

## Community Development Committee

For the Metropolitan Council meeting of February 13, 2019

**Subject:** City of Shakopee Downtown Mixed Use Comprehensive Plan Amendment, Review File No. 20434-21

### Proposed Action

That the Metropolitan Council:

1. Adopt the attached Review Record and allow the City of Shakopee to place the Downtown Mixed Use 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 Housing.

### Summary of Committee Discussion/Questions

Senior Planner Raya Esmaili presented the staff's report to the Committee. Joe Widing, Senior Planner from the City of Shakopee was in attendance. The Community Development Committee unanimously recommended approval of the proposed action with no questions or discussion at its meeting on January 22, 2019.

## Community Development Committee

Meeting date: January 22, 2019

For the Metropolitan Council meeting of February 13, 2019

**Subject:** City of Shakopee Downtown Mixed Use Comprehensive Plan Amendment, Review File No. 20434-21

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

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

**Staff Prepared/Presented:** Raya Esmaeili, AICP, Senior Planner, Local Planning Assistance (651-602-1616)

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

### Proposed Action

That the Metropolitan Council:

4. Adopt the attached Review Record and allow the City of Shakopee to place the Downtown Mixed Use Comprehensive Plan Amendment into effect.
5. Find that the amendment does not change the City's forecasts.
6. Advise the City to implement the advisory comments in the Review Record for 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 20th comprehensive plan amendment since the Update was reviewed. The amendment proposes a land use change from Mixed Use (3 - 5 units per acre) to Downtown Mixed Use (28.01 - 125 units per acre) on seven acres located in the downtown area of the City (see Figure 1). The purpose of the amendment is to ensure consistency with the comprehensive plan land use guiding and density ranges for existing developments and future redevelopment projects in this area.

### 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 Downtown Mixed Use Comprehensive Plan Amendment

Review File No. 20434-21, Council Business Item No. 2019-19

### 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 January 10, 2019.

*Thrive MSP 2040* (Thrive) designates Shakopee with a “Suburban Edge” community designation. According to the Council’s forecasts, the City will grow 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 20th comprehensive plan amendment since the Update was reviewed.

### REQUEST SUMMARY

The amendment proposes a land use change from Mixed Use (3 - 5 units/acre) to Downtown Mixed Use (28.01 - 125 units /acre) on seven acres located in the downtown area of the City of Shakopee (see Figure 1). Some of the subject parcels already have existing development that is currently inconsistent with the adopted Comprehensive Plan, and two have active proposals that are contingent upon the approval of this amendment. The purpose of the amendment is to ensure consistency with the comprehensive plan land use guiding and density ranges for existing developments and future redevelopment projects in this area.

### 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*, the *2040 Housing Policy Plan*, water resources management, and the Council's 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 ([Business Item 2009-123](#), 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 regulated 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 regulated 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 regulated 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 regulated 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 regulated 23.89 acres from Medium Density Residential (MDR) to Commercial and High Density Residential (HDR) 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. Allowable density ranges were amended for MDR (5.01-8 units/acre to 5.01-12 units/acre) and HDR (8.01-12 to 14-28 units/acre).
- The Council provided comments on the Canterbury Commons Environmental Assessment Worksheet (EAW) (Review File No. 21751-1) on June 19, 2017.
- The United Properties Canterbury amendment was administratively approved by the Council on April 30, 2018 (Review File No. 20434-7). This amendment regulated 24 acres from Entertainment District to Industrial use.
- The Entertainment District amendment (Review File No. 20434-8, [Business Item No. 2018-126 SW](#)) was approved by the Council on May 23, 2018.
- Friendship Church Annexation amendment was administratively approved by the Council on August 23, 2018 (Review File No. 20434-11). This amendment assigned a Single Family Residential land use designation to recently annexed property.
- West Shakopee Gateway amendment (Review File No. 20434-12) was administratively approved by the Council on June 4, 2018. The amendment incorporated newly annexed property into the City's comprehensive plan for a contiguous commercial area.
- Powers Lot amendment (Review File No. 20434-13) was administratively approved by the Council on July 9, 2018. The amendment assigned a Commercial land use to recently annexed property.
- Countryside 2<sup>nd</sup> Addition amendment (Review File No. 20434-14) was administratively approved by the Council on July 31, 2018. The amendment incorporated newly annexed property into the City's comprehensive plan, assigned a Single Family Residential land use designation, and extended the Metropolitan Urban Service Area (MUSA) for a proposed 31-unit single family residential development.
- Sand Company amendment (Review File No. 20434-9, [Business Item No. 2018-249](#)) was approved by the Council on September 26, 2018. The amendment proposed a land use change from Commercial to High Density Residential on 12.6 acres located north of Southbridge Transit

Station to facilitate the construction of over 300 residential units in an apartment development with multiple buildings, called Southbridge Crossing.

