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# MEMORANDUM

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**TO:** Planning Commission  
**FROM:** Dusty Finke, City Planner  
**DATE:** September 4, 2014  
**MEETING:** September 9, 2014 Planning Commission  
**SUBJ:** Comprehensive Plan – Staging and Growth Plan; Pace of Development

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## **Background**

At the July 15 meeting, the City Council directed staff to initiate a study of the City's Staging and Growth Plan. This direction came following discussions related to concerns raised to the City Council members of the rapid pace of residential development over the past few years, and the impact that such development has on infrastructure and services. There were also discussions related to the Metropolitan Council's adoption of the Thrive MSP2040 plan. The Thrive documents include projections of population, household, and employment growth in the various communities in the metropolitan areas. The projections show less growth in Medina than was previously projected and planned for.

With these two factors in mind, the City Council directed staff to initiate a study of the Staging/Growth Plan of the Comprehensive Plan. The study is intended to assist the Planning Commission and City Council in determining whether to consider amendments to the Staging/Growth Plan. The City Council specifically limited the scope of the study to the Staging/Growth Plan. Matters related to planned land uses, the extent and location of the MUSA (Metropolitan Urban Service Area), and so forth are planned to be discussed in the next few years as the City updates the entire Comprehensive Plan.

## **Summary of Development Activity**

As of the 2010 census, Medina had 1702 households, and a population of 4892. The City's 2010-2030 Comprehensive Plan, in accordance with Met Council mandates, planned for approximately 2500 additional households over the 20 year time period, approximately 125 units per year.

Since 2011, the City has granted at least preliminary approval for the development of 518 single family lots and 41 townhomes as follows:

- 1) Enclave at Medina (2011) – 118 single family, 41 townhomes
- 2) Enclave at Brockton (2012) – 118 single family
- 3) Fields of Medina (2011) – 65 single family
- 4) Fields of Medina West (2012) – 64 single family
- 5) Reserve of Medina (2013) – 126 single family
- 6) Woods of Medina (2014) – 16 single family
- 7) Fawn Meadows (2014) – 11 single family

In addition to these approved developments, the following developments have been discussed:

- 1) DR Horton Stage I Plan (stage I plan approved) – 85 single family, 56 apartment units
- 2) Villas at Medina Country Club (preliminary plat pending) – 48 single family

- 3) Dominion (stage I plan pending) – 26 affordable rental townhomes
- 4) 22 Hamel Place – (site plan review pending) – 8 apartment units
- 5) Woodland Hill Preserve (concept plan reviewed) – 4 additional single family

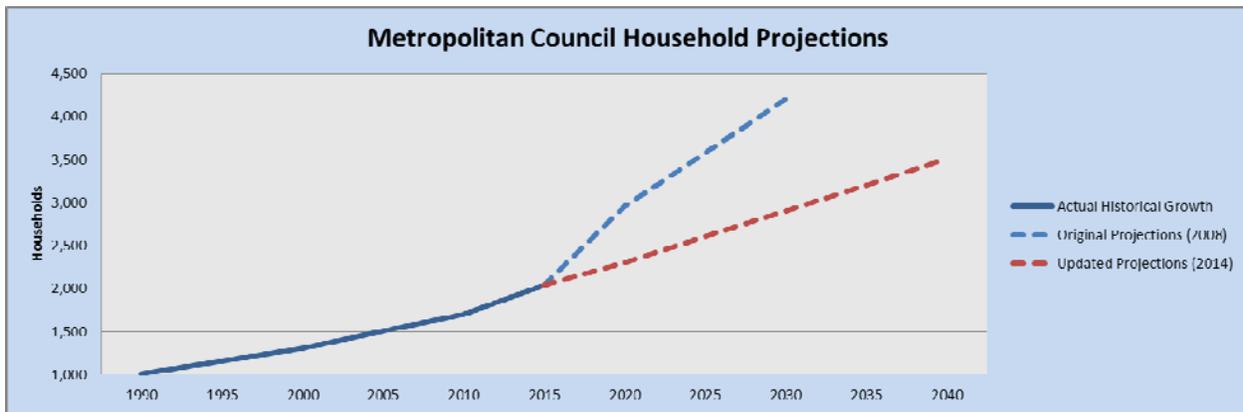
In terms of actual build-out, the City has issued permits for 309 residential units since April 2010. In 2013, the City issued a record number of permits, for 163 units. These new homes have added an approximate \$153,000,000 of market value to the City’s tax base.

