

Committee Report

Community Development Committee



Committee Meeting Date: February 6, 2023

For the Metropolitan Council: February 22, 2023

Business Item: 2023-46

City of Norwood Young America Industrial Park Expansion Comprehensive Plan Amendment, Review File 22238-4

Proposed Action

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

1. Authorize the City of Norwood Young America to place its comprehensive plan amendment into effect.
2. Find that the amendment does not change the City's forecasts.
3. Find that the amendment renders the City's comprehensive plan inconsistent with the Council's housing policy and that the City is therefore ineligible to participate in Livable Communities Act (LCA) programs.
4. Advise the City:
 - a. To be consistent with Council housing policy, the City needs to increase the inventory of land guided to support the development of low- and moderate-income housing for the 2021-2030 decade by at least 160 units by guiding enough residential acres at sufficient minimum densities.
 - b. To implement the advisory comments in the Review Record for Forecasts and Land Use.

Summary of Community Development Committee Discussion/Questions

Planning Analyst Raya Esmæili presented the staff's report to the Committee. No representatives from Norwood Young America were in attendance. The Community Development Committee unanimously recommended approval of the proposed action as part of its consent agenda at its meeting on February 6, 2023.

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District(s), Member(s):	District 4, Deb Barber
Policy/Legal Reference:	Metropolitan Land Planning Act (Minn. Stat. § 473.175)
Staff Prepared/Presented:	Raya Esmaeili, Planning Analyst (651-602-1616) Angela R. Torres, Senior Manager (651-602-1566)
Division/Department:	Community Development / Regional Planning

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Background

The City of Norwood Young America submitted the Industrial Park Expansion comprehensive plan amendment on December 21, 2022. The amendment proposes to reguide 92 acres from Medium Density Residential (8-12 units per acre) to Industrial and expand the 2030 Metropolitan Urban Service Area (MUSA) to include the entire site. The amendment site is located in the southern part of the City, south of Tacoma Boulevard and west of Tacoma Avenue, and will accommodate the expansion of an existing industrial park. This is the City's third amendment to its 2040 Comprehensive Plan.

Rationale

The proposed amendment conforms to regional system plans, is consistent with Council policies with the exception of regional land use policies and housing policy, 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 Norwood Young America

Industrial Park Expansion Comprehensive Plan Amendment

Review File No. 22238-4, Business Item No. 2023-46

BACKGROUND

The City of Norwood Young America (City) is located in southwestern Carver County, and it is completely surrounded by Young America Township.

Thrive MSP 2040 (Thrive) designates Norwood Young America with a “Rural Center” community designation. The Council forecasts from 2020 to 2040 that the City will grow from 4,580 to 9,200 population and 1,900 to 3,900 households. The Council also forecasts that between 2020 and 2040, the City’s employment will increase from 1,600 to 2,100 jobs.

The Metropolitan Council reviewed the City of Norwood Young America 2040 Comprehensive Plan (Plan) ([Business Item 2020-184 JT](#), Review File No. 22238-1) on July 22, 2020. This is the third comprehensive plan amendment since the 2040 Plan was reviewed.

REQUEST SUMMARY

The amendment proposes to reguide 92 acres from Medium Density Residential to Industrial and expand the 2030 Metropolitan Urban Service Area (MUSA) to include the entire site, located in the southern part of the City, south of Tacoma Boulevard and west of Tacoma Avenue. The purpose of the amendment is to accommodate the expansion of an existing industrial park.

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 water resources management and Council forecasts, but inconsistent with regional land use policies in *Thrive MSP 2040* and the *Housing Policy Plan*.

Compatibility with Plans of Adjacent Jurisdictions

The amendment will not have an impact on adjacent communities, school districts, or watershed districts, and is compatible with the plans of those districts.

PREVIOUS COUNCIL ACTIONS

- The Council acted on the 2040 Plan on July 22, 2020 ([Business Item 2020-184 JT](#), Review File No. 22238-1).
- The Council authorized The Meadows 2nd Addition amendment on August 24, 2022 ([Business Item 2022-27](#), Review File No. 22238-2). The amendment reguided 8.8 acres from Medium Density Residential to Low Density Residential to accommodate development.
- The Council administratively reviewed the 309 and 312 1st St NE amendment on October 18, 2022 (Review File No. 22238-3). The amendment reguided 1.92 acres from Low Density Residential to Downtown Mixed Use to better accommodate future non-residential developments.

