

Committee Report

Community Development Committee



Committee Meeting Date: August 15, 2022

For the Metropolitan Council: August 24, 2022

Business Item: 2022-225

City of Cottage Grove Utility Staging and Land Use Comprehensive Plan Amendment, Review File 22236-3

Proposed Action

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

1. Authorize the City to place its comprehensive plan amendment into effect.
2. Revise the City's forecasts and sewer-served forecasts upward in 2020, 2030, and 2040 as shown in Tables 1 and 2 in the Review Record.
3. Revise the City's affordable housing need allocation for 2021-2030 to 1,138 units.
4. Advise the City to implement the advisory comments in the Review Record for Forecasts, Land Use, and Water Supply.

Summary of Community Development Committee Discussion/Questions

The Community Development Committee unanimously recommended approval of the proposed action as part of its consent agenda at its meeting on August 15, 2022.



Business Item

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| | |
|----------------------------------|--|
| District(s), Member(s): | District 12, Francisco J. Gonzalez |
| Policy/Legal Reference: | Metropolitan Land Planning Act (Minn. Stat. § 473.175) |
| Staff Prepared/Presented: | Raya Esmæili, Senior Planner (651-602-1616) Angela R. Torres, Senior Manager (651-602-1566) |
| Division/Department: | Community Development / Regional Planning |

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2. Revise the City's forecasts and sewer-serviced forecasts upward in 2020, 2030, and 2040 as shown in Tables 1 and 2 in the Review Record.
3. Revise the City's affordable housing need allocation for 2021-2030 to 1,138 units.
4. Advise the City to implement the advisory comments in the Review Record for Forecasts, Land Use, and Water Supply.

Background

The City of Cottage Grove submitted the Utility Staging and Land Use comprehensive plan amendment on March 17, 2022, and most recently submitted supplemental information on June 22, 2022. The amendment proposes to revise the timing of phased development between now and 2040. This revision is accompanied by requests to change the guiding land use of multiple areas, expand the 2040 MUSA, increase local forecasts, and update projections for sewer, density and housing, and water supply needs. The purpose of the amendment is to accommodate increasing residential development demands within the City given current development patterns. This is the City's second amendment to its 2040 Comprehensive Plan.

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*. 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 opposition.



REVIEW RECORD

City of Cottage Grove

Utility Staging and Land Use Comprehensive Plan Amendment

Review File No. 22236-3, Business Item No. 2022-225

BACKGROUND

The City of Cottage Grove (City) is located in southern Washington County, surrounded by the communities of Woodbury, Afton, Denmark Township, Hastings, Nininger Township, Rosemount, Inver Grove Heights, Grey Cloud Island Township, St. Paul Park, and Newport.

Thrive MSP 2040 (Thrive) designates Cottage Grove with a “Suburban Edge” community designation. The Council forecasts from 2020 to 2040 that the City will grow from 38,400 to 47,000 population and 13,300 to 17,300 households. The Council also forecasts that between 2020 and 2040, the City’s employment will increase from 7,700 to 9,000 jobs.

The Metropolitan Council reviewed the City of Cottage Grove 2040 Comprehensive Plan ([Business Item No. 2020-213 JT](#), Review File No. 22236-1) on August 26, 2020. This is the second comprehensive plan amendment since the 2040 Plan was reviewed.

REQUEST SUMMARY

The amendment proposes to revise the timing of phased development between now and 2040. This revision is accompanied by requests to change the guiding land use of multiple areas, expand the 2040 MUSA, increase local forecasts, and update projections for sewer, density and housing, and water supply needs. The purpose of the amendment is to accommodate increasing residential development demands within the City given current development patterns.

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, with revisions.

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 authorized the 2040 Comprehensive Plan on August 26, 2020 ([Business Item No. 2020-213 JT](#), Review File No. 22236-1).
- The Council administratively reviewed the Hinton Woods amendment on July 20, 2021 (Review File No. 22236-2). The amendment re-guided 9.37 acres from Mixed Use to Medium Density Residential to mirror the guiding of a larger site to allow the development of 104 townhomes and 61 single-family homes.
- The Council reviewed the Former Mississippi Dunes Golf Course EAW on December 28, 2022 (Review File No. 22704-1).