- Windermere, The Willows, and BHS amendments, (Review File Nos. 20434-10, 20434-15, 20434-16, [Business Item No. 2018-250](#)) were approved by the Council on September 26, 2018. These three amendments included an approximate 78-acre area located south of Highway 169 and west of Marystown Road (extending 17th Avenue). The Willows and Benedictine Health System (BHS) projects were both geographically located within the larger Windermere amendment area. The Windermere amendment proposed regarding land use to increase Commercial, High Density Residential (HDR), and Single Family Residential (SFR) land uses as well as reducing Medium Density Residential (MDR) land use. The Willows amendment, an affordable housing development on 3.25 acres, proposed a land use change from MDR to HDR. The BHS amendment, a proposed senior living development on 12 acres, requested a land use change from SFR to HDR.
- MWF Sarazin Flats amendment (Review File No. 20434-17) was administratively approved by the Council on October 3, 2018. This amendment regulated 10.7 acres from Medium Density Residential to High Density Residential.
- The City of Shakopee submitted the Former Shakopee City Hall Site amendment on September 25, 2018 (Review File No. 20434-18), which was subsequently withdrawn by the City on October 2, 2018. Due to density inconsistencies with the City's 2030 Comprehensive Plan, Council staff recommended a different approach to the proposed amendment. The City withdrew this amendment, and resubmitted a new one, which became Review File No. 20434-20, and the current amendment (Review File No. 20434-21).
- Shakopee Veterinary Clinic amendment was administratively approved by the Council on December 3, 2018 (Review File No. 20434-19). This amendment regulated 4.78 acres of recently annexed property to Commercial and Single Family Residential land uses.
- Former City Hall Site amendment was administratively approved by the Council on October 24, 2018 (Review File No. 20434-20). This amendment regulated 0.66 acres from Institutional to Mixed Use.

## ISSUES

- I. Do the amendments conform to the regional system plans?
- II. Are the amendments consistent with *Thrive MSP 2040* and other Council policies?
- III. Do the amendments change the City's forecasts?
- IV. Are the amendments 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 review comments are included below.

### **Regional Parks**

*Reviewer: Colin Kelly (651-602-1361)*

The amendment conforms to the *2040 Regional Parks Policy Plan (RPPP)*. The information provided by the City acknowledges the proximity to the Scott West Regional Trail, which is directly adjacent to two of the properties identified in the amendment (Figure 2). The proposed change in guiding land use from Mixed Use to Downtown Mixed Use is not anticipated to adversely impact the regional trail.

## 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 amendment will not have an impact on the existing transportation network.

## Wastewater

Reviewer: Kyle Colvin (651-602-1151)

The proposed amendment conforms to the 2040 Water Resources Policy Plan. The amendment proposes to reguide 10 parcels totaling 7 acres in the downtown Shakopee area from Mixed Use at a guided density between 14 and 28 residential units per acre to Downtown Mixed Use at a density range of 28.01 to 125 units per acre. The subject parcels are located along the Minnesota River and Highway 101. The parcels are provided direct wastewater service through the City's wastewater collection system where the flow is conveyed east until it reaches a City lift station, which then pumps the flow further east and ultimately to Metropolitan Council Environmental Services (MCES) interceptor 6904. The flow generated from these parcels and the rest of Shakopee is treated at the Council's Blue Lake Wastewater Treatment facility in Shakopee.

The amendment did not provide any wastewater flow projections or estimate of the additional flow that the potential densification would generate. However, using regional trends in wastewater generation rates, and using the high range of the guided densities (28 to 125 units per acre), the additional households could be as many as 970 units. These additional households could generate an additional 0.15 million gallons of wastewater per day. This assumes 150 gallons per household per day for residential units at this density. Both interceptor 6904 and the Council's Blue Lake wastewater treatment facility have adequate capacity to accommodate the additional flow that this amendment could potentially generate.

