDOT will use the Table 8.8 allocation for transportation planning over the coming decade.

### ***Thrive MSP 2040 and Land Use***

*Reviewer: Michael Larson, CD – Local Planning Assistance (651-602-1407)*

The Plan is substantially consistent with *Thrive MSP 2040* (Thrive) and its land use policies. The Plan acknowledges the *Thrive* community designations of Emerging Suburban Edge and Diversified Rural (Figure 2). The western portion of the City on either side of U.S. Highway 61 is designated as Emerging Suburban Edge while the eastern portion of the City is designed as Diversified Rural.

The City is only partially developed, with 69% of land as agricultural or undeveloped. Within the Diversified Rural portion of the City, agricultural uses predominate in the north while large lot residential uses predominate in the south. Approximately 14% of the City is residential as illustrated in Figure 3. Another 13% of the community is comprised of land in the form of parks (6%) or open water (7%). Commercial uses represent only 1% of the land area. About 1.4% of the City includes land enrolled in the Agricultural Preserves Program.

### **Diversified Rural**

Thrive describes Diversified Rural communities as home to a variety of farm and nonfarm land uses including very large-lot residential, clustered housing, hobby farms and agricultural uses. Diversified Rural communities are expected to plan for growth not to exceed forecasts and in patterns that do not exceed 4 units per 40 acres. In addition, Diversified Rural communities are expected to manage land uses to prevent the premature demand for extension of urban services, and so that existing service levels will meet service needs.

The Plan identifies residential densities and policies that are consistent with the area of the City that is designated as Diversified Rural. Guiding land uses in this area include Agricultural (1 unit per 10 acres), Agricultural Preserves (1 unit per 40 acres), Large Lot Residential (1 unit per 10 acres), and Public/Quasi-Public (Paul Hugo Farms Wildlife Management Area). The policy language for Large Lot Residential states that “maintaining a low level of development in these areas will help preserve open and scenic areas, natural features and ecological functions and will minimize demand for services associated with denser development and the related costs for improvements.”

### **Emerging Suburban Edge**

Thrive describes Emerging Suburban Edge communities as in the early stages of transitioning into urbanized levels of development. Emerging Suburban Edge communities are expected to plan for forecasted population and household growth at average densities of at least 3-5 units per acre for new development and redevelopment.

The Plan identifies areas for urbanization with densities and policies that are consistent with the area of the City that is designated as Emerging Suburban Edge. Acreages, densities, and guiding land uses are shown in Table 3 and Figure 4 of this staff report. The largest inventory of land is guided as Low Density Residential with a minimum density of 2 units per acre. The Plan also includes an inventory of land guided as Mixed Use, where 50% of the land is expected to develop as residential with a range of 10 to 60 units per acre. The City of Hugo participates in the Council's Plat Monitoring Program, which considers the actual density of previous residential development as part of the Council's density calculations and policy evaluation. The actual density of plats is often higher than their minimum guiding density. This allows communities with relatively low planned densities to receive “credit” toward

their minimum density calculations. As shown in Table 3, the overall minimum planned density, including credit for plat monitoring, is 3.0 units per acre.

**Table 3. Planned Residential Density, City of Hugo**

Category	2018-2040 Change			Min Units	Max Units
	Min Density	Max Density	Net Acres		
Very Low Density Residential	1	1	72	72	72
Low Density Residential	2	4	2,498	4,996	9,992
Medium Density Residential	3	8	498	1,494	3,984
High Density Residential	6	12	103	618	1,236
Mixed Use*	10	60	223	2,230	13,380
<b>TOTALS</b>			<b>3,394</b>	<b>9,410</b>	<b>28,664</b>
<b>PLAT MONITORING</b>			<b>817</b>	<b>3,200</b>	
<b>Overall Density</b>				<b>3.0</b>	<b>8.4</b>