ISSUES

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

ISSUES ANALYSIS AND FINDINGS

Conformance with Regional Systems

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

Wastewater Services

Reviewer: Roger Janzig, Environmental Services (ES) – Water Resources
(roger.janzig@metc.state.mn.us)

The amendment conforms to the 2040 Water Resources Policy Plan (WRPP). This amendment is being driven by changes to land use and development staging. The City is proposing to amend the Utility Staging Plan map to permit developments in areas that are currently serviceable by utilities or will be in the near future, as development occurs. These areas are being added to Development Stage 1, which include a proposed increase in employment and household forecasts. This resulted in revising the forecasts upward, primarily in the Cottage Grove Business Park and the Mississippi Dunes Golf Course (Figure 3). The regional system has adequate capacity to serve the proposed development associated with this amendment.

Regional Parks

Reviewer: Colin Kelly, Community Development (CD) – Regional Parks (651-602-1361)

The proposed amendment conforms to the 2040 Regional Parks Policy Plan (RPPP). The planned Grey Cloud Island Regional Park is approximately 0.2 miles to the southwest of the amendment area, across a channel of the Mississippi River. The amendment acknowledges the proximity of Lower Grey Cloud (Regional Park) and suggests that “the additional households will contribute additional users to the park.” The amendment also includes discussion of Lower Grey Cloud Island (Staging Area 8) which references the 1994 master plan for Grey Cloud Island (Regional Park) and acknowledges Washington County as the Regional Park Implementing Agency.

Grey Cloud Dunes Scientific and Natural Area (SNA), managed by the Minnesota Department of Natural Resources, is also adjacent to the area of proposed changes. State park and open space units that provide outdoor recreation opportunities and natural resource conservation for the public complement the Regional Parks System and are recognized in the 2040 RPPP. The amendment acknowledges Grey Cloud Dunes SNA and notes: “The City’s continued coordination to ensure no negative impact to the quality of the natural resource within the SNA or access to the SNA.”

The proposal to revise the City’s sewer utility staging and land uses are not expected have an adverse impact on Grey Cloud Island Regional Park. The amendment includes comments from the Minnesota Department of Natural Resources, which support the City’s commitment to protect and enhance the natural environment and discusses ways to further these goals regarding both Grey Cloud Dunes SNA and the Mississippi River Corridor Critical Area.

Consistency with Council Policy

The amendment is consistent with Council policies for forecasts, land use, housing, sub-surface sewage treatment systems, and water supply. Additional review comments are detailed below.



Forecasts

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

The amendment revises forecasts for the City of Cottage Grove. Council staff, City staff, and the City’s consultant have discussed the forecast material in December 2021 and April 2022. With changes to land use guiding and development staging, Council staff recommend that the households, population, and employment forecasts be revised upward. There are residential developments associated with this amendment and several nonresidential developments are expected, mostly in the Cottage Grove Business Park. Council staff and City staff have agreed on revised sewer-serviced and community total forecasts as shown in Tables 1 and 2 below (changes underlined):

Table 1. Metropolitan Council City of Cottage Grove Forecasts

| | Census | Current Approved Forecast | | | Revised Forecast | | |
|-------------------|--------|---------------------------|--------|--------|------------------|---------------|---------------|
| | 2020 | 2020 | 2030 | 2040 | 2020 | 2030 | 2040 |
| Population | 38,839 | 38,400 | 42,200 | 47,000 | <u>38,800</u> | <u>47,800</u> | <u>52,500</u> |
| Households | 13,105 | 13,300 | 15,200 | 17,300 | <u>13,100</u> | <u>16,900</u> | <u>19,000</u> |
| Employment | 8,312 | 7,700 | 8,400 | 9,000 | <u>8,300</u> | <u>12,700</u> | <u>14,700</u> |