In comparison to the large amount of residential development and construction, the City has experienced relatively little commercial development. Since April 2010, two commercial projects have been constructed, adding approximately \$5,000,000 of market value to the City’s tax base.

The new development discussed above are displayed on the enclosed map.

**Updated Metropolitan Council projections/Process**

During May of 2014, the Met Council approved of the “Thrive MSP2040” document. This document includes household, population, and employment forecasts for each city in the metro area for the next 25 years. The projections show substantially less residential growth in the City than was forecasted in the 2010-2030 Comp Plan. The Met Council projects 1800 new households between 2010-2040, approximately 60 units per year; half of the pace planned for in the current Comp Plan. The City’s historical growth and these projections are displayed on the graph below:



These updated projections are one of the first actions taken by the Metropolitan Council in the decennial Comp Plan update process. From these projections, the Met Council prepares system plans for wastewater treatment, transportation, parks, etc., over the next eight months. The Met Council plans to finalize these documents into city-specific system statements in September 2015. The release of these system statements triggers the City’s requirement to update its Comp Plan by 2018.

The City will be required to update its Comprehensive Plan sometime between September 2015 and the end of 2018. In the past, this has been a multi-year process with many open houses, task force meetings, and additional public participation components.

The Met Council has decided that it will review Comprehensive Plan Amendments before September 2015 under the updated population forecasts. However, until the various system plans have been approved, amendments will be reviewed to make sure they are consistent with the existing system plans.

### **Additional Development Capacity**

In addition to the 559 residential units approved and the applications pending review, there is additional property identified within the Staging Plan which can be developed at any time. This includes approximately:

- 80 net acres Low Density Residential (160-250 units)
- 100 net acres Medium Density Residential (minimum of 350 units)
- 35 net acres Mixed Use (minimum 13 acres residential; 35-180 residential units)
- 100 net acres Business/Commercial land uses

Most of the property noted above is located within the Wayzata School District. Staff has included the school district boundaries on the enclosed Future Land Use Map and Staging/Growth Plan map for reference.

As discussed above, the City will have between fall 2015 to the end of 2018 to update the Comprehensive Plan. Additional property would become available for development in 2016 under the current adopted Staging/Growth Plan. This property is identified in yellow on the map. The property includes approximately:

- 137 net acres Low Density Residential (274-411 units).
- 116 net acres Business/Commercial land uses

The current Comprehensive Plan permits flexibility within the Staging/Growth plan. This flexibility would permit a property to “jump ahead” one five-year time period under certain circumstances. The 2021-2025 staging period includes approximately:

- 35 net acres Low Density Residential (70-210 units)
- 65 net acres Mixed Use (minimum 33 acre residential; 115-350 residential units)
- 60 net acres Business/Commercial land uses

### **Open House Feedback**

Staff held two Open Houses to seek feedback from residents, businesses, and property owners on the information provided above. Comment cards were received at the meeting and are attached to this report. Approximately 60-70 people attended the open houses. Staff has summarized the responses to the most quantitative questions on the cover page. Staff requested that Open House attendees mark where they lived or owned property in order to display these geographically. This map is attached for reference.

In addition to the forms submitted at the Open Houses, a good number of comments were submitted from residents after the Open Houses, most of whom did not attend the Open Houses but reviewed the information on the City’s website. These are also attached. Many of these people included their addresses so there is a sense of the location of many of the respondents.