\*50% residential

The Plan does not geographically stage areas for future growth, which the Council typically requires for cities with a Community Designation of Emerging Suburban Edge. The City’s Plan is based on the previous 2030 comprehensive plan, which accommodated a higher level of growth than the Council currently forecasts for 2040. The Plan carries forward the previous land use policy, which includes growth management policies to ensure “orderly, contiguous, and sequential” growth. The Implementation Plan (Chapter 13) cites the “Adequate Public Facilities” section of the City’s subdivision ordinance, which the City intends to review in the short term. The City’s zoning map (Map 2-6) indicates that a large part of the area planned for future development, primarily in the north, remains zoned as “Future Urban Service.” These are areas of the City that remain zoned as 1 unit per 20 acres until a “full range of urban services into the area is likely.” The Plan geographically allocates future growth in other ways, including by Transportation Analysis Zone and by connection point to the regional wastewater system. The Council finds that this approach is acceptable and analogous to one that maps staging areas.

Lacking a geographically-based staging plan per se, the Plan instead describes (Chapter 4: Housing Plan, page 98) the location of land that would be available during the 2021-2030 decade to address the City’s Affordable Housing Need Allocation (834 units). This land is described as 194 acres of Mixed Use guided land located along Highway 61 between Frenchman Road and 170<sup>th</sup> Avenue.

**Advisory Comments**

The City should continue to support the development of plats that exceed a residential density of 3 units per acre. The Council will evaluate any future amendments that reduce overall residential density against the performance shown in the Plat Monitoring Program.

**Agricultural Preserves**

The Plan is consistent with statutory requirements for properties enrolled in the Agricultural Preserves Program. The Plan identifies two locations totaling approximately 318 acres that are enrolled in the program. They are located in the Diversified Rural portion of the City, guided as Agricultural Preserve, and limited to a residential density of 1 unit per 40 acres.

## Housing

Reviewer: Tara Beard, CD – Housing (651-602-1051)

The Plan's housing element is substantially consistent with the *2040 Housing Policy Plan*. A few additional tools must be considered to be fully consistent with Council housing policy.

Hugo was a small farming and railroad community throughout most of the 20th century. Since 1990, however, Hugo has become more suburban. Development has been primarily single family, comprising 80% of all housing stock. The Plan notes that future growth will take place primarily in the west side of the city where development can be supported by existing and planned infrastructure.

Council data estimate there were 5,738 housing units in 2016. While about 59% of those units were affordable to households earning 80% of the Area Median Income (AMI) or less (or \$68,000 for a family of four), only 4% are affordable to households earning 30% AMI or less (or \$27,100). About 12% of Hugo households earning 80% AMI or less are currently housing cost burdened. The Plan identifies existing housing needs as senior housing, preserving/maintaining existing housing stock, and providing access to housing resources.

The Plan acknowledges the City's share of the region's need for affordable housing in the 2021-2030 decade, which is 834 units. With 194 acres of land guided for higher density residential development in that time period (Table 4-10 of the Plan, and Figure 5 below), the Plan sufficiently promotes the availability of land to support that share.

The Plan addresses many of its existing and future housing needs in its implementation plan, which includes the policies, programs, and other tools that the City could consider using to meet those needs. Tools the City would consider include Tax Increment Financing, Livable Communities Act program applications, and applications to Minnesota Housing's consolidated Request for Proposals.

While the Plan provides for the use of a number of tools, it would be fully consistent with Council housing policy if it considered all widely accepted tools to address the City's identified housing needs. The *2040 Housing Policy Plan* (p.113) requires that Plans consider all tools even if they are tools the City does not plan to use. The Plan identifies naturally occurring affordable housing (NOAH) as an existing housing condition, but does not consider a local 4d tax program, or partnership with local NOAH preservation organization such as Minnesota Housing or Greater Minnesota Housing Fund's NOAH Impact Fund to explore preservation of affordable rental housing. In addition, the Plan needs to consider the City's intention to adopt a local, free-standing Fair Housing policy, which is required to draw funds for Livable Communities Act program awards. (The Plan states Hugo's intention to remain an LCA participant.) Finally, the Plan identifies manufactured housing in the City, which is an important and vulnerable source of affordable housing, but does not consider efforts to support and preserve this housing. Consideration of these tools in the final Plan would make it fully consistent with Council housing policy.