Table 2. Cottage Grove Sewer-Serviced Forecast (Eagles Point Wastewater Treatment Plant)

| | Current Forecast | | | Revised Forecast | | |
|-------------------|------------------|--------|--------|------------------|---------------|---------------|
| | 2020 | 2030 | 2040 | 2020 | 2030 | 2040 |
| Population | 36,100 | 40,600 | 45,400 | <u>36,500</u> | <u>46,100</u> | <u>50,800</u> |
| Households | 12,513 | 14,623 | 16,722 | <u>12,313</u> | <u>16,323</u> | <u>18,423</u> |
| Employment | 7,556 | 8,188 | 8,674 | <u>7,600</u> | <u>12,250</u> | <u>14,250</u> |

With this forecast revision, the 2021-2030 Affordable Housing Need for the City of Cottage Grove will be revised to 666 units at or below 30% Area Median Income (AMI), 443 units at 31-50% AMI, and 29 units at 51-80% AMI for a total of 1,138 affordable units.

Advisory Comments

The amendment materials include a forecast allocation to Transportation Analysis Zones (TAZ) in which the population, households, and employment do not summarize to the communitywide forecast totals. Council staff will calculate revised allocations for use in transportation planning, and the City does not need to include any TAZ allocation in its Plan.

Thrive MSP 2040 and Land Use

Reviewer: Raya Esmaeili, CD – Local Planning Assistance (651-602-1616)

The Plan, with the proposed amendment, is consistent with the land use policies in *Thrive MSP 2040* (Thrive). Thrive identifies the City as a Suburban Edge community and directs those communities to plan for development and redevelopment at an overall average net density of at least 3-5 units per acre.

The amendment proposes to revise the timing of phased development between now and 2040 in the City’s comprehensive plan. This revision is accompanied by requests to change the guiding land use of multiple areas, expand the 2040 MUSA, increase local forecasts, and update projections for sewer, density and housing, and water supply needs (Figure 3). The purpose of the amendment is to accommodate increasing residential development demands within the City given current development patterns.

The land use changes are associated with the development of the Mississippi Dunes Golf Course, which is currently guided as Transitional Planning Area. The amendment reguides 111.2 acres of the area to Low Density Residential (2-4 units per acre), 7.3 acres to Medium Density Residential (5-13 units per acre), 40.9 acres to Parks, and 4.2 acres to Right of Way (Figure 4). As shown in Table 3 below (changes underlined), the land use changes with a residential component result in the reduction of the City’s overall density from 4.9 units per acre to 4.6 units per acre. The City’s



overall density continues to be consistent with regional land use policy for Suburban Edge communities.

Table 3. Planned Residential Density, City of Cottage Grove

| Category | Density | | Net Acres | 2020-2040 Change | |
|----------------------------|------------------------|-----|----------------|------------------|---------------|
| | Min | Max | | Min Units | Max Units |
| Low Density Residential | 2 | 4 | 801.2 | 1,602 | 3,205 |
| Medium Density Residential | 5 | 13 | 114.7 | 573 | 1,491 |
| High Density Residential | 14 | 30 | 45.0 | 630 | 1,350 |
| Mixed Use* | 20 | 40 | 103.4 | 2,069 | 4,138 |
| | TOTALS | | 1,064.3 | 4,875 | 10,183 |
| | Overall Density | | | 4.6 | 9.6 |

*70% residential

Advisory Comments

The Low Density Residential (2-4 units per acre) and Medium Density Residential (5-13 units per acre) density ranges leaves a gap for planned development densities of 4 to 5 units per acre. Similarly, the Medium Density Residential (5-13 units per acre) and High Density Residential (14-30 units per acre) density ranges leaves a gap for planned development densities of 13 to 14 units per acre. Council staff encourage the City to ensure continuity in density ranges between different residential land use categories to reduce the need for future amendments.

Housing

Reviewer: Ashleigh Johnson, CD – Housing (651-602-1106)

The amendment is consistent with the Council’s *Housing Policy Plan*. The City currently provides sufficient land to address its share of the region’s 2021-2030 need for affordable housing, which increased from 989 units to 1,138 units with the proposed forecast change. With this amendment, the City has over 141 acres available guided at densities high enough to support this need. This amendment adds over 85 new acres to the original acres that were guided to support their affordable housing allocation (Figure 5). This amendment will allow the City to implement their housing element and supports the efforts to address its share of the region’s need for affordable housing in the 2021-2030 decade.

