

# C Community Development Committee

For the Metropolitan Council meeting of May 23, 2012

Item: 2012-144

## ADVISORY INFORMATION

**Subject:** City of Rosemount, Comprehensive Plan Amendment, Greystone Subdivision, Review File No. 20584-4

**Proposed Action:**

That the Metropolitan Council adopts the attached Advisory Comments and Review Record, and the following:

1. Adopt the attached review record and allow the City of Rosemount to put the Greystone Subdivision comprehensive plan amendment (CPA) into effect.
2. Find that the proposed CPA does not change the City's forecasts.
3. Advise the City that, if its proposed amendment is adopted in its current form, the City's comprehensive plan will not guide a sufficient amount land at densities that can: (a) ensure the City fulfills its obligations under the Metropolitan Land Planning Act to plan for and provide sufficient existing and new housing to meet the City's share of the metropolitan area's need for low- and moderate-income housing; and (b) ensure the City will meet its negotiated LCA goals for affordable and life-cycle housing through 2020.
4. Remind the City that Policy 3 of the *2030 Regional Development Framework* states that the Council gives funding priority to communities and community projects that increase the variety of housing types and costs, appropriately mix land uses, increase transportation choices and leverage private investment.

**Summary of Committee Discussion / Questions:**

Sector Representative Patrick Boylan presented the Staff Report and passed out four sheets of supplemental material provided by the City.

Councilmember Elkins asked about lot widths and expressed concern about the loss of residential acres.

Rosemount Community Development Director Kim Lindquist spoke to the amendment by citing that the land use change is due to market forces and not a change of policy by the City. She also noted that new land use analysis for the UMore Park site was underway; the City expects to amend their Comprehensive Plan in the next 18 months to reflect new land uses which would include acres for higher density housing.

Councilmember Wulff commented that affordable housing and multi-family housing projects the Council has supported through Livable Communities in Dakota County have affected the market for Rosemount.

Wulff motioned to move Staff recommendation and to remove the final two paragraphs from the "Housing" section of the Staff Report. Motion was seconded; vote carried but was not unanimous (5 voted "aye," 4 voted "nay").

**C** Community Development Committee  
 Community Development Committee Meeting May 7, 2012  
 For the Council Meeting of May 23, 2012

**ADVISORY INFORMATION**

<b>Subject:</b>	Rosemount Comprehensive Plan Amendment Review File No. 20584-4
<b>District(s), Member(s):</b>	District 16, Council Member Wendy Wulff
<b>Policy/Legal Reference:</b>	Minnesota Statutes Section 473.175
<b>Staff</b>	Patrick Boylan, Principal Reviewer, 651-602-1438
<b>Prepared/Presented:</b>	Phyllis Hanson, Local Planning Assistance Manager, 651-602-1566 Guy Peterson, Director Community Development 651-602-1418
<b>Division/Department:</b>	Community Development / Planning & Growth Management

**Proposed Action**

That the Metropolitan Council:

- 1 Adopt the attached review record and allow the City of Rosemount to put the Greystone Subdivision comprehensive plan amendment (CPA) into effect.
- 2 Find that the proposed CPA does not change the City's forecasts.
- 3 Advise the City that, if its proposed amendment is adopted in its current form, the City's comprehensive plan will not guide a sufficient amount land at densities that can: (a) ensure the City fulfills its obligations under the Metropolitan Land Planning Act to plan for and provide sufficient existing and new housing to meet the City's share of the metropolitan area's need for low- and moderate-income housing; and (b) ensure the City will meet its negotiated LCA goals for affordable and life-cycle housing through 2020.
- 4 Remind the City that Policy 3 of the *2030 Regional Development Framework* states that the Council gives funding priority to communities and community projects that increase the variety of housing types and costs, appropriately mix land uses, increase transportation choices and leverage private investment.

**Background**

- The Council reviewed the City's Update, Review File No. 20584-1 on October 28, 2009 (Review File No. 20584-1). The City submitted two previous amendments, which were acted on by the Council on August 25<sup>th</sup> 2010 (Review File No. 20584-2). And June 30, 2011.
- This is the City's third CPA since the review of the Update.