## Advisory Comments

Council staff strongly encourage the City to address all widely known tools in order to be fully consistent with Council housing policy. The City should consider addressing the following tools in the Plan before final adoption:

- A local 4d tax program
- Partnership with local NOAH preservation organizations
- Consideration of a local Fair Housing Policy
- Consideration of measures to support and protect existing manufacture housing

## **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. The revised Local Water Supply Plan submitted on August 14, 2019 reflects changes requested changes by the Council to clarify the use of alternate population projections.

## **Community and Subsurface Sewage Treatment Systems (SSTS)**

*Reviewer: Jim Larsen, CD – Local Planning Assistance (651-602-1159)*

The Plan indicates that there are 1,078 individual SSTS and no public or privately-owned Community Wastewater Treatment Facilities in operation in the City. Washington County administers the SSTS program for the City, carrying out all permitting, inspecting, maintenance management, and enforcement. County SSTS Ordinance 206 is consistent with Minnesota Pollution Control Agency Chapter 7080-7083 Rules and Council 2040 Water Resources Policy Plan requirements.

## **Special Resource Protection**

### **Solar Access Protection**

*Reviewer: Cameran Bailey, CD – Local Planning Assistance (651-602-1212)*

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: Jim Larsen, CD – Local Planning Assistance (651-602-1159)*

The Plan identifies the presence of limited amounts of viable aggregate resources in the City, which is consistent with the Council's aggregate resources inventory information contained in *Minnesota Geological Survey Information Circular 46*. The City does not currently have any active mining operations, but its Zoning Ordinance allows mining as a conditional use in its Agricultural Zoning District, subject to established standards.

### **Historic Preservation**

*Reviewer: Michael Larson, CD – Local Planning Assistance (651-602-1407)*

The Plan addresses historic and cultural resources as required by the Metropolitan Land Planning Act. The Plan includes a Community History and Heritage section that addresses the area's history from Native American settlement to early European immigration to more recent suburbanization. The City has no sites listed on the National Register of Historic Places, but has a Historical Commission that is tasked with leading any preservation efforts within the City.

## **Plan Implementation**

*Reviewer: Michael Larson, CD – Local Planning Assistance (651-602-1407)*

The Plan includes an Implementation Plan that includes strategies for each element of the Plan. The City's capital improvement plan is included as Appendix 13-1. The Plan describes the official controls and fiscal devices that the City will employ to implement the Plan. This includes a review, in the short-term, of the Adequate Public Facilities section of the City's subdivision ordinances to ensure consistency's with the growth management policies in the Plan. It also states an intention to review regulatory barriers to affordable housing.

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

The proposed 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:

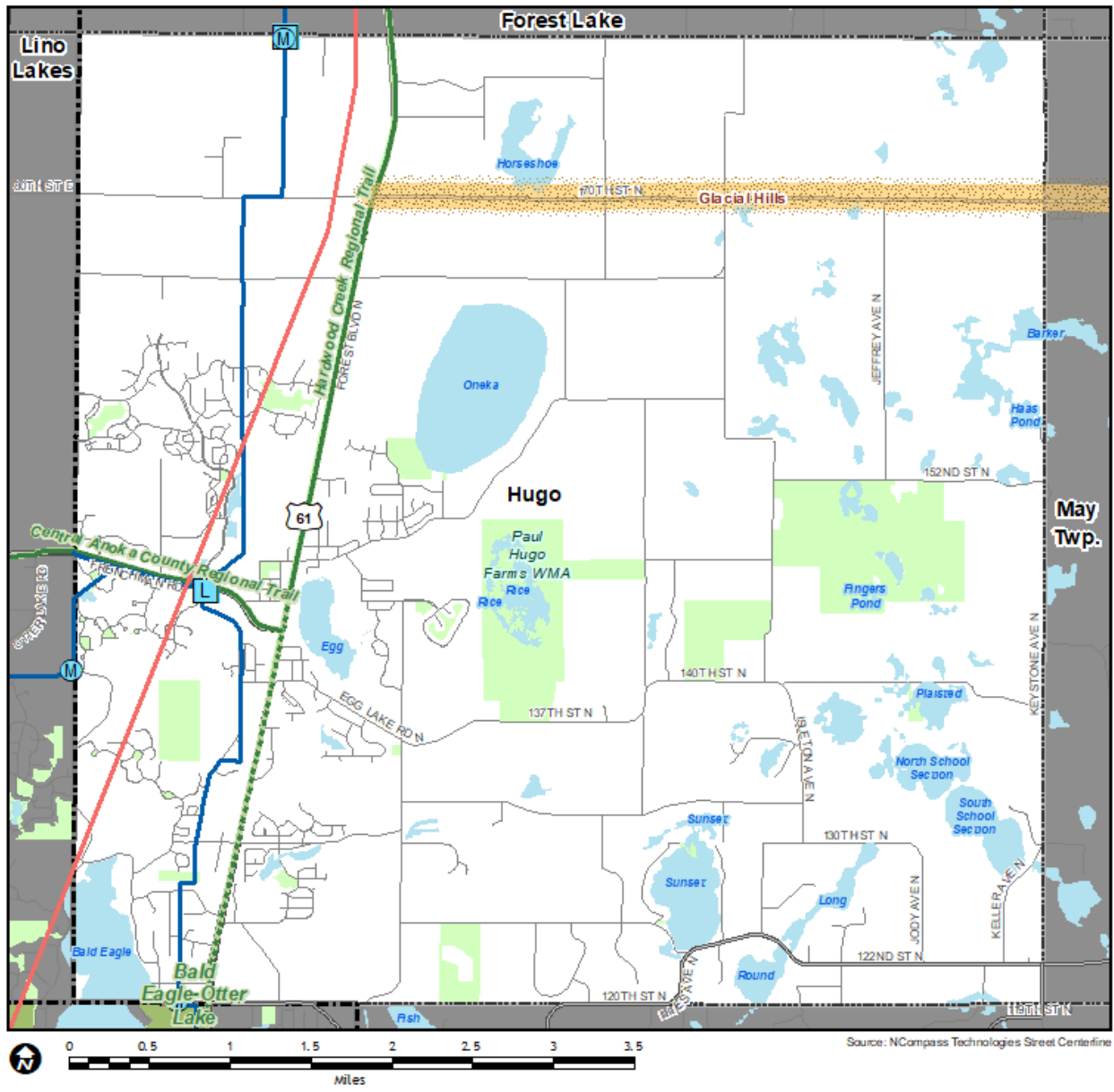
- April 25, 2018: Hugo 2040 Preliminary Plan
- March 28, 2019: Hugo 2040 Comprehensive Plan
- August 1, 2019: Revisions to content related to wastewater, forecasts, housing, land use, and water supply
- August 14, 2019: Revisions to water supply plan

## Attachments

- Figure 1: Location Map with Regional Systems
- Figure 2: *Thrive MSP 2040* Community Designations
- Figure 3: Existing Land Use
- Figure 4: 2040 Land Use Plan
- Figure 5: Land Guided for Affordable Housing



Figure 1. Location Map with Regional Systems



**Regional Systems**

**Transportation**

- Transitways**  
2040 Transportation System Policy - adopted January 2015
- Existing
  - Planned Current Revenue Scenario
  - Planned Current Revenue Scenario - CTIB\* Phase 1 Projects
  - Potential Increased Revenue Scenario
- Regional Highway System**
- Existing Principal Arterials
  - Planned Principal Arterials
  - Existing Minor Arterials
  - Planned Minor Arterials
  - Existing Other Arterials
  - Planned Other Arterials

