

Committee Report

Community Development Committee



Committee Meeting Date: April 3, 2023

For the Metropolitan Council: April 12, 2023

Business Item: 2023-81

Update to the Council's Metropolitan Urban Service Area (MUSA) Implementation Guidelines

Proposed Action

That the Metropolitan Council revise the Council's *Metropolitan Urban Service Area (MUSA) Implementation Guidelines* as shown in Attachment 1 of this Report.

Summary of Community Development Committee Discussion/Questions

Angela R. Torres, Senior Manager of Local Planning Assistance presented the staff's report to the Committee. The Community Development Committee unanimously recommended approval of the proposed action with no questions or discussion at its meeting on April 3, 2023.



Business Item

Community Development Committee



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Update to the Council's Metropolitan Urban Service Area (MUSA) Implementation Guidelines

District(s), Member(s):	All
Policy/Legal Reference:	Minn. Stat § 473.175
Staff Prepared/Presented:	Angela R. Torres, AICP, Senior Manager, Local Planning Assistance (651-602-1566)
Division/Department:	Community Development / Regional Planning

Proposed Action

That the Metropolitan Council revise the Council's *Metropolitan Urban Service Area (MUSA) Implementation Guidelines* as shown in Attachment 1 of this Report.

Background

The Committee reviewed the proposed revisions to the adopted MUSA Implementation Guidelines as an informational item on March 20, 2023, and through discussion provided feedback on the proposed revisions. The Committee's comments have been integrated into the proposed revisions.

Background of the MUSA Implementation Guidelines

Local comprehensive plans for communities with regional wastewater service must identify the timing and staging of lands available for urban development through the planning horizon in 10-year stages. Areas planned for new development are expected to ultimately achieve a minimum net residential density of 3 units per acre when wastewater services become available.

To ensure an adequate supply of urban land to accommodate future regional growth, the Council monitors the region's land supply. Monitoring includes tracking the designation of guided land uses and enforcement of minimum urban density standards in sewerred areas as well as planning for additional area where the Council will provide regional services (i.e., MUSA) in the next decennial round of comprehensive plans. In addition, the Council continues to administer the Plat Monitoring Program, which tracks and reports annually on density trends of residential development in all communities identified in *Thrive MSP 2040* as Suburban Edge and Emerging Suburban Edge communities.

In October of 2004, the Council adopted "Guidelines for Evaluating Plan Amendments Proposing Changes to Metropolitan Urban Service Area (MUSA) Timing Staging." In early 2007, the Metropolitan Council and staff from Metro Cities discussed the guidelines relative to the density calculation and the 2008 comprehensive plan reviews. The Council revised these implementation guidelines in 2007 to be more flexible, more responsive to market forces, and to acknowledge the performance of individual communities in achieving the Council's policy for average minimum net residential densities.

In 2017, the Council adopted the most current version of "[MUSA Implementation Guidelines](#)" to reflect the adoption of *Thrive MSP 2040*, clarify practice in implementing the guidelines at the time, and add considerations for failing subsurface sewage treatment systems (SSTS) as well as some publicly-owned stormwater management facilities.

Proposed Changes

Council staff propose a minor update to primarily clarify application of the MUSA Implementation Guidelines to failing communal systems (Guideline 3.), although a few minor housekeeping changes are also included to state the guideline more plainly or clarify current practice. These guidelines will be revisited more broadly following the adoption of the 2050 regional development guide to clarify review of local comprehensive plans.

At the August 15, 2022, Community Development Committee (CDC) meeting, the Council reviewed [Business Item 2022-228](#), the City of Lake Elmo Tapestry Development Comprehensive Plan Amendment (Review File 22215-6). The amendment requested a MUSA expansion to connect a 156-acre subdivision with 65 single family homes to the regional wastewater system. The development was served by a failing communal subsurface sewage treatment system (SSTS).

According to the MUSA Implementation Guidelines, "areas with failing SSTS and no on-site alternative SSTS locations" will not be counted in a city's density calculation. The guidelines only refer to individual properties with failing systems, and do not apply to communal systems. Council staff applied the MUSA Implementation Guidelines appropriately, requiring that the subdivision be included in the City's density calculation. However, the review highlights an opportunity to more clearly state how the guidelines apply to communal systems.

Rationale

The proposed changes support a transparent review process and will ensure consistent application of the MUSA Implementation Guidelines. The proposed changes clarify language and includes minor housekeeping edits. The proposed changes help both Council staff and local government staff better understand application of Council guidelines.