**Rationale**

The proposed CPA conforms to Metropolitan system plans, and is compatible with the plans of other local communities, school districts, and affected special districts, but is inconsistent with Council policy regarding affordable housing and with the direction in the Metropolitan Land Planning Act regarding local government responsibility to plan for low-and-moderate income housing. The significant reduction in the provision of land that can accommodate more dense housing development represented by this amendment is both a reduction of opportunity to create housing choice, and a retreat from the city's LCA housing goals.

**Funding**

None.

**Known Support / Opposition**

There is no known opposition.

**REVIEW RECORD**  
**Rosemount Comprehensive Plan Amendment**  
**Greystone Subdivision**

Review File No. 20584-4, Council Business Item No. 2012-144

## **BACKGROUND**

Rosemount (City) is a developing community of approximately 35 square miles, located in central Dakota County. It is bordered by the City of Inver Grove Heights, Nininger Township, Vermillion Township, City of Coates, Empire Township, the City of Apple Valley and the City of Eagan.

The *2030 Regional Development Framework* (RDF) identifies the City as a Developing and Agricultural community. The Metropolitan Council (Council) forecasts that the City will grow between 2010 and 2030 from 21,874 to 42,000 people, from 8,050 to 15,500 households, and that employment will grow from 8,400 to 12,200 jobs.

The Council reviewed the City's Update, Review File No. 20554-1, on August 26, 2009.

## **REQUEST SUMMARY**

The CPA proposes to amend the local comprehensive plan to reflect a change in 25.5 acres from Medium Density Residential to Low Density Residential.

## **OVERVIEW**

<b>Conformance with Regional Systems</b>	The CPA conforms to the Metropolitan System Plans for Parks, Transportation (including Aviation), and Wastewater, with no substantial impact on, or departure from, these plans.
<b>Consistency with Council Policies</b>	The CPA is consistent with the Council's RDF, with water resources management, and is consistent with Council forecasts. The CPA is inconsistent with affordable housing policy.
<b>Compatibility with Plans of Adjacent Jurisdictions</b>	The CPA will not have an impact on the planning of 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 October 28, 2009 (Review File No. 20584-1).
- Comprehensive Plan Amendment (CPA) "Prestwick Place 2<sup>nd</sup> Addition" was approved by the Council on August 25<sup>th</sup> 2010 (Review File No. 20584-2).
- CPA "Prestwick Place 3<sup>rd</sup> Addition" was administratively approved on June 30, 2011.

## **ISSUES**

- I. Does the amendment conform to the Metropolitan system plans?
- II. Is the amendment consistent with the RDF 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?

## **ISSUE ANALYSIS AND FINDINGS**

### **CONFORMANCE WITH REGIONAL SYSTEMS**

#### **TRANSPORTATION**

*Reviewer: Ann Braden (651-602-1705)*

The CPA conforms to the *2030 Transportation Policy Plan*.

#### **PARKS**

*Reviewer: Jan Youngquist (651-602-1029)*

The CPA conforms to the *2030 Regional Parks Policy Plan*. The Rosemount River Access Regional Trail Search Corridor and the Dakota County North-South Regional Trail Search Corridor run through Rosemount. The alignment for these proposed regional trails has not yet been determined. This CPA, which changes the future land use guiding of a property along Akron Avenue from MDR-Medium Density Residential to LDR—Low Density Residential, is not anticipated to impact planning for these regional trails.

#### **SEWERS**

*Reviewer: Roger Janzig (651-602-1119)*

The Metropolitan Disposal System that provides service to this project location has adequate capacity.

The proposed residential development is north of the Metropolitan Council's Interceptor (7112). This interceptor was built in 1971 and is a 36 inch RCP at a depth of approximately 29 feet. To assess the potential impacts to our interceptor system, prior to initiating this project, preliminary plans should be sent to Scott Dentz, Interceptor Engineering Manager (651-602-4503) at the Metropolitan Council Environmental Services for review and comment.

### **CONSISTENCY WITH COUNCIL POLICY**

#### **LAND USE & RESIDENTIAL DENSITY**

*Reviewer: Patrick Boylan (651 602-1438)*

The Comprehensive Plan Amendment represents a land use change to the City's current Update for the re-designation of 25.5 acres of medium density residential to low density residential.