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 Service

Reviewer: Roger Janzig, Environmental Services (ES) – Wastewater Planning and Community Programs (roger.janzig@metc.state.mn.us)

The proposed amendment conforms to the 2040 Water Resources Policy Plan (WRPP). The amendment is reguides of 92 acres from Medium Density Residential to Industrial, to expand the existing industrial park, and adds the southern 62 acres of the site to the 2030 (current) MUSA. The regional system has adequate capacity to serve the potential development associated with the land use change for this amendment.

Consistency with Council Policy

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

Forecasts

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

The amendment does not affect the City's communitywide forecast. The communitywide forecast can still be accommodated by the available land supply. While the remaining of Medium and High Density Residential land supply is still sufficient to meet Norwood Young America's forecasted growth, the remaining capacity is substantially less than what the City stated in its 2040 Comprehensive Plan regarding the multifamily demand need and the self-imposed housing goal of 1,155 multifamily units. However, City staff acknowledge the need for additional medium- or high-density land supply.

Advisory Comments

The City has not requested an employment forecast adjustment. The new industrial land supply, which is a 42% increase in designated industrial acreage, can have a potential employment impact. Council staff agree that the land absorption and impact on the employment are uncertain. Therefore, an employment forecast revision is not needed at this time but may be considered by the Council in the future.

Table 1. Metropolitan Council, City of Norwood Young America Forecasts

Category	Census 2020	Current Approved Forecast		
		2020	2030	2040
Population	3,863	4,580	7,200	9,200
Households	1,551	1,900	3,030	3,900
Employment	811	1,600	1,850	2,100



Thrive MSP 2040 and Land Use

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

The Plan, with the proposed amendment, remains inconsistent with the land use policies of *Thrive MSP 2040*, which identifies the City as a Rural Center Community. The amendment proposes to re-guide 92 acres of land from Medium Density Residential (8-12 units per acre) to Industrial and expand the 2030 MUSA to include the entire site (Figures 3 and 4). The site is generally located in the southern part of the City, south of Tacoma Boulevard and west of Tacoma Avenue (see Figure 2). The purpose of the amendment is to expand an existing industrial park.

The amendment reduces the City’s overall minimum density from 2.92 units per acre to 1.98 units per acre, as shown in Table 2 below (changes underlined). Thrive directs Rural Center communities to plan for development and redevelopment at minimum overall densities of 3 to 5 units per acre. The amendment further reduces the City’s overall density below the minimum density requirements established in the Council’s land use policies. However, as authorized in a previous amendment (The Meadows 2nd Addition, [Business Item 2022-27](#), Review File No. 22238-2), the City’s wastewater services are provided through a City-owned facility and therefore, the land use inconsistency does not adversely impact the Council’s regional wastewater system.

Table 2. Planned Residential Density, City of Norwood Young America

Category	2018-2040 Change			Min Units	Max Units
	Min	Density Max	Net Acres		
Low Density Residential	1	8	431.6	432	3,453
Medium Density Residential	8	12	<u>60.1</u>	<u>481</u>	<u>722</u>
High Density Residential	12	18	2.4	29	43
Mixed Use Downtown	12	18	3.7	45	67
TOTALS			497.9	986	4,285
Overall Density				1.98	8.61

Advisory Comments

As discussed, and acknowledged by the City’s consultant, Council staff recommend the City reguide additional land to higher density residential land use categories. Council staff are available to further discuss potential changes to guiding land use and density needed to address Council policy inconsistencies.

Housing

Reviewer: Hilary Lovelace, CD – Housing (651-602-1555)

With the proposed amendment, the Plan is no longer consistent with the Council’s *Housing Policy Plan (HPP)*. The proposed amendment decreases the City’s inventory of land guided to support the development of low- and moderate-income housing by reguiding 92 acres of Medium Density residential land to a non-residential use. As of this amendment, the Plan will be guiding approximately 12 acres of higher density residential land such that at least 109 units could be built (Figure 5).

