

Chapter 4: Housing and Neighborhoods

Introduction

Medina is a growing community that provides a variety of housing types and neighborhood styles for a diverse population, while protecting and enhancing the City's rural character and natural environment. Natural resources form the green infrastructure around which all housing and neighborhoods in the City will develop. The availability of land in proximity to existing urban services provides an opportunity for a range of housing types and neighborhoods, while maintaining and protecting the existing ecological integrity of Medina's extensive natural areas. The following sections will provide general background information regarding housing trends, analysis and recommendations for diversifying neighborhoods and specific objectives for meeting the Metropolitan Council's Livable Communities Act (LCA) and accomplishing the City's housing and neighborhood goals.

Housing Inventory

The following section provides a summary of the existing housing conditions in Medina and the foundation for developing the housing plan. This information has been obtained from a number of sources including the 2000 US Census, October 2006 Hennepin County Property Records and City Building Permit Information.

Housing Supply

The table below indicates that there were a total of 1,333 housing units in the City in 2000 consisting of 1,263 single family homes and 65 multi-family units (duplexes, townhomes and apartments) and 5 mobile homes.

TABLE 4-A
Types of Housing Units

Housing Type	Number	Percent
Single Family (1 unit)	1,263	94.7
Duplexes (2 units)	30	2.3
3 or 4 units	17	1.3
5 or more units	18	1.4
Mobile homes	5	0.3
Total Housing Units	1,333	100

Source: U.S. Census Bureau, Census 2000

As stated in the Community Background chapter, the City has issued building permits for approximately 293 single family units and 169 multi-family units from 2000 to 2005. The percentage of multi-family housing in the City has increased from 5% in 2000 to 13% in 2005. This increase reflects the overall regional growth in the multi-family housing market that can be attributed to the rising land values, an increased demand for lower maintenance housing and lifecycle housing options. As development continues to occur, it is likely that multi-family units, such as townhomes, will continue to make up a greater percentage of built units.

Housing Tenancy

The table below indicates that in 2000 92% of the housing units in Medina were owner-occupied and 8% were renter-occupied. The percentage of renter-occupied housing units in the City has likely increased with the additional multi-family projects from 2000 to 2005.

TABLE 4-B
Housing Tenancy

Housing Type	Number of Units	Percent
Owner-occupied housing units	1,225	91.9
Renter-occupied housing units	108	8.1
Total Units	1,795	100

Source: U.S. Census Bureau, Census 2000

Housing Conditions and Age

The table below shows that 17.6 percent of the housing stock in the City was built between 2000 and 2005. Approximately 40% of the City's housing stock in the City was built before 1980.

TABLE 4-C
Housing Age

Year	Total Units	Percent
2000 to 2005	299	17.6
1900 to 1999	364	21.4
1980 to 1989	332	19.9
1970 to 1979	245	14.4
1960 to 1969	242	14.2
1950 to 1959	83	4.8
1949 or earlier	132	7.7
Total Units	1,795	100

Source: Hennepin County Parcel Data, October 2006

Housing Costs

The cost of housing in Medina varies depending on location within the City. The housing values range from \$90,000 for older homes in the rural areas on small lots, small houses without lake access in the Lake Independence neighborhood and homes in the Uptown Hamel neighborhood to over \$2,000,000 for homes on large parcels. The table below indicates that in 2000 23.4% of the housing units were valued at \$500,000 or more.

TABLE 4-D
Housing Values

Values	Total Units	Percent
Less than \$50,000	0	0
\$50,000 to \$99,999	50	5.1
\$100,000 to \$149,999	179	18.3
\$150,000 to \$199,999	237	24.2
\$200,000 to \$299,999	187	19.1
\$300,000 to \$499,999	119	12.2
\$500,000 to \$999,999	181	18.5
\$1,000,000 or more	26	2.7
Total Owner-Occupied Housing Units	979	100

Source: US Census Bureau, Census 2000

The table below shows that the average single family home price has been steadily increasing since 2000. There has been a considerable demand in Medina for higher value homes and this trend will likely continue.

TABLE 4-E
Housing Sales

Year	Number of Home Sales	Mean Sale Price	Median Sale Price
2000	52	443,400	410,000
2001	60	545,600	444,000
2002	83	520,700	406,500
2003	91	632,900	511,300
2004	101	697,700	552,900
2005	105	775,900	625,400
2006 (through September, 2006)	34	664,400	525,000

Source: Hennepin County Parcel Data, October 2006

According to the Metropolitan Council, housing is considered "affordable" to buyers if it costs 30 percent or less of the total income of a family earning 80% of the metropolitan area median income. A household earning this income could afford to buy a home costing approximately \$206,800 in 2007.

Housing Needs

During the last planning cycle the City identified housing needs in the community and established goals and policies to meet those needs. These housing needs included diversifying the housing stock by developing senior citizen housing, more multi-family housing (townhomes, condominiums and apartments) and rental housing. Since the last planning cycle, the first senior housing facility was constructed in the City resulting in a total of 159 multi-family units in housing stock in the City. The percentage of the housing stock considered rental has remained steady at around 8%. One reason why more rental housing has not been developed in Medina is a lack of market demand in this area.