The overall expected minimum density for Rosemount is 3.37 net units per acre as per Council action on (October 28, 2009 Joint Committee Report 2009-374).

When the affected area is compared to future land use guiding and against the City's Plat Monitoring record since 2000, the expected overall minimum density is at 3.00 units per acre, which meets the Council's 3.0 units per net acre standard. See Table 1 below.

**Table 1: Residential Density Analysis**

Category	Density Range		Gross Acres	Min Units	Max Units
	Min	Max			
Transitional Residential	1	3	155	155	465
Low Density Residential	1	5	367	367	1835
Medium Density Residential	5	10	77.9	389.5	779
High Density Residential	10	24	5.1	51	122.4
<b>TOTALS</b>			<b>605</b>	<b>962.5</b>	<b>3201.4</b>
<b>Density for Newly Planned Areas</b>				<b>1.59</b>	<b>5.29</b>
<i>Council's Plat Monitoring Program (PMP) 2000-2010 Data</i>			838.4	3362	
<b>Total Planned and PMP</b>			<u>1,443</u>	<u>4,325</u>	
<b>MUSA Guideline Density</b>				<b>3.00</b>	

***2030 CPU, Plat Monitoring, & Amendments Since Update***

While the City's proposed amendment meets density standards, the removal of acres from the medium-density residential category does not leave enough land guided at densities high enough for the market to develop the City's share of the region's need for affordable housing. This issue is detailed in the Housing section below.

On Monday April 9, 2012, Council Staff met with the City Planner to discuss the density and overall affordable housing policy concerns. City Staff indicated that the City is supportive of affordable housing. The City's Community Development Director has submitted a letter to this effect.

See attached correspondence from the City of Rosemount.

**HOUSING**

*Reviewer: Guy Peterson (651 602-1418)*

The current amendment as proposed is inconsistent with the guidance set forth in Council policy and will create a total future land use designation situation that will not allow the city to fulfill the housing planning requirements of the Metropolitan Land Planning Act.

The proposal by the city to re-guide 25.5 acres of residential land from medium density to low density will mean the city no longer has even the minimum amount of land guided at densities that can be expected to accommodate its share of the region's affordable housing need – 1,000 units – as acknowledged in its comprehensive plan update reviewed by the Council in 2009. This change will also mean the city cannot accommodate even the minimum end of the goal range for the Livable Communities Act life-cycle housing goal of 1,000-2,678 units it agreed to by city council resolution in 2010.

Since the plan update of 2009 the city has amended the plan twice to change 47.6 acres of land from medium density to low density and 19.4 acres of high density to low density to facilitate two low density single family home proposals. These land use changes have meant the reduced capacity of the city to accommodate between as few as 432 units and as many as 942 units of attached housing at medium and high density. This proposed amendment will reduce that already reduced capacity by another 128 to 255 units.

The city no longer can accommodate 1,000 units of medium and high density development given its current land use designations even if all of the development in those categories was at the maximum density allowed. If developed at the minimum densities of those ranges, this acreage will now not accommodate even one-half of the city's fair share of the region's need.

In a previous plan amendment involving the re-guiding of a significant amount of both medium and high density residential land to low density, the Council's review warned that

*"While the city will still have sufficient medium and higher density land available to provide opportunities for the city to address its 2011-2020 regional share of the affordable housing need of 1,000 units, the city is encouraged to closely monitor any future re-designations of land uses from high density to lower density uses, to ensure that it will continue to have adequate options to address its affordable housing needs."*

Subsequently, the city undertook another re-guiding that reduced the margin for accommodating its fair share even further. This amendment now takes them below a sufficient amount to accommodate their fair share responsibility.

Though the Council cannot prevent the city from putting this plan change into effect, it should inform the city that in making this plan change, Rosemount is not only taking action inconsistent with regional policy that encourages expansion of housing choice in type and affordability, but is making its plan inconsistent with Minnesota Law – the Metropolitan Land Planning Act – that requires cities to plan for their share of the region's need for low- and moderate-income housing and have in their plans sufficient land to address this need and identify the programs, fiscal devices and official controls to address the need. The Council has always identified the guiding of land such that it is more likely to accommodate affordable housing as the most important of these official controls.