The Plan no longer provides sufficient land to address its share of the region’s 2021-2030 need for affordable housing, which is 269 units.

Advisory Comments

To be consistent with Council housing policy, the City needs to increase the inventory of land guided to support the development of low- and moderate-income housing for the 2021-2030 decade by at least 160 units by guiding enough residential acres with sufficient minimum densities.

Please be advised that communities inconsistent with the Council’s HPP are not eligible to participate in Livable Communities Act (LCA) grant programs.

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

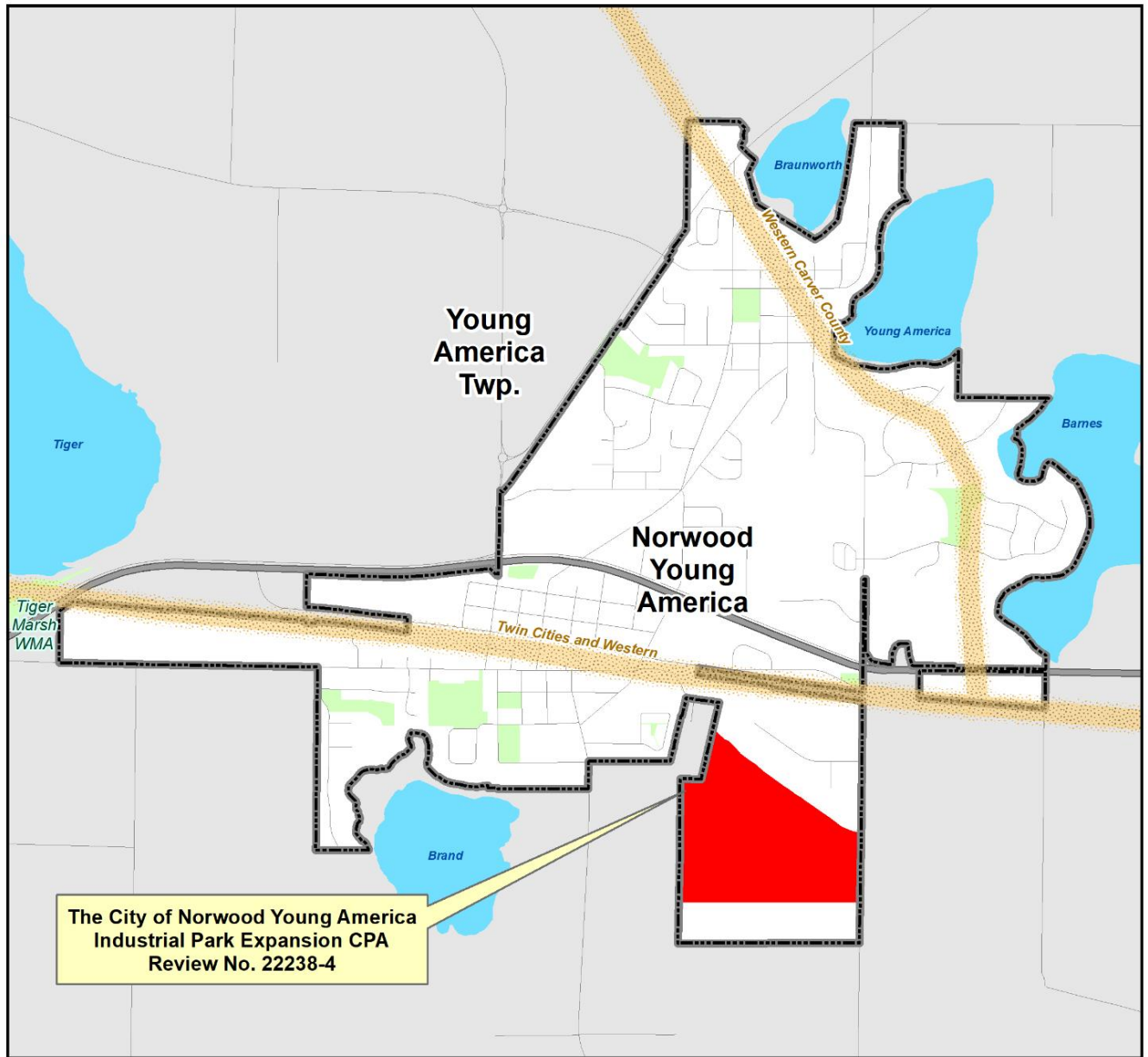
The proposed amendment is compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