Water Supply

Reviewer: John Clark, ES – Water Resources (651-602-1452)

The City requested revisions to population forecasts that alter projected water demand and infrastructure needs. The requested changes required the City to amend the information contained in their local water supply plan to be consistent with the rest of the 2040 Plan. The local water supply plan is under the jurisdiction of the Minnesota Department of Natural Resources (DNR) and is informally reviewed by Council staff to ensure consistent information sharing between the two agencies. The local water supply plan is formally reviewed by Council staff when submitted as part of comprehensive plan updates or amendments for communities with municipal/public water supply systems, to meet the statutory requirements for regional water supply planning.

Cottage Grove submitted a revised local water supply plan to the DNR and the Council in June 2022. Council staff provided informal review comments, finding the plan complete, to the DNR on July 8, 2022. The revised Cottage Grove local water supply plan provided updated water demand projections and discussed future infrastructure needs. The plan is consistent with the amended population forecasts agreed to by the City and the Council. Therefore, the amendment is consistent with the *2040 Water Resources Policy Plan* policies regarding water supply.

Advisory Comments

As the City is planning to use the 3M settlement funds to implement a Conceptual Drinking Water Supply Plan to provide safe and sustainable drinking water to customers impacted by per- and polyfluoroalkyl substances (PFAS) contamination, the Council encourages the City to consider



actions that can greatly improve indoor and outdoor water use efficiency, particularly during periods of system and resource stress. These practices can help limit excessive water use, and limit or postpone infrastructure required to meet peak day demands. Council staff and resources are available to support the City with those efforts.

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

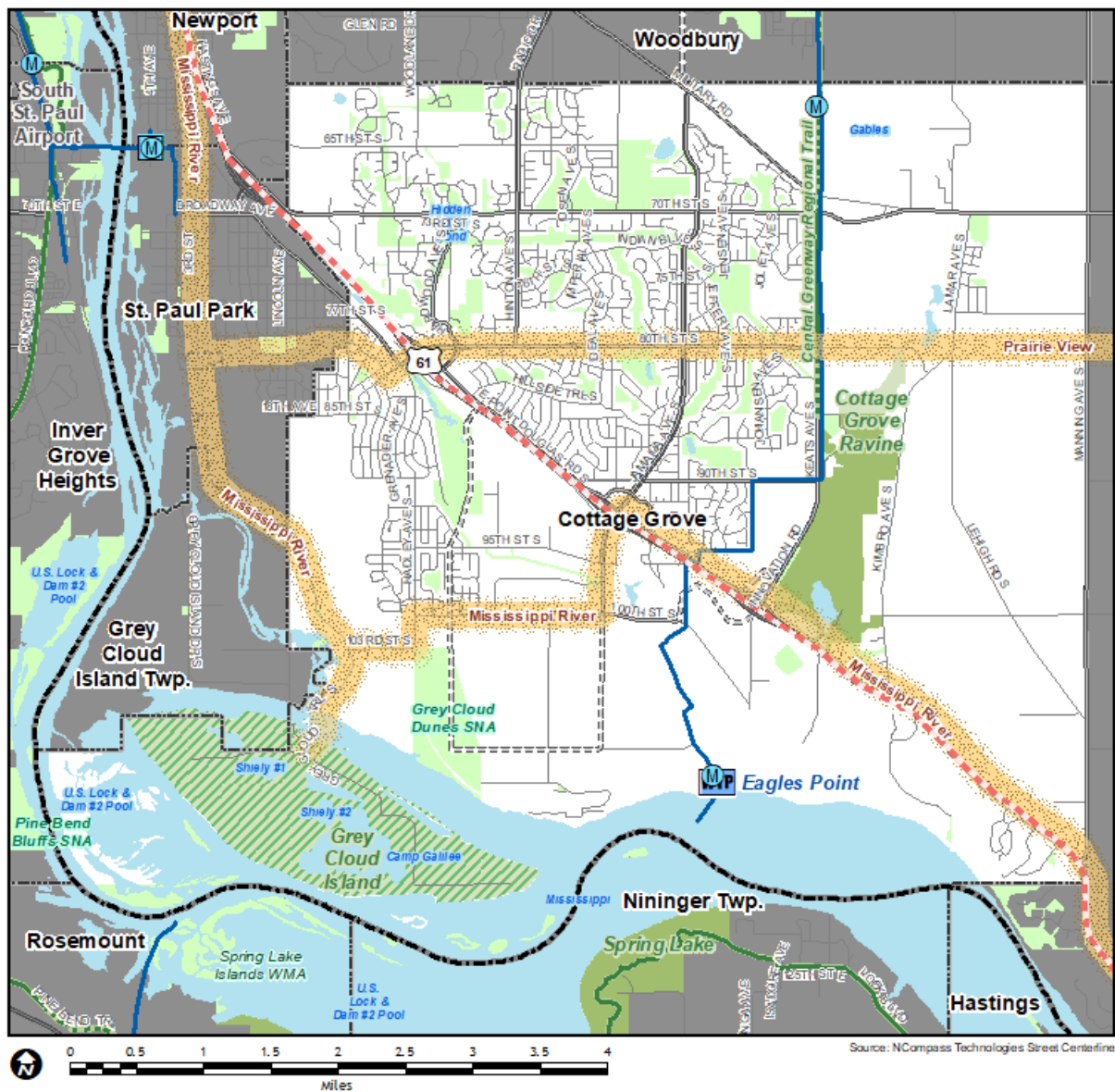
The proposed amendment is compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