~~The city should be encouraged to take immediate steps to replace this land lost from medium and high density land use elsewhere in appropriate places in the city. Failing to do so, the Metropolitan Council should condition any and all discretionary funding, including LCA grants, on the city making these land use changes before it is eligible to receive or benefit from new Council funding.~~

~~As a result of this land use change, to the extent that Rosemount's LCA Housing Action Plan includes the guiding of land to accommodate its LCA housing goals, this Action Plan can no longer allow Rosemount to accomplish its LCA housing goals.~~

## **COMPATIBILITY WITH PLANS OF ADJACENT GOVERNMENTAL UNITS AND PLANS OF AFFECTED SPECIAL DISTRICTS AND SCHOOL DISTRICTS**

The proposed CPA 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 & Regional Systems

Figure 2: Geographic Planning Areas

Figure 3: April 19, 2012 correspondence from City of Rosemount.

Figure 1. Location Map Showing Regional Systems

# Rosemount

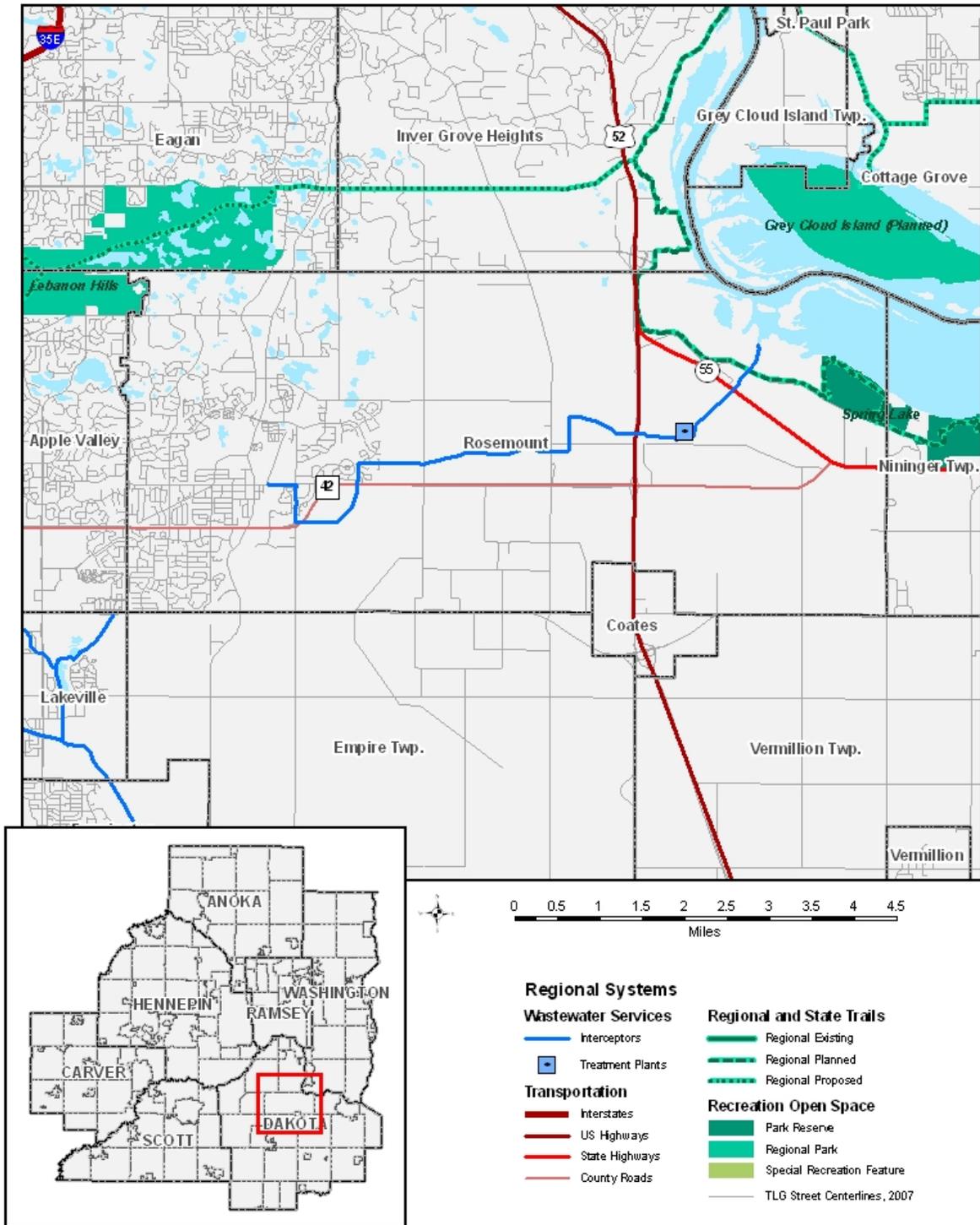


Figure 2. 2030 Regional Development Framework Planning Areas  
**Rosemount**

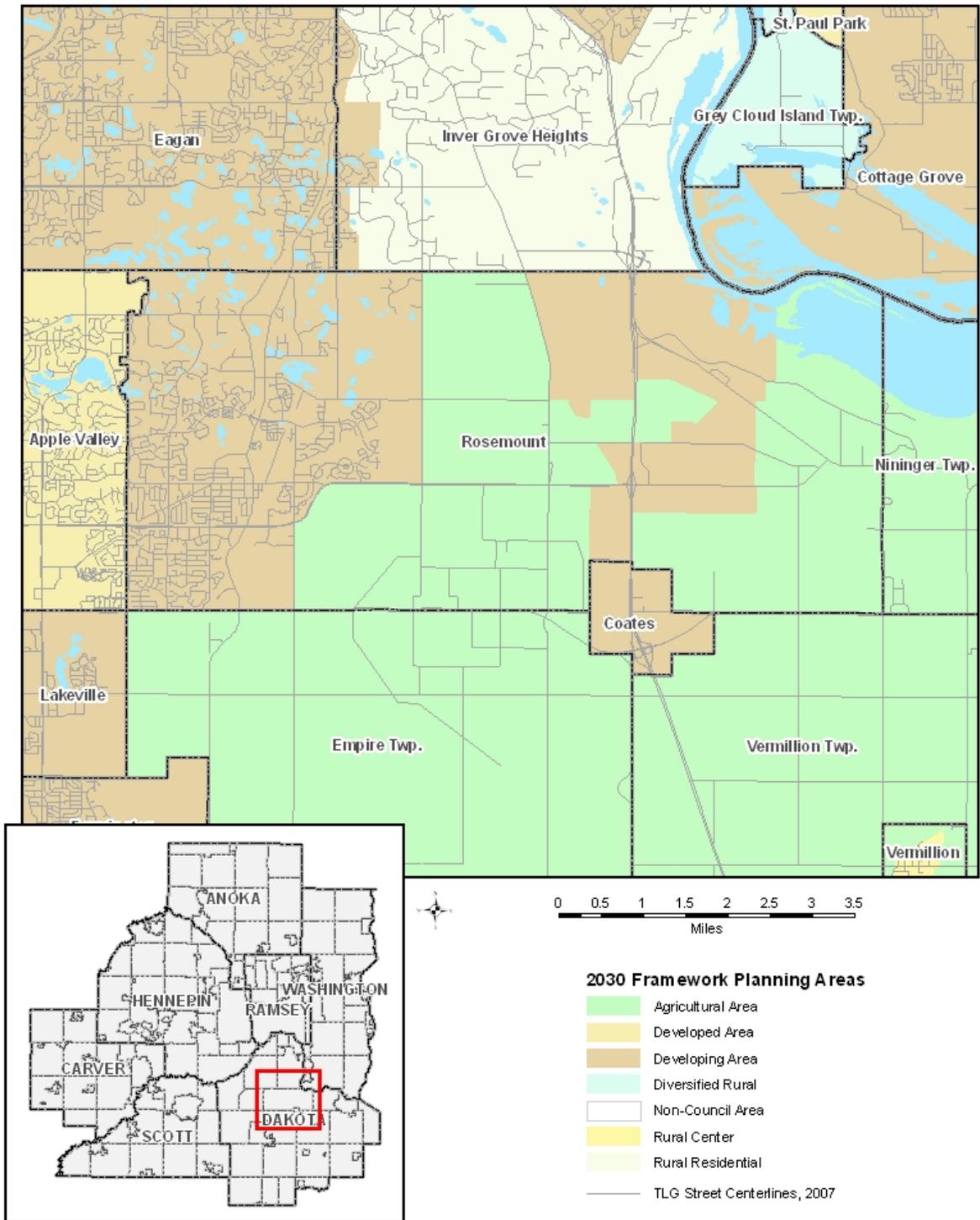


Figure 3:

April 19, 2012

Metropolitan Council  
Attn. Patrick Boylan, Sector Representative  
390 Robert Street N.  
St. Paul, MN 55101

Re: Rosemount's Affordable Housing Goals

Dear Mr. Boylan:

This letter serves as supplemental information to the City of Rosemount's Comprehensive Plan Amendment for the Greystone Subdivision. Primarily, the letter addresses the Metropolitan Council's staff conclusion that approval of the amendment will reduce the medium and high density land within Rosemount's 2020 metropolitan urban service area (MUSA) below that necessary to create 1,000 affordable housing units when using the lowest density