**Recreation Open Space**

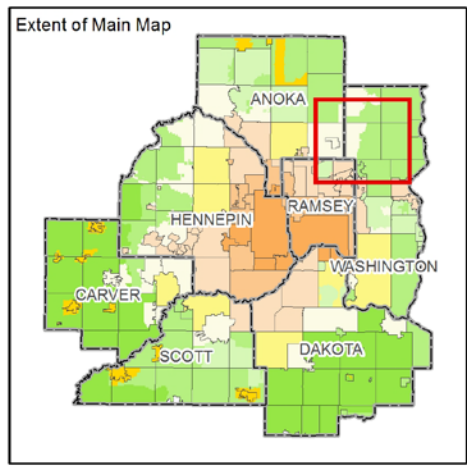
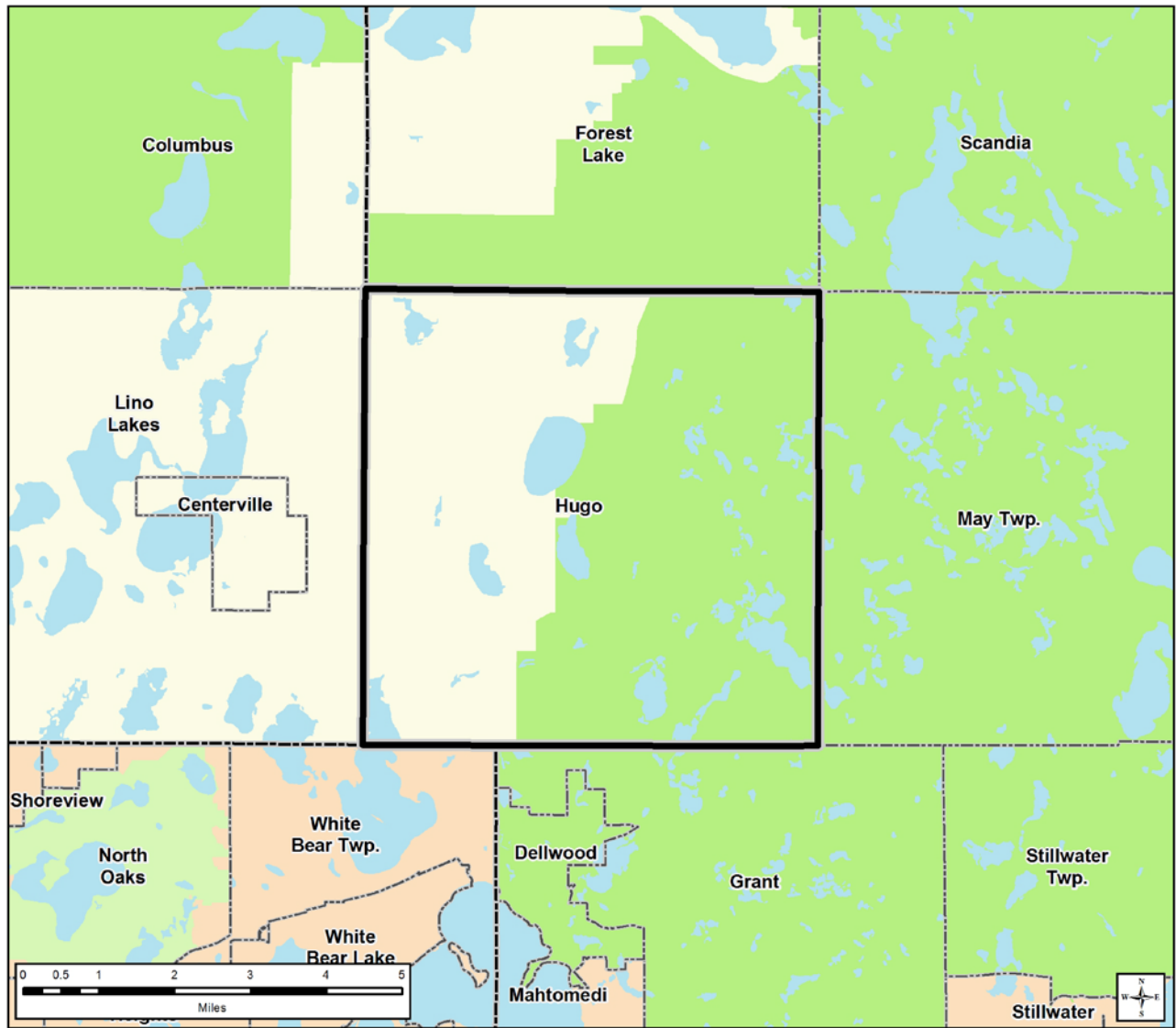
- Regional Parks**
- Existing (Open to Public)
  - In Master Plan (Not Open to Public)
  - Planned Units
- Regional Trails**
- Existing (Open to Public)
  - Existing (Not Open to Public)
  - Planned
- Wastewater**
- Meters
  - Lift Stations
  - MCES Interceptors
  - MCES Treatment Plants