ATTACHMENTS

- Figure 1: Location Map Showing Regional Systems
- Figure 2: Location Map Showing Community Designations
- Figure 3: General Location of Staging Changes
- Figure 4: Location of Guiding Land Use Change
- Figure 5: Land Guided for Affordable Housing

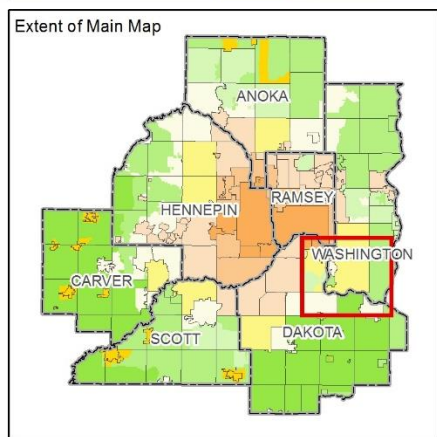
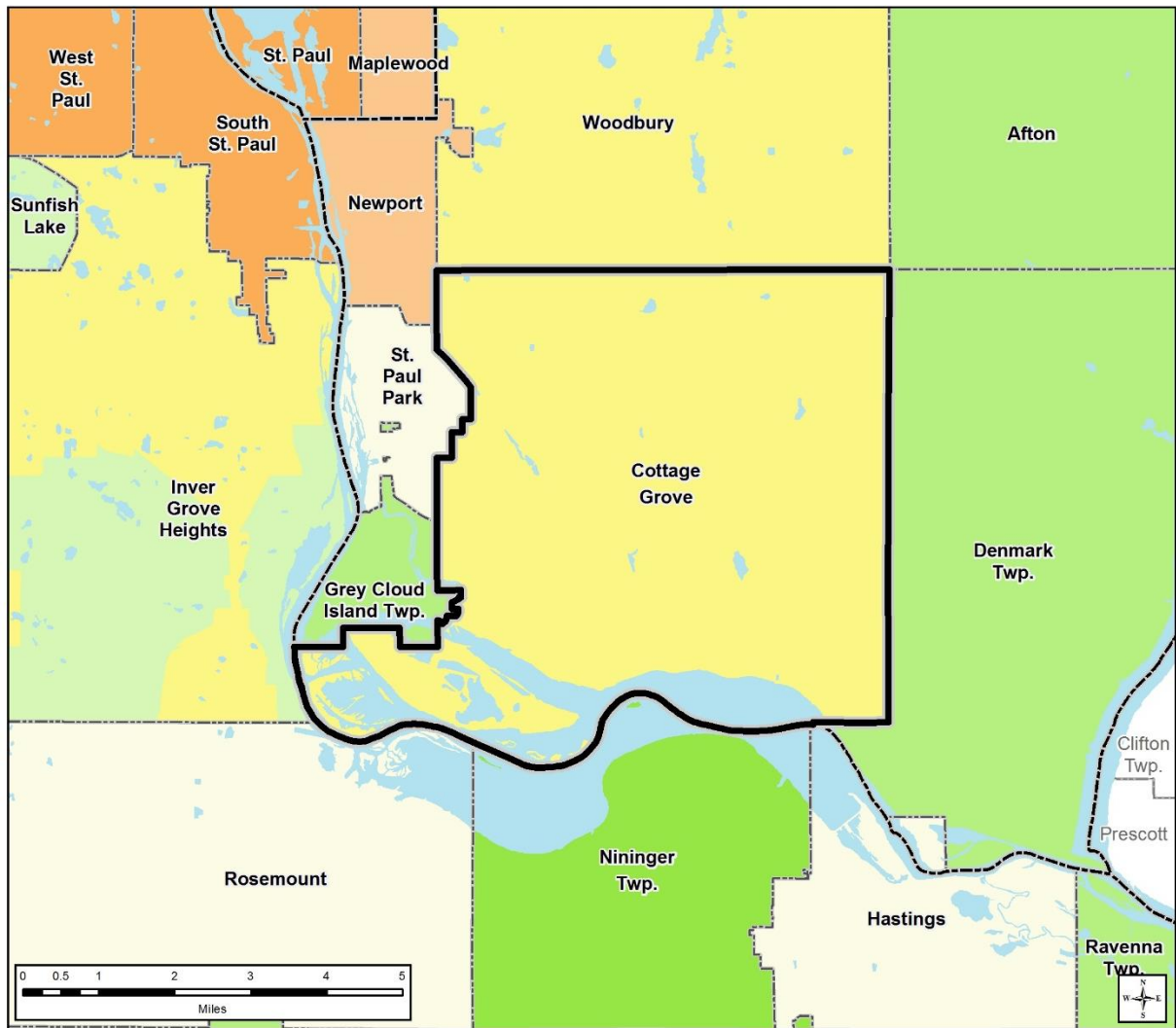