allowed in those land use categories. The City believes this Comprehensive Plan change, like others before it, are in direct response to the current market and economy and there is no intention to dismiss our community's affordable housing goals. Rosemount continues to support the Metropolitan Council's affordable housing goals for the period of 2011-2020.

On August 4, 2010, the Rosemount City Council adopted Resolution 2010-58 electing to continue participating in the Local Housing Incentives Account program and committing to try and meet the City's 1,000 affordable housing unit goal by 2020. The City has a long history of affordable housing cooperation with Dakota County Community Development Agency and the Metropolitan Council, including the 2007 Livable Community Demonstration Account (LCDA) grant to assist in the construction of the 108 unit Waterford Commons project (with 20% affordability required) and the 2011 LCDA grant to assist with a 70 unit senior assisted living project. The City will continue to investigate opportunities for additional cooperative multiple family development and redevelopment projects.

A significant factor in the City's request for the Greystone amendment is that currently there is no attached housing demand within Rosemount while the small lot single family market is strong. In recent years, the two townhouse developers in Rosemount (Dean Johnson Homes in the Glenrose development and Rottlund Homes in the Harmony development) have ceased operating with 60 townhouse lots remaining in the Glenrose development and 156 townhouse lots remaining in the Harmony development. Conversely, in 2011, Lennar and DR Horton have received approvals to construct 64 and 127 units respectively each on sixty-five (65) foot wide lots. Currently, Ryland Homes is requesting approval