Thrive Lens Analysis

This action supports implementation of the land use policies in *Thrive MSP 2040* and the adopted Council guidelines reflecting Thrive policies. To achieve the outcomes identified in Thrive, the metropolitan development guide defines the Land Use Policy including density expectations, 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. In addition, this action supports the principles of integration, collaboration, and accountability in Thrive by supporting clarity in implementation of regional guidelines.

Funding

The proposed action would not have an impact on funding or require additional funding resources to carry out. This work is a part of regular staff work plans.

Known Support/Opposition

There is no known opposition.

Attachments

Attachment 1: Proposed Revised MUSA Implementation Guidelines

Attachment 2: Proposed Revised MUSA Implementation Guidelines with Tracked Changes

Attachment 3: Current MUSA Implementation Guidelines, adopted April 2017



Attachment 1. Proposed Revised MUSA Implementation Guidelines

Shown below is a clean version of the proposed revised MUSA Implementation Guidelines for consideration. Revisions are integrated into the current guidelines adopted by the Council in August 2017.

UPDATED GUIDELINES (dated April 2023)

1. The city's overall **average net** residential density for **new development and redevelopment** since 2000 must be a minimum of three units per developable acre. Determination of this density will be based on approved **final plats** as reported in the Plat Monitoring Program, **if needed**.
2. The following will not be counted in a city's density calculation:
 - a. Replatted areas that were previously platted and reported in the Plat Monitoring Program.
 - b. Existing developments that are part of townships or areas being annexed from townships.
 - c. Areas that have failing sub-surface sewage treatment systems (SSTS) and no on-site alternative SSTS locations. The city shall provide documentation from a licensed SSTS inspector confirming the failure of the existing system and the existing conditions on the site that prohibit the installation of a new SSTS.
3. Failing communal systems are not included in provision 2.c (above). These areas will be included in density calculations.
4. Communities may receive credit for the installation of stormwater BMP facilities provided that the facilities are located on separate lots or outlots, are publicly-owned, properly maintained, and do not encroach upon or modify an existing natural resource.

Comprehensive Plan Updates

In review of decennial updates to local comprehensive plans, the Council will calculate density consistent with the policies of the current metropolitan development guide as follows:

1. For communities that participate in the Council's Plat Monitoring Program, the Council will calculate density giving credit on a 1:1 basis for housing units platted or developed that yield an overall average density in excess of the applicable minimum net density required in the current metropolitan development guide. The housing unit credits will be applied to areas guided for the next decade of planned development on urban services and to any other proposed reguided areas.
2. For communities with platted development history, the Council will calculate density using an acreage average of the city's actual platting since 2000, the lowest allowable density on land guided for development for the next decade of planned development, and any reguided land within the community's current approved MUSA.
3. For communities without platted development history, the Council will calculate density using the lowest allowable density on land guided for development for the next decade of planned development and any reguided land within the community's current approved MUSA.
4. The Council will not include in the density calculations any remaining undeveloped land within the current approved MUSA in the city's existing comprehensive plan, with the exception of areas that are being reguided in the comprehensive plan update.



Attachment 2. Proposed Revised MUSA Implementation Guidelines with tracked changes
Shown below are the revised MUSA Implementation Guidelines as proposed for consideration with tracked changes shown. Items underlined in red are new text additions for clarification and items proposed to be deleted are in red and shown with a strikethrough.

UPDATED GUIDELINES (dated April 2017 2023)

1. The city's overall average net residential density for new development and redevelopment since 2000 must be a minimum of three units per developable acre. Determination of this density will be based on approved ~~preliminary~~ final plats as reported in the Plat Monitoring Program, if needed.
2. The following will not be counted in a city's density calculation:
 - a. Replatted areas that were previously platted and reported in the Plat Monitoring Program.
 - b. Existing developments that are part of townships or areas being annexed from townships.
 - c. Areas that have failing sub-surface sewage treatment systems (SSTS) and no on-site alternative SSTS locations. The city shall provide documentation from a licensed SSTS inspector confirming the failure of the existing system and the existing conditions on the site that prohibit the installation of a new SSTS.
3. Failing communal systems are not included in provision 2.c (above). These areas will be included in density calculations.
- ~~3.~~ 4. Communities may receive credit for the installation of stormwater BMP facilities provided that the facilities are located on separate lots or outlots, are publicly-owned, properly maintained, and do not encroach upon or modify an existing natural resource.