Figure 1. Location Map Showing Regional Systems



| | | |
|--|--|---|
| <p>Regional Systems</p> <p>Transportation</p> <p>Transitways 2040 Transportation System Policy - adopted January 2015</p> <ul style="list-style-type: none"> — Existing - - - Planned Current Revenue Scenario - - - - Planned Current Revenue Scenario - CTIB* Phase 1 Projects - - - - - Potential Increased Revenue Scenario <p>Regional Highway System</p> <ul style="list-style-type: none"> — Existing Principal Arterials - - - - - Planned Principal Arterials — Existing Minor Arterials - - - - - Planned Minor Arterials — Existing Other Arterials - - - - - Planned Other Arterials | <p>Recreation Open Space</p> <p>Regional Parks</p> <ul style="list-style-type: none"> — Existing (Open to Public) — In Master Plan (Not Open to Public) - - - - Planned Units <p>Regional Trails</p> <ul style="list-style-type: none"> — Existing (Open to Public) - - - - Existing (Not Open to Public) - - - - - Planned <p>Wastewater</p> <ul style="list-style-type: none"> M Meters L Lift Stations — MCES Interceptors MTP MCES Treatment Plants | <p>Regional Park Search Areas and Regional Trail Search Corridors</p> <ul style="list-style-type: none"> ● Boundary Adjustment ● Search Area - - - - - Regional Trail Search Corridors — Local Streets — Existing State Trails — Other Parks, Preserves, Refuges and Natural Areas <p>* Counties Transit Improvement Board (CTIB)</p> |
|--|--|---|