**Regional Park Search Areas and Regional Trail Search Corridors**

- Boundary Adjustment
  - Search Area
  - Regional Trail Search Corridors
  - Local Streets
  - Existing State Trails
  - Other Parks, Preserves, Refuges and Natural Areas
- \* Counties Transit Improvement Board (CTIB)



Figure 2. Thrive MSP 2040 Community Designations

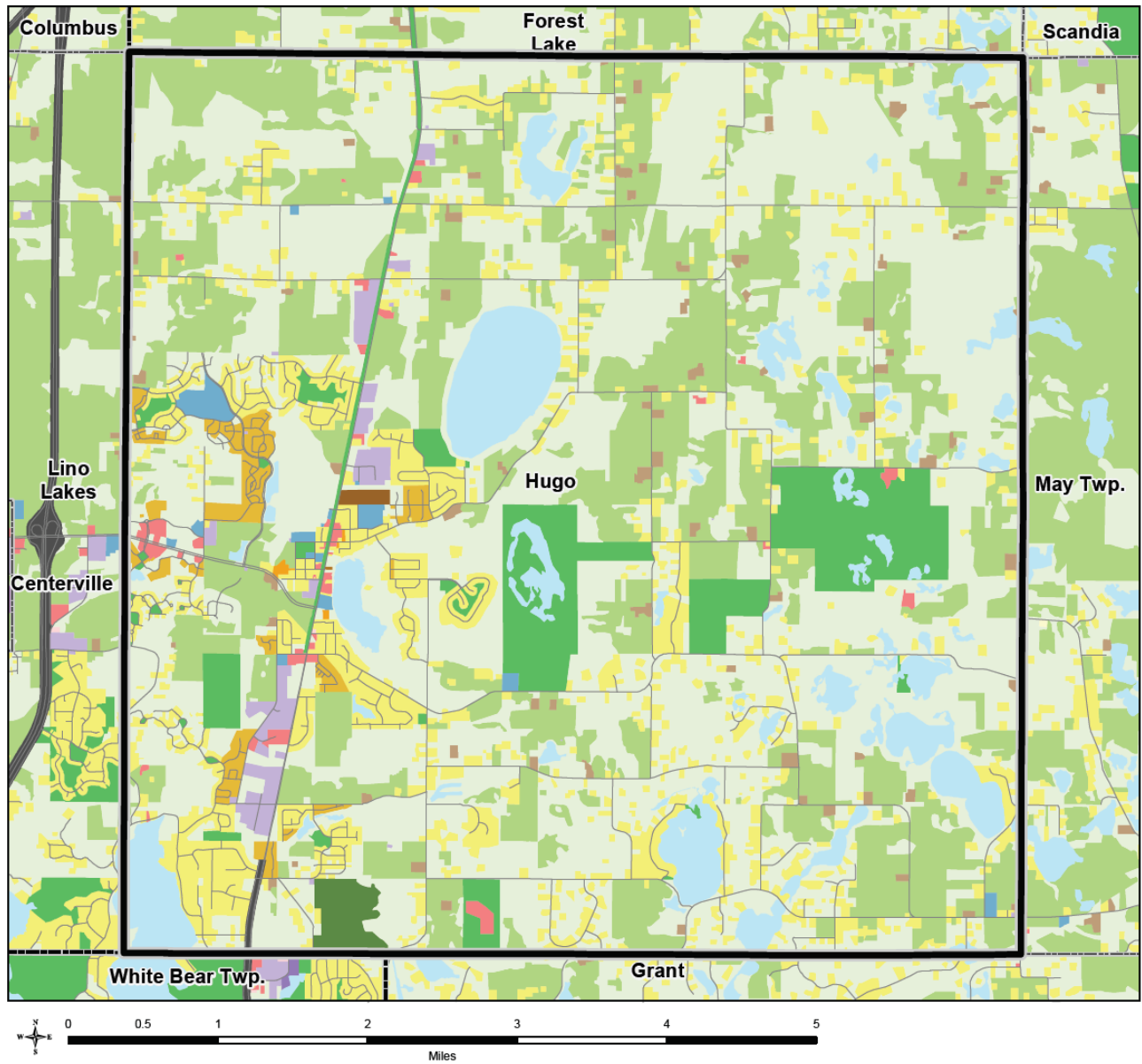


**Community Designations**

	Outside Council planning authority		Emerging Suburban Edge
	Agricultural		Suburban Edge
	Rural Residential		Suburban
	Diversified Rural		Urban
	Rural Center		Urban Center