## Consistency with Council Policy

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

## Forecasts

Reviewer: Todd Graham (651-602-1322)

The City offers that the amendment does not affect the community-wide forecast. Council staff find that the amendment potentially expands the housing capacity of downtown by several hundreds of housing units. This has the potential to attract population and households exceeding the community forecast. In 2018, City and Council staff agreed that the upcoming 2040 Comprehensive Plan will include upward revisions to households and population forecasts.

## Land Use

Reviewer: Raya Esmaeili, AICP (651-602-1616)

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 a land use change from Mixed Use to Downtown Mixed Use on a total of seven acres located north of the downtown area (see Figure 1). The amendment reguides this parcels from Mixed Use (3-5 units/acre) to Downtown Mixed Use (28.01-125 units/acre) as shown in Figure 3. The purpose of the amendment is to create consistency for existing developments with the adopted comprehensive plan as well as ensure land use guiding consistency for new redevelopment projects in



this area. The proposed projects have high unit counts that will be higher than the current allowed range in the mixed use category (3-5 units per acre).

The Downtown Mixed Use category will allow for up to 125 units per acre and with up to 95% residential uses. The residential share of this area makes 6.65 acres available for development in the 28.01 to 125 units per acre category. This change slightly increases the overall net density for the City of Shakopee from 3.46 units per acre to 3.49 units per acre which is consistent with the Council’s land use policies for Suburban Edge communities (changes are underlined in Table 1).

Table 1: City of Shakopee Planned Residential Density

| Category                                 | 2008-2030 Change |            |              |               |               |
|--|------------------|------------|--------------|---------------|---------------|
|  | Density Range    |            | Net Acres    | Min Units     | Max Units     |
|  | Min              | Max        |              |               |               |
| Single Family Residential                | 3                | 5          | 2,492        | 7,477         | 12,462        |
| Medium Density Residential               | 5.01             | 12         | 177          | 885           | 2,119         |
| High Density Residential                 | 14               | 28         | 50           | 699           | 1,397         |
| Entertainment District (10%)*            | 5.01             | 28         | 70           | 351           | 1,960         |
| Mixed Use – Residential                  | 3                | 5          | <u>32.3</u>  | <u>97</u>     | <u>162</u>    |
| Mixed Use – Residential (DT)**           | <u>28.01</u>     | <u>125</u> | <u>6.65</u>  | <u>186</u>    | <u>831</u>    |
| Subtotals                                |                  |            | 2,828        | <u>9,694</u>  | 18,931        |
| <b>Plat Monitoring Program 2000-2016</b> |                  |            | 1,372        | 4,980         | 3.63          |
| <b>TOTALS</b>                            |                  |            | <b>4,200</b> | <b>14,674</b> | <b>18,931</b> |
| <b>Overall Planned Density</b>           |                  |            |              | <b>3.49</b>   | <b>4.51</b>   |

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

\*\* Net acres reflect 95% of the Downtown Mixed Use category, which allows up to 95% of the area to be used for residential purposes.

## Housing

Reviewer: Hilary Lovelace, AICP (651-602-1674)

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. The proposed amendment increases the City’s inventory of land guided to support the development of low- and moderate-income housing with the addition of 7 acres for Mixed Use Downtown, which allows up to 95% of the area to be used for residential purposes. As of this amendment, the City will be guiding over 514 acres of higher density residential land such that at least 2,859 units could be built.

Shakopee became a participant in Livable Communities on January 9, 2019. The most recent affordable housing built in Shakopee was 26 rental units built in 2015. Other affordable development projects have recently been awarded funds from Minnesota Housing and are projected for construction soon.