ATTACHMENTS

- Figure 1: Location Map Showing Regional Systems
- Figure 2: Location Map Showing Community Designations
- Figure 3: Current and Use Guiding
- Figure 4: Proposed Land Guiding
- Figure 5: Land Guided for Affordable Housing



Figure 1. Location Map Showing Regional Systems



Metropolitan Council

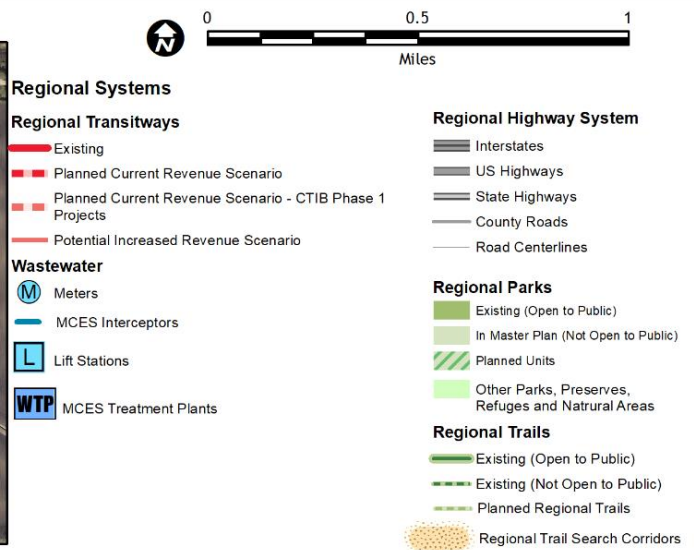
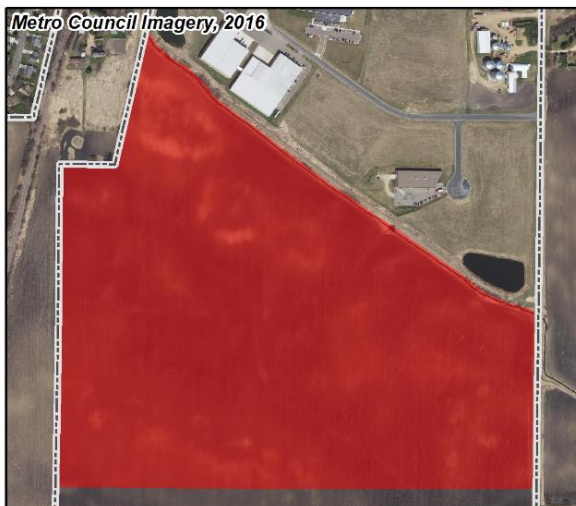