County Boundaries  
 City and Township Boundaries  
 Lakes and Major Rivers

Figure 3. Existing Land Use



**2016 Generalized Land Use**



Figure 2-16

Figure 4. 2040 Land Use Plan

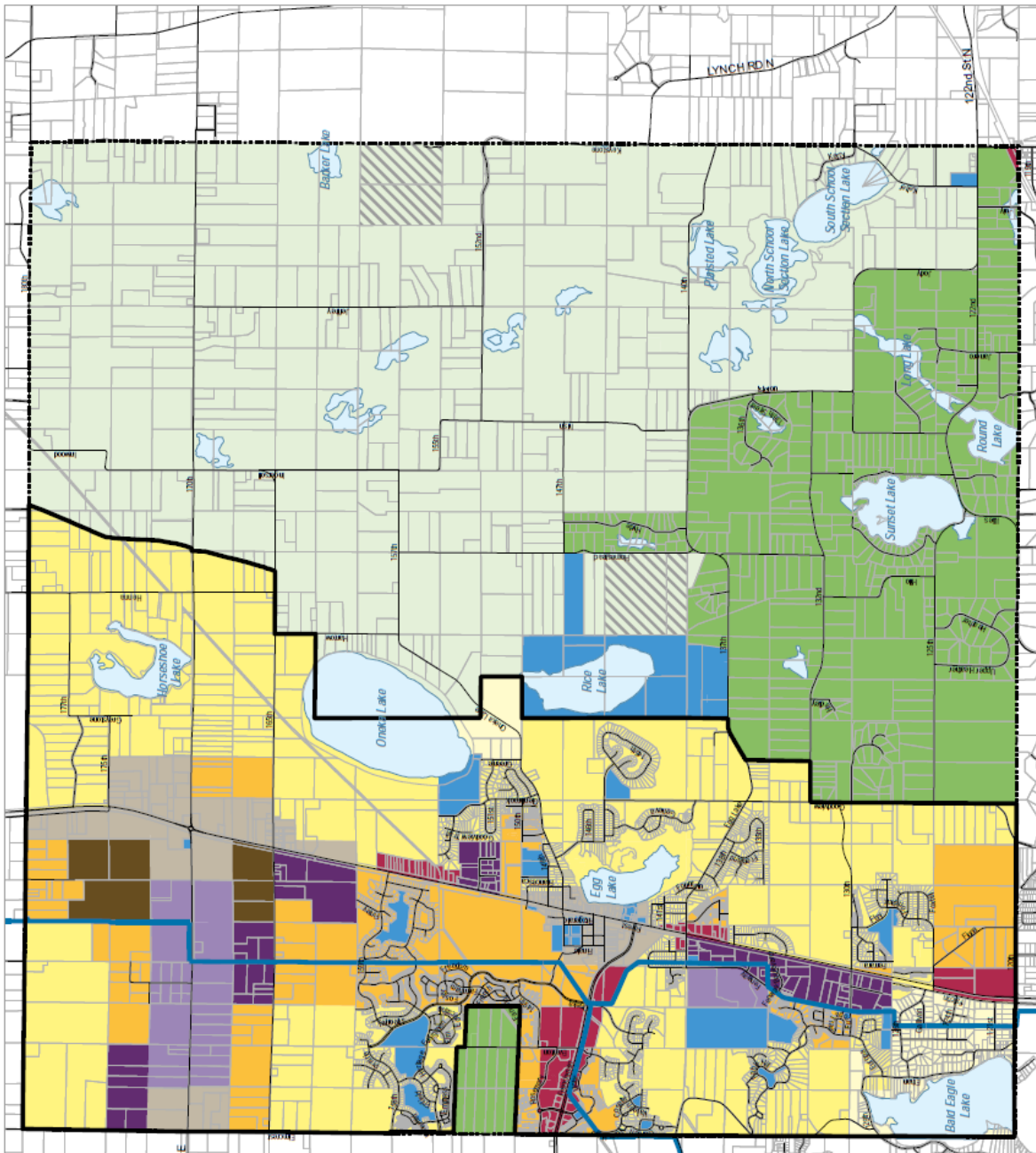
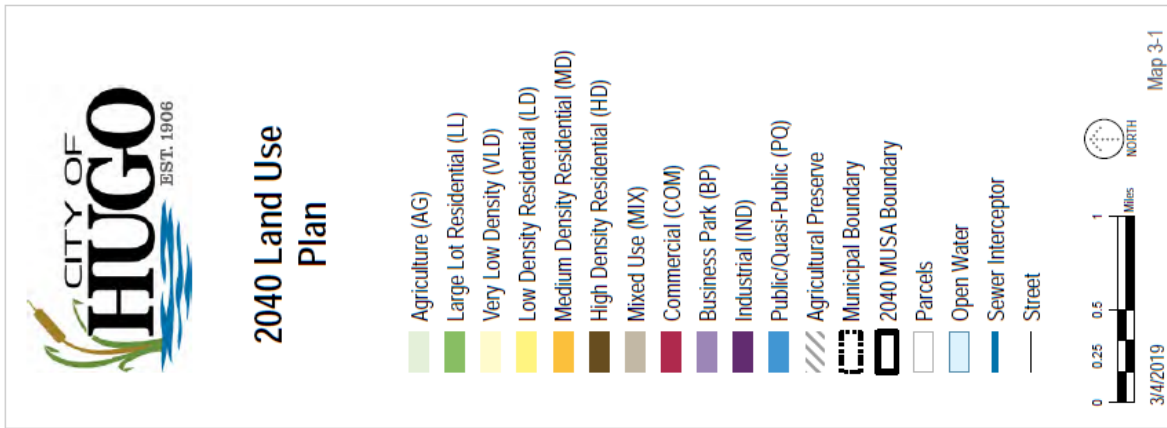


Figure 5. Land Guided for Affordable Housing

2021-2030 share of regional need for Affordable Housing: **834 units**  
 2021-2030 total regional need for Affordable Housing: **37,900 units**

	<b>Available Acres</b>	<b>x</b>	<b>Minimum Density</b> <i>(units per acre)</i>	<b>x</b>	<b>Expected % Residential</b> <i>(if mixed use)</i>	<b>=</b>	<b>Minimum Units Possible</b>
<b>Mixed Use</b>	194		10		50%		970
<b>Total</b>	<b>194</b>						<b>970</b>

Sufficient/(insufficient) units possible against share of regional need: **136**

Affordable units built since 2021: **0**

Sufficient/(insufficient) units possible adjusted for affordable units built: **136**

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