for 54 units on sixty-two (62) foot wide lots for the Greystone subdivision. While not of the density that townhomes or apartments can create, the small lot development pattern does allow more single family lot ownership opportunities than the traditional single family neighborhood.

***SPIRIT OF PRIDE AND PROGRESS***

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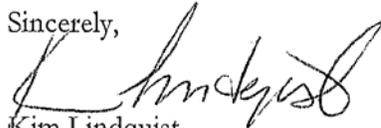
Mr. Patrick Boylan  
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The new neighborhoods in Rosemount have had the utilities necessary to facilitate these small lot single family neighborhoods along Akron Avenue north of County Road 42 for some time. This area was designated medium density and high density residential in the 2030 Comprehensive Plan approved in 2009. Faced with the current housing market conditions, the City Council has welcomed new development into the community. Based upon the projected demand, the small lot single family projects appear to be the only option builders and developers feel comfortable about developing.

As stated at the beginning of the letter, Rosemount supports and continues to participate in the Livable Communities Program. The City is continuing to look for multiple family developers and will look for areas of developable land to create higher density affordable units. We will again look forward to high density projects when the market recovers and existing, languishing projects such as Glenrose and Harmony begin construction again. The City's commitment is reinforced in the scenarios being considered for the AUAR for the UMore property where more than 5,700 medium and high density housing units are envisioned.

Please feel free to contact me if you have any questions.

Sincerely,



Kim Lindquist  
Community Development Director  
651-322-2020