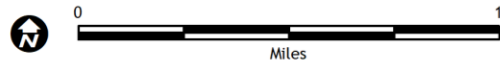
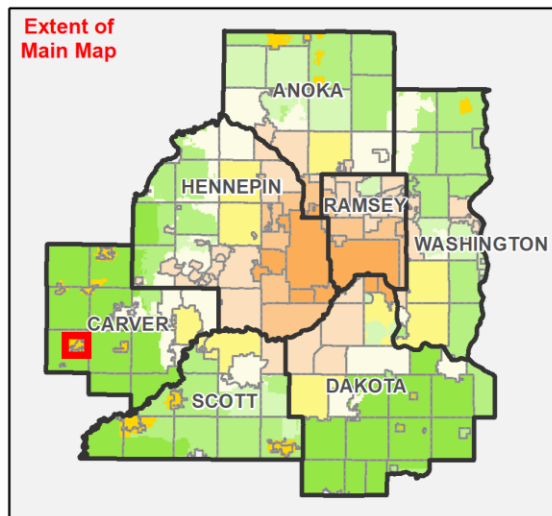
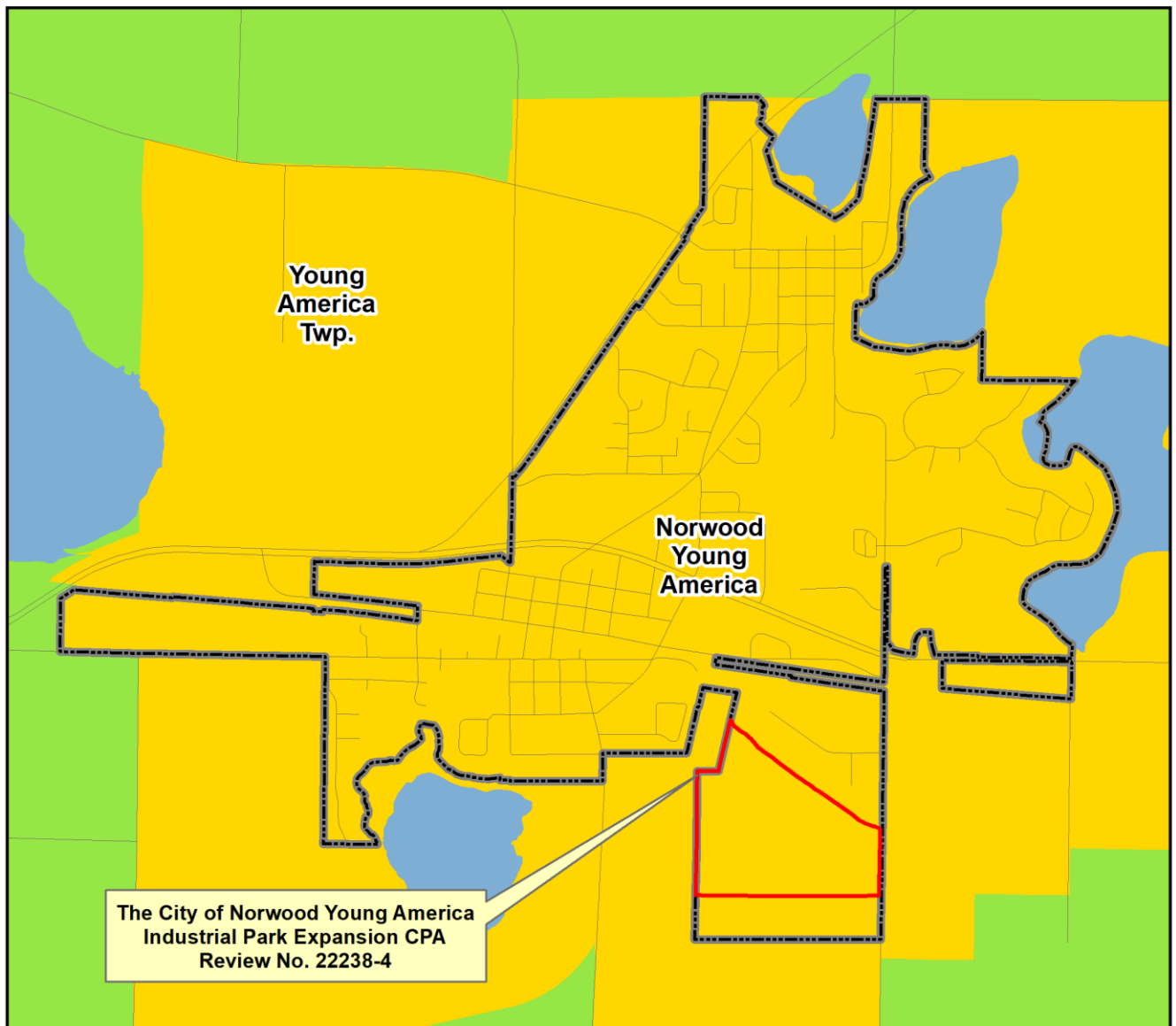


Figure 2. Location Map Showing Community Designations



ThriveMSP 2040 Community Designations

- Agricultural
- Rural Residential
- Diversified Rural
- Rural Center
- Emerging Suburban Edge
- Suburban Edge
- Suburban
- Urban
- Urban Center
- Ncompass Street Centerlines