The Planning Commission should draw its own conclusions from the comments submitted. Generally, there was a fairly even mix of responses from attendees at the Open Houses, with the

exception of commercial/industrial development. Few attendees believed the pace of commercial/industrial development was too rapid or supported reducing the pace.

The comments submitted after the Open Houses were predominantly from Bridgewater residents and overwhelmingly concluded that residential development was too rapid and should be slowed. Many of these respondents also found that commercial/industrial development was too rapid.

### **Potential Options**

As noted above, the City Council directed staff to prepare the study of the Staging/Growth plan to determine if amendments to the Staging/Growth plan should be considered prior to the City initiating the Comprehensive Plan update process.

Depending on the Planning Commission's recommendation and the Council's determination whether action is necessary, there are various options available to the City. The following list does not include all potential actions, but is meant to provide context and examples to consider.

If the Planning Commission and Council determine that amendments are not necessary at this time, the following actions could be taken:

#### **Take no action**

The City could take no action and continue implementing the existing Comprehensive Plan. As noted above, the City would begin an update of the entire plan during the fall of 2015.

#### **Take no immediate action, expedite update process**

As noted above, updating the Comprehensive Plan tends to take a few years and is due by the end of 2018. The City could attempt to expedite the process to the extent possible while still ensuring a robust public process. The City could begin some of the process in the near term even before the fall 2015 release of the system statements.

There is some risk that work would need to be duplicated if one of Met Council's revised system statements contained unexpected requirements for the City. However, staff believes this is unlikely based on the information released in Thrive MSP2040.

Even under the best circumstances utilizing an aggressive schedule, staff does not believe the City could have an updated Comp Plan before late 2016. This is largely related to at least six months of review time likely by neighboring jurisdictions and the Met Council.

If the Planning Commission and City Council are interested in considering amendments to the Staging/Growth Plan to reduce the "development capacity", the following actions could be considered:

#### **Remove flexibility in Staging/Growth plan**

As referenced above, the current Staging/Growth plan includes flexibility for a property to "jump ahead" by one five-year timeframe. For example, current regulations would permit a property owner in the 2016-2020 timeframe (yellow on the Staging/Growth map) to request

development at this time. There are special requirements for such a request which are described in the zoning code.

Removing this flexibility would mean less property would be eligible for development at this time. It would also mean that on January 1, 2016, the property in the 2021-2025 staging period could not request to “jump ahead.”

If the Commission and Council want to consider this option, it may be worth discussing whether removing the flexibility should apply to ALL land uses or if it should only apply to certain uses.

#### Amend Staging/Growth plan to shift property to later Staging periods

The Planning Commission and Council could consider amendments to the Staging/Growth plan which would delay when properties would be permitted to develop.

If the Commission and Council consider such amendments, there are many things to consider. The amendments could be applied to all uses, or only uses. The amendments could be centered on certain geographical areas of the City. Alternatively, the Commission and Council could consider amendments on a parcel-by-parcel basis.

Based on the feedback related to commercial/industrial development, the Planning Commission and City Council could also consider amendments to the Staging/Growth plan which would add flexibility for the Staging of business/commercial properties. Staff does not believe there is strong evidence that the slower pace of commercial/industrial development is a result of a lack of land supply. However, if there is a belief that this may be the case, the Staging/Growth plan could be amended to allow these properties to develop sooner.

#### **Staff Recommendation**

Staff recommends that the Planning Commission discuss the matters above and provide a recommendation to the City Council on whether amendments to the Staging/Growth Plan should be initiated, and generally what those amendments should be.

#### **Attachments**

1. Staging and Growth Plan (w/ School District Boundaries)
2. Future Land Use Plan (w/ School District Boundaries)
3. Map showing location of recent developments
4. Map showing location of Open House attendees
5. Summary of Comments Received
6. Comments received at Open House
7. Comments received after Open House