Comprehensive Plan Updates

In review of decennial updates to local comprehensive plans, the Council will calculate density consistent with the policies of the current metropolitan development guide as follows:

1. For communities that participate in the Council's Plat Monitoring Program, the Council will calculate density giving credit on a 1:1 basis for housing units platted or developed that yield an overall average density in excess of the applicable minimum net density required in the current metropolitan development guide. The housing unit credits will be applied to areas guided for the next decade of planned development on urban services and to any other proposed reguided areas.
2. For communities with platted development history, the Council will calculate density using an acreage average of the city's actual platting since 2000, the lowest allowable density on land guided for development for the next decade of planned development, and any reguided land within the community's current approved MUSA.
3. For communities without platted development history, the Council will calculate density using the lowest allowable density on land guided for development for the next decade of planned development and any reguided land within the community's current approved MUSA.
4. The Council will not include in the density calculations any remaining undeveloped land within the current approved MUSA in the city's existing comprehensive plan, with the exception of areas that are being reguided in the comprehensive plan update.



METROPOLITAN URBAN SERVICE AREA (MUSA) IMPLEMENTATION GUIDELINES

April 2017



BACKGROUND

Local comprehensive plans for communities with regional wastewater service must identify the timing and staging of lands available for urban development through the planning horizon in 10 year stages. In many cases, communities also identify areas planned for longer-term urbanization, described as urban reserve areas or long-term service areas. These areas planned for new development are expected to ultimately achieve a minimum net residential density of 3 dwelling units per acre when wastewater services become available.

To ensure an adequate supply of urban land to accommodate future regional growth the Council continues to monitor the region's land supply. Monitoring includes tracking the designation of guided land uses, enforcement of minimum urban density standards in sewerred areas, and planning for additional area in which the Council will ensure that regional services are provided (i.e. MUSA) in the next decennial round of comprehensive plans that extends the planning horizon an additional decade. In addition, the Council continues to run the Plat Monitoring Program, which tracks and reports annually on density trends of residential development in all Suburban Edge and Emerging Suburban Edge (formerly "Developing") communities.

In October of 2004, the Council adopted "Guidelines for Evaluating Plan Amendments Proposing Changes to Metropolitan Urban Service Area (MUSA) Timing Staging." In early 2007, the Metropolitan Council and Metro Cities staffs discussed the guidelines relative to the density calculation and the 2008 comprehensive plan reviews. The Council revised these implementation guidelines in 2007 to be more flexible, more responsive to market forces, and to acknowledge the performance of individual communities in achieving the Council's policy for average minimum net residential densities.

UPDATED GUIDELINES

1. The city's overall residential density for development since 2000 must be a minimum of three units per developable acre. Determination of this density will be based on approved preliminary plats as reported in the Plat Monitoring Program.
2. The following will not be counted in a city's density calculation:
 - a. Replatted areas that were previously platted and reported in the Plat Monitoring Program.
 - b. Existing developments that are part of townships or areas being annexed from townships.
 - c. Areas that have failing sub-surface sewage treatment systems (SSTS) and no on-site alternative SSTS locations. The city shall provide documentation from a licensed SSTS inspector confirming the failure of the existing system and the existing conditions on the site that prohibit the installation of a new SSTS.
3. Communities may receive credit for the installation of stormwater BMP facilities provided that the facilities are located on separate lots or outlots, are publicly-owned, properly maintained, and do not encroach upon or modify an existing natural resource.

Comprehensive Plan Updates

In review of decennial updates to local comprehensive plans, the Council will calculate density consistent with the policies of the current metropolitan development guide as follows:

1



1. For communities that participate in the Council's Plat Monitoring Program, the Council will calculate density giving credit on a 1:1 basis for housing units platted or developed that yield an overall average density in excess of the applicable minimum net density required in the current metropolitan development guide. The housing unit credits will be applied to areas guided for the next decade of planned development on urban services and to any other proposed reguided areas.
2. For communities with platted development history, the Council will calculate density using an acreage average of the city's actual platting since 2000, the lowest allowable density on land guided for development for the next decade of planned development, and any reguided land within the community's current approved MUSA.
3. For communities without platted development history, the Council will calculate density using the lowest allowable density on land guided for development for the next decade of planned development and any reguided land within the community's current approved MUSA.
4. The Council will not include in the density calculations any remaining undeveloped land within the current approved MUSA in the city's existing comprehensive plan, with the exception of areas that are being reguided in the comprehensive plan update.

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