Livable Communities Act (LCA) Action Plan

In 1995, the City of Medina agreed upon housing goals with the Metropolitan Council. These housing goals affected housing located within Medina's MUSA boundary. A part of this agreement included the development of a Livable Communities Act Action Plan which stated that the community work to achieve affordability goals and to include increased housing diversity to reach diverse populations. The goals in that plan are in Table 4-F below. These goals are only applicable to the residential sections within the MUSA boundary, not to sections guided as permanent rural/rural residential.

**TABLE 4-F
LCA Action Plan Goals**

	Medina's %	Goal
Affordability		
Ownership	50%	10-15%
Rental	21%('90)	35%
Life-Cycle		
Non-single family detached	6%	10-15%
Owner/Renter Mix	92%/8%	85%/15%
Urban Service Area Density		
Single Family Detached	NA	1.5 - 2 units/acre
Multi-family	NA	10-11 units/acre

Source: 1998 Hennepin County Property Tax Records, Medina City Records and Metropolitan Council.

Affordable Housing Plan

The Metropolitan Council has identified affordable housing needs for all cities and townships in the region for 2011 -2020. The housing element of local comprehensive plans is required to reflect each community's share of this regional need for affordable housing. The Metropolitan Council calculation for the City of Medina's share of the 2011-2020 regional affordable housing need is 506 units.

The City supports creating a sustainability community through addressing the housing needs of area residents and local workforce. Implementing an Affordable Housing Policy and Program in Medina is influenced by:

- socioeconomic demographic of the workforce population desiring to live in Medina

- growing number of senior citizens in Medina
- current land costs and/or availability of land in Medina and surrounding regions
- lack of infill opportunities in Medina
- zoning regulations and fees
- eligibility for supportive grants, programs, and partnerships
- capability to maintain long-term affordability
- strength of the current housing market
- defining appropriate design standards for the affordable housing market
- education of residents, city officials and staff concerning affordable housing

The City's Affordable Housing Policy and Program will be proactive, incentive based and targeted at specific zoning areas.

Housing Objectives

The following objectives are consistent with the goals and strategies identified in section 2 of this Comprehensive Plan.

1. Provide housing that will maintain the rural character of Medina's rural residential areas.
2. Preserve and protect single family housing and the neighborhoods in which they are located; encourage rehabilitation where necessary; require platting and design of new housing to be high quality and consistent with the Comprehensive Plan; and encourage conservation design in new housing stock.
3. Promote high quality multi-family development in appropriately zoned areas.
4. Encourage construction of senior citizen housing in and around Medina's Uptown Hamel Area.
5. Establish new and existing housing design standards which will:
 - (a) require quality building and site design;
 - (b) provide for recreation;
 - (c) require open space and trails including links to adjacent neighborhoods;
 - (d) respect and protect the natural environment, especially the lakes, wetlands, steep slopes, and the woodlands.
6. Require lots in new subdivisions to have frontage roads allowing for direct access on a local street and not on a county road or a state highway.
7. Allow the use of conservation subdivision design to preserve rural character, preserve ecologically significant natural resources and retain open space
8. Require new urban residential development to be consistent with the City's Growth Strategy.

Neighborhoods

The residential portions of the City have historically developed at low densities on larger rural lots. Scattered throughout the City are more suburban residential neighborhoods on sewered lots, as described below:

Uptown Hamel Neighborhood, located along the south side of TH 55 in northeast Medina, is a well-established community consisting of a variety of residential uses and small businesses. This area has developed as the more traditional small-town downtown with buildings located on smaller lots closer to the street. The City is interested in revitalizing this neighborhood into a vibrant, attractive and pedestrian-friendly mixed-use town-center. The 18-unit Argent Parc condominium building has been constructed and some existing building remodels have occurred in the Uptown Hamel neighborhood since the last planning cycle. Recent interest in redeveloping other properties has been expressed.

Medina Morningside/Keller Estates Neighborhoods consists of 80 lots each between 16,000 to 30,000 square feet. This area, located along the south border of Medina, was originally developed with on-site sewage treatment systems. After a number of the systems failed, the neighborhood was connected to the Blue Lake Treatment facility through the City of Orono. Keller Estates, developed in 2006/7, immediately south of Medina Morningside, has larger homes on 30,000 square feet to one-acre sewered lots at a density of 1.2 units an acre.

Independence Beach Neighborhood is located along the eastern edge of Lake Independence, and was initially developed as a vacation home area with cottage homes on small lots that were served by on-site sewage treatment systems. A connection to the Blue Lake Treatment System through the City of Orono was required as the neighborhood gradually converted to year round homes. The remaining vacation homes and modest housing are gradually being expanded or torn down and rebuilt into larger year around homes.

Wild Meadows Neighborhood is a successful conservation development adjacent to the Medina Golf and Country Club. The neighborhood consists of larger scale homes on sewered lots ranging from 0.5 to 1.7-acres in size surrounded by protected open spaces of restored prairie lands and woodlands.

Foxberry Farms, Regency Estates and Cherry Hill Neighborhoods are located generally to the northwest of the Uptown Hamel area and are developed with City services and include some open space and trail connections. The lots typically range in size between $\frac{1}{2}$ and 5 acres and the average density of these neighborhoods is slightly over 2 units per acre.

Bridgewater at Lake Medina is a single-family neighborhood in progress as of 2007. The subdivision is located north of Highway 55 and is platted at a density of 2.5 units an acre with an average lot size of 17,000 square feet and larger homes.