

Chapter 3: COMMUNITY BACKGROUND

Introduction

Medina was a part of the “Big Woods,” a vast region of hardwood forest, broken only by lakes, marshes, and streams. Its Dakota people lived on game, fish, berries, wild rice, and maple sugar and traded with other bands in the region.

In 1853, the Traverse de Sioux Treaty opened the region to European settlers, who were attracted to the area by the vast stands of timber and the availability of land for farming.

The first European settlers arrived in Medina in 1855. On April 10, 1858, County Commissioners gave the City an official designation as “Hamburg Township.” Local residents preferred the name, “Medina,” after the Arabian holy city that had been in the news that year. On May 11, 1858, 37 residents met in the home of Valorius Chilson and voted unanimously to change the name to Medina. Medina graduated from township status to become a village in 1955 and was incorporated as a city in 1974.

Medina’s early European settlers were chiefly of German, Irish and French-Canadian descent and had names still common in Medina such as Scherer and Reiser; Mooney and Crowe; Hamel and Fortin. The first generations tended to group according to their language ties and to help each other through the long hard winters.

Townships were divided into 36 sections, each consisting of a square mile. This meant that the City of Excelsior extended beyond the north shore of Lake Minnetonka to Medina’s southern border. Excelsior’s northern residents tolerated this inconvenience until 1868, when Excelsior’s north shore residents voted to become a part of Medina. This expanded Medina to over 50 square miles.

In 1889, George A. Brackett led a successful drive to carve the City of Orono out of the southern 11 sections of Medina. Later, the City also ceded away land to Loretto, when Loretto was incorporated in 1940. Loretto had been platted since 1886, when the Minneapolis & St. Paul and Sault St. Marie railroad came through.

The Hamel area of Medina was platted as early as 1879, but its efforts to incorporate failed, in part, because of the complication of straddling the borders of both Medina and Plymouth. The town might have been called Lenz after Leander Lenzen, who built a mill in Elm Creek and set up a post office in the name of Lenz in 1861. But when the Lange Hamel family gave land to the railroad for the train depot in 1884 they asked that the area be called “Hamel,” and the name took root. To this day, this area of the City is still referred to as Hamel.

Built on the road from Minneapolis to Rockford, Hamel was a busy town. At the beginning of the 20th century, Hamel boasted a school, two hotels, the Church of St. Anne’s, a hall for the Ancient Order of United Workman and numerous stores. The town decreased to its present size after Highway 55 bypassed Hamel in the 1950s.

Population and Household Trends

Table 3-A below shows historical and projected population and household size data for the City of Medina. The 1990, 2000, and 2010 population and household data is from the U.S. Census. The 2014 population and household estimates and the 2020-2040 population and household projections are from the Metropolitan Council's 2040 Regional Development Framework. The Metropolitan Council estimated Medina's population to be 5,831, with 1,961 households in 2014. The Metropolitan Council projects that the average household size will continue to decline regionally over the next 20 years due to an increase in the number of seniors and lifestyle changes.

**Table 3-A
Metropolitan Council Forecasts**

Growth and Forecast	Population	Households	Employment
1990*	3,069	1,007	2,155
2000*	4,005	1,309	2,928
2010*	4,892	1,702	3,351
2015**	5,967	2,111	4,823
2020***	6,600	2,300	4,980
2030***	7,700	2,840	5,300
2040***	8,900	3,400	5,500

*Source: U.S. Census Bureau, Census 1990-2010

**Source: Metropolitan Council Estimates

***Source: Metropolitan Council Projections

The City experienced relatively constant growth up to the 1990s before more rapid growth occurred in the last 15 years. Population growth is expected to continue, albeit at a slightly slower pace, as areas within the City guided for urban residential densities are developed. The Metropolitan Council forecasts the City will have a population of 6,600 in 2020, 7,700 in 2030 and 8,900 in 2040. This corresponds to a 35% increase from 2010 to 2020, and a 16% increase for the next two 10-year periods.

Table 3-B was developed based on the Guide Plan developed as a part of this Plan. This table demonstrates the City's projections for future growth in the community by planned sewer allocation:

**Table 3-B
Sewer Allocation Forecasts**

Forecast Year	Forecast Component	Population	Households	Employment
2010	MCES Sewered	2,965	1,032	3,146
2010	Unsewered	1,927	670	205
2020	MCES Sewered	4,500	1,570	4,780
2020	Unsewered	2,100	730	200
2030	MCES Sewered	5,660	2,090	5,100
2030	Unsewered	2,040	750	200
2040	MCES Sewered	6,880	2,630	5,300
2040	Unsewered	2,020	770	200

Source: Metropolitan Council System Statement; Adjusted by Medina per existing conditions and proposed Guide Plan

Residential Development Activity

Table 3-C below shows the residential development activity in Medina from 2010 to 2015. During this period, the City issued building permits for a total of 379 detached single family homes and 67 townhomes units.

**Table 3-C
Medina Residential Building Permits 2010-2015**

Year	New Single-Family Dwelling Units	Total Valuation	New Townhome Dwelling Units	Total Valuation
2010	7	\$3,422,331	0	\$0
2011	15	\$9,763,948	0	\$0
2012	68	\$28,248,224	0	\$0
2013	144	\$59,476,122	19	\$4,530,000
2014	82	\$35,179,120	22	\$4,614,628
2015	63	\$27,933,345	26	\$4,412,000
Total	379	\$164,023,090	67	\$13,556,628

Source: City of Medina, 2016

Economic Overview

The economic health of a community contributes to a high standard of living and a desirable place to live. Medina has a strong economy that is likely to improve as population increases. The City has experienced considerable growth in its economic base and the addition of diverse employment opportunities since the last planning cycle. Table 3-D below shows that employment growth in the City of Medina increased 14.4% from 2000 to 2010. The Metropolitan Council's projections indicate an increase in employment of 47.2% between 2010 and 2020. The availability of commercial and general business land along the TH 55 corridor, adequate transportation and utility infrastructure, and the location of the City within the metropolitan area make Medina attractive to businesses.

**Table 3-D
City of Medina Employment Growth and Forecasts**

Year	Number	Percent Increase
1990*	2,155	
2000*	2,928	35.9%
2010*	3,351	14.4%
2014**	4,823	43.9%
2020***	4,980	3.3%
2030***	5,300	6.4%
2040***	5,500	3.8%

*Source: U.S. Census Bureau, Census 1990-2010

**Source: Metropolitan Council Estimates

***Source: Metropolitan Council Projections

Employers and Employees

The City has approximately 286 employers that provide a range of industry and job opportunities. The following table represents the number of establishments per industry in Medina.

**Table 3-E
Number of Establishments in Medina by Industry**

Industry Description	Number of Establishments	Percentage
Agriculture, Forestry, Fishing & Hunting	4	1.4%
Construction	37	12.9%
Manufacturing	19	6.6%
Wholesale Trade	16	5.6%
Retail Trade	32	11.2%
Transportation & Warehousing	8	2.8%
Information	2	0.7%
Finance & Insurance	28	9.8%
Real Estate, Rental & Leasing	9	3.1%
Professional, Scientific & Tech Services	33	11.5%
Management of Companies & Enterprises	1	0.3%
Administrative & Support & Waste Management & Remediation	14	4.9%
Educational Services	7	2.4%
Health Care & Social Assistance	5	1.7%
Arts, Entertainment & Recreation	13	4.5%
Accommodation & Food