Figure 2. Location Map Showing Community Designations



Community Designations

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

- County Boundaries
- City and Township Boundaries
- Lakes and Major Rivers



Figure 3. General Location of Staging Changes

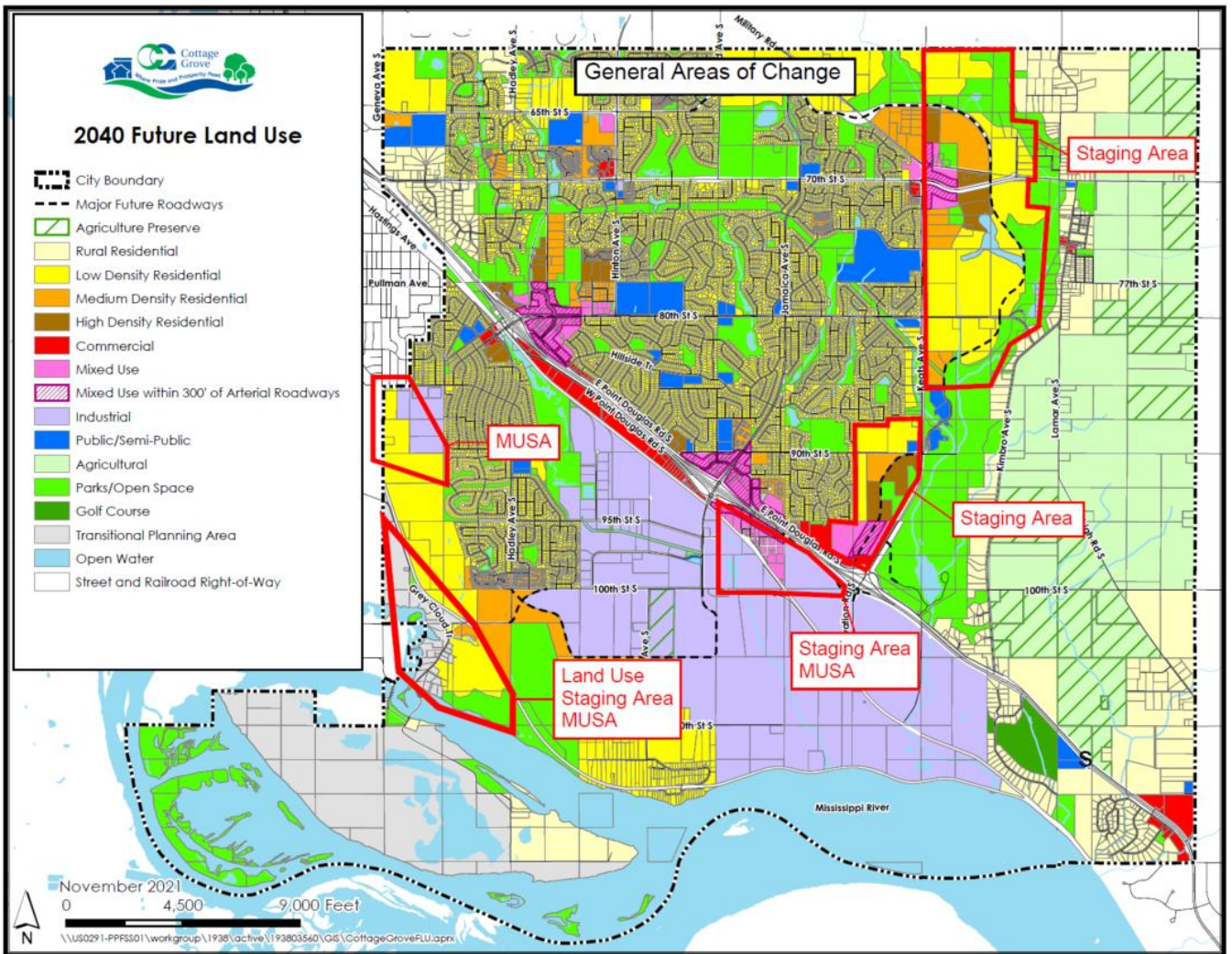


Figure 4. Location of Guiding Land Use Change

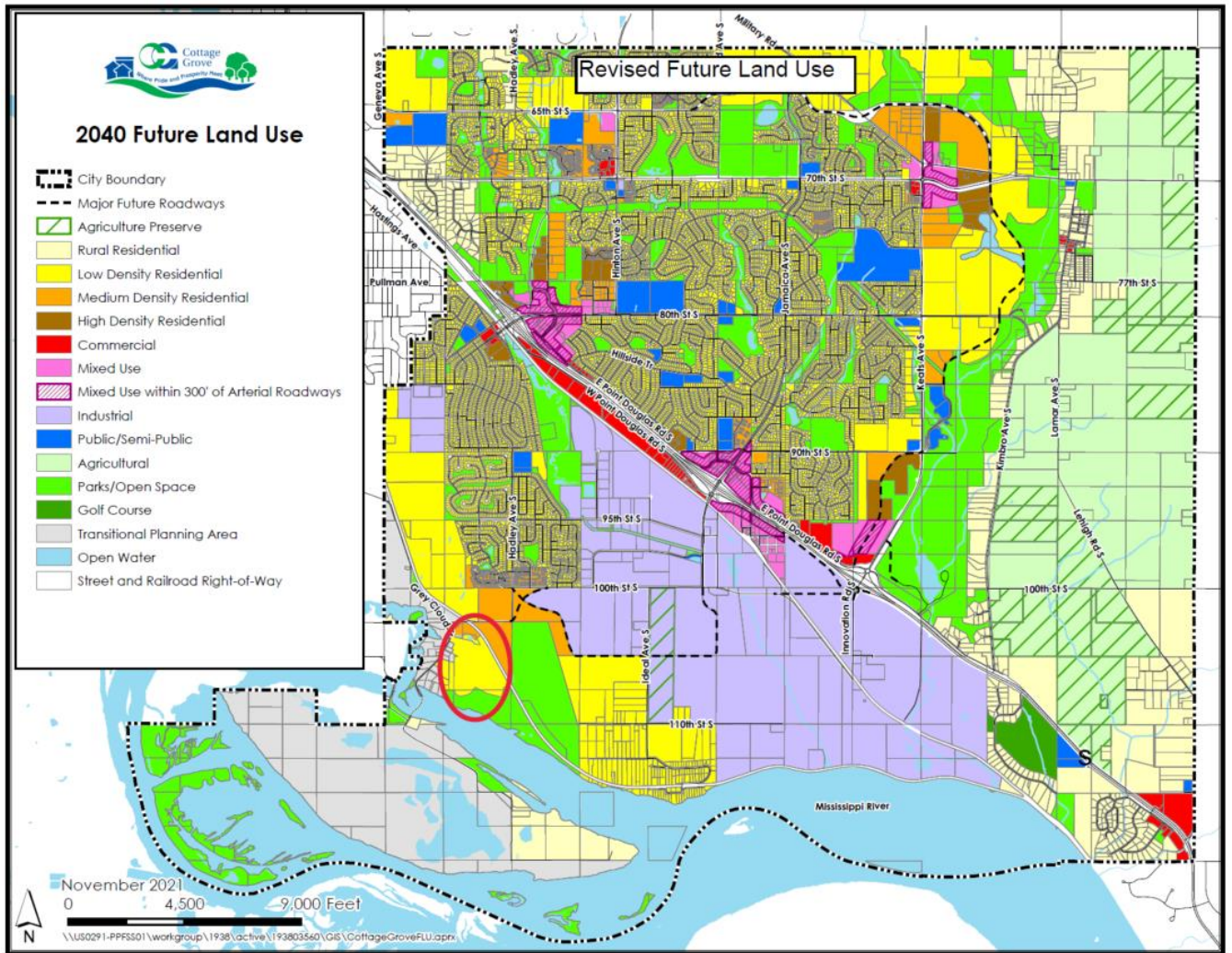


Figure 5. Land Guided for Affordable Housing

2021-2030 share of regional need for Affordable Housing: **1138 units**

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

| | Available Acres | X | Minimum Density <i>(units per acre)</i> | X | Expected % Residential <i>(if mixed use)</i> | = | Minimum Units Possible |
|---------------------------------|------------------------|----------|---|----------|--|----------|-------------------------------|
| High Density Residential | 100.00 | | 14 | | 100% | | 1,400 |
| Mixed Use | 40.63 | | 20 | | 70% | | 569 |
| Total | 141 | | | | | | 1,969 |

Sufficient/*(insufficient)* units possible against share of regional need: **831**

Affordable units built since 2021: **0**

Sufficient/*(insufficient)* units possible adjusted for affordable units built: **831**

Number of Comp Plan Amendments approved since Comp Plan Update: **1**