Figure 3. Current Land Use Guiding

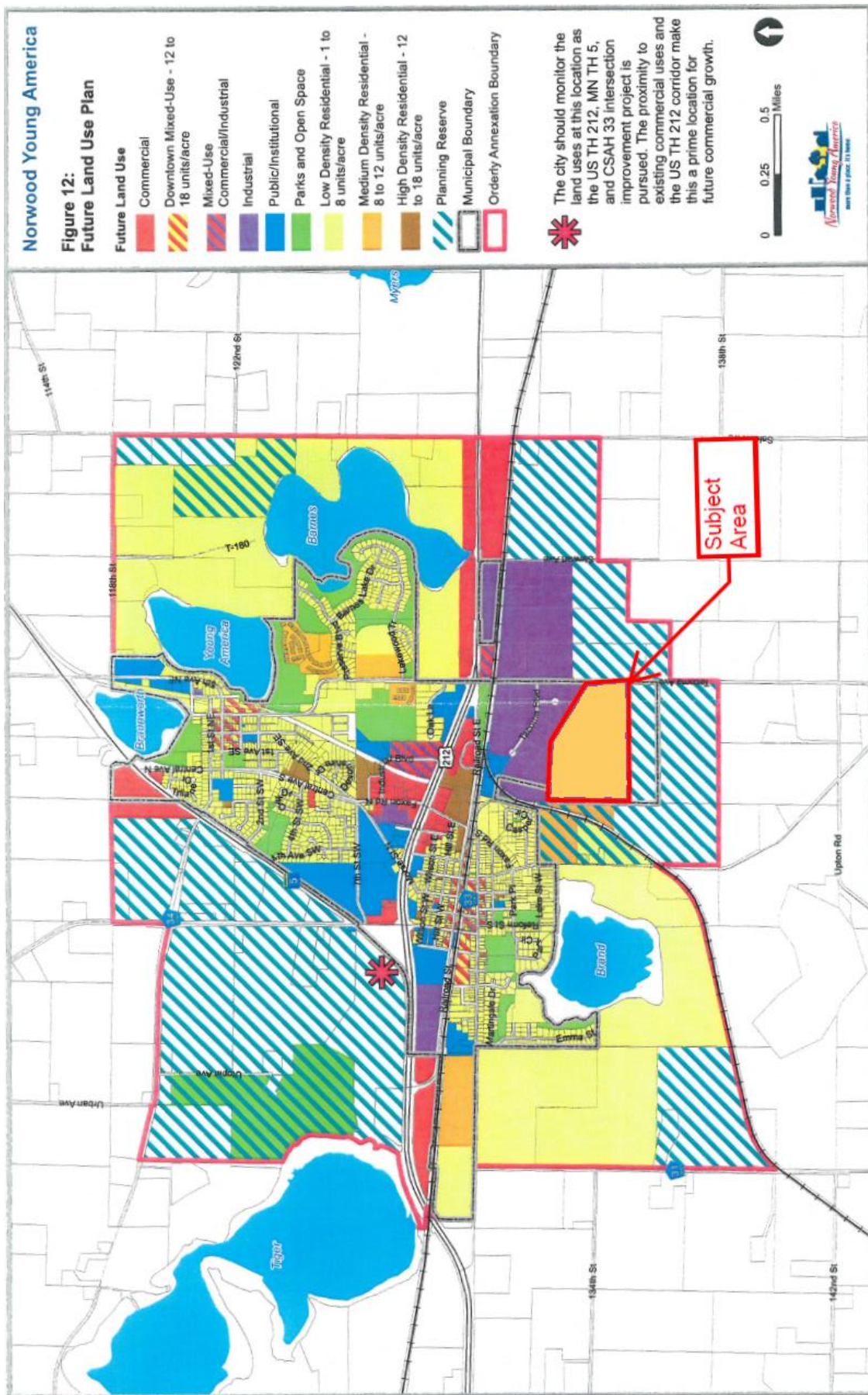


Figure 4. Proposed Land Guiding

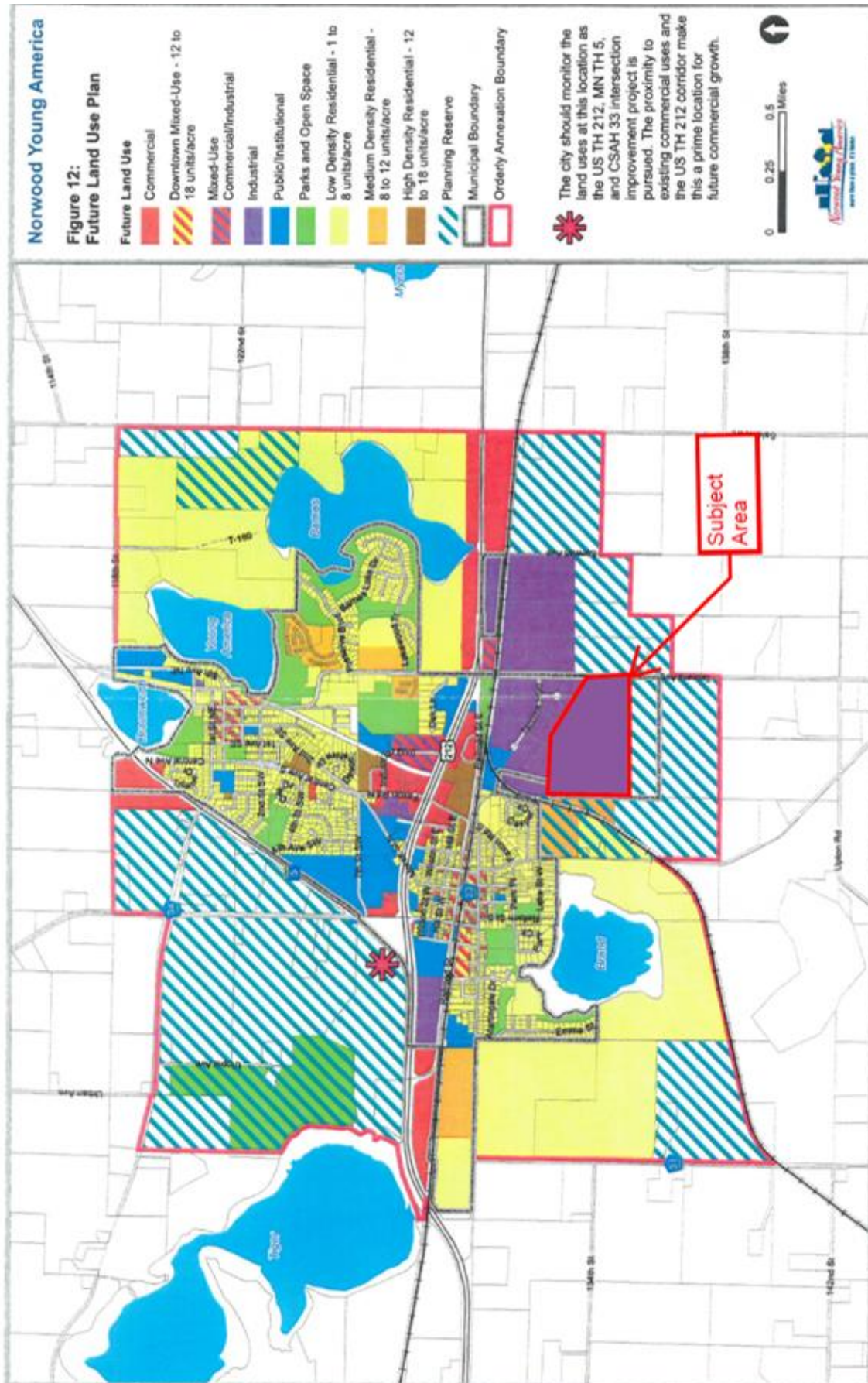


Figure 5. Land Guided for Affordable Housing

2021-2030 share of regional need for Affordable Housing: **269 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
Medium Density Residential	7.54		8		100%		61
High Density Residential	4.00		12		100%		48
Total	12						109

Sufficient/~~(insufficient)~~ units possible against share of regional need: **-160**

Affordable units built since 2021: **0**

Sufficient/~~(insufficient)~~ units possible adjusted for affordable units built: **(160)**