### 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, 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*

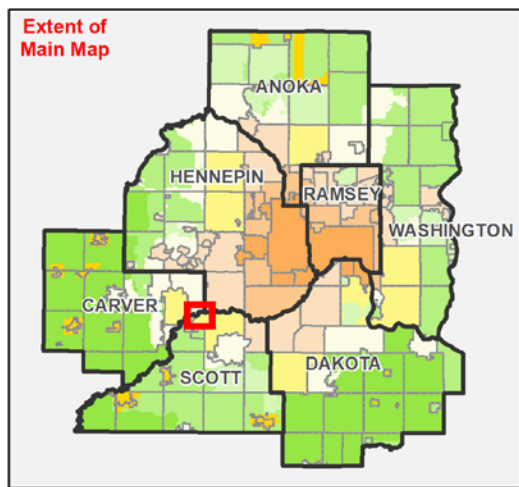
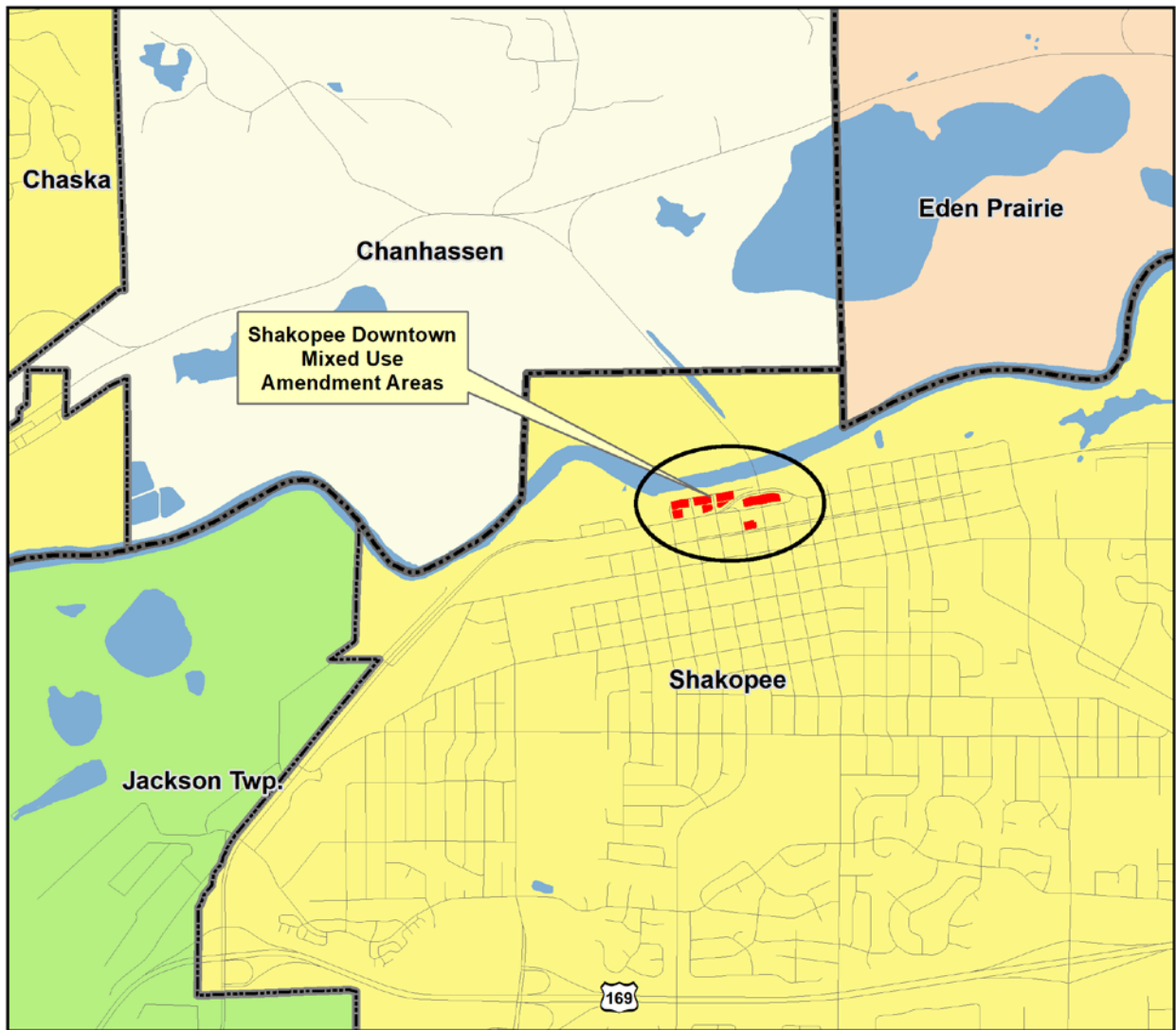
The proposed amendments are compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

### **ATTACHMENTS**

- Figure 1: Location Map Showing Community Designations
- Figure 2: Location Map showing Regional Systems
- Figure 3: Existing and Proposed Land Use Guiding



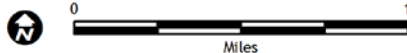
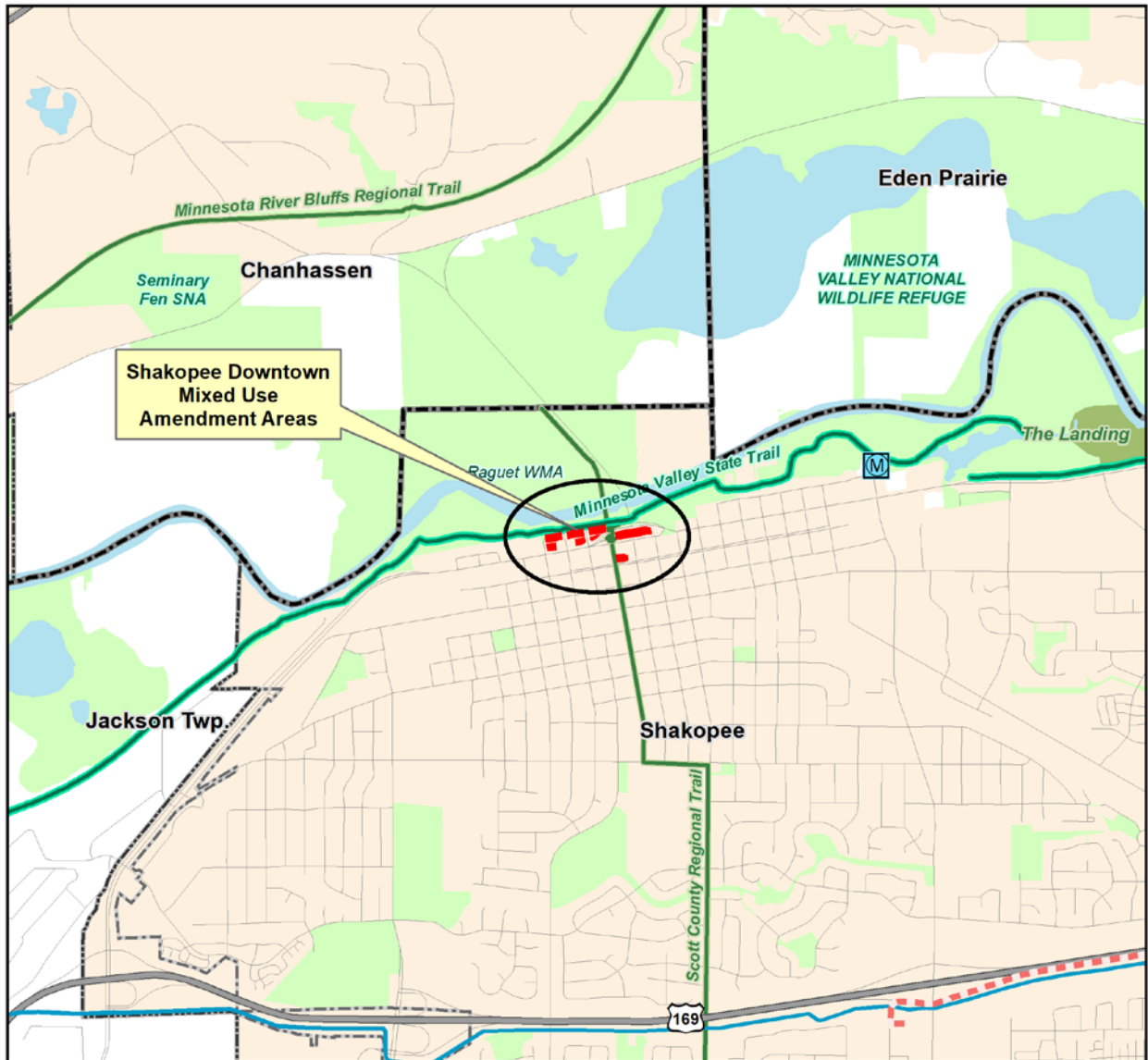
Figure 1: Location Map Showing Community Designations



**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**

**Transportation**

**Transitways**

- Existing Fixed Guideway Alignments
- - - Existing Bus Rapid Transitways
- - - Planned Fixed Guideway Transitways
- - - Planned Bus Rapid Transitways
- Existing Fixed Guideway Stations
- Planned Fixed Guideway Stations

**Regional Highway System**

- Interstates
- US Highways
- State Highways
- County Roads

**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

- Other Parks, Preserves, Refuges and Natural Areas
- Existing State Trails

**Wastewater**

- Meters
- Lift Stations
- MCES Interceptors
- MCES Treatment Plants
- Airports
- Ncompass Street Centerlines
- 2040 Metropolitan Urban Service Area



Figure 3: Existing and Proposed Land Use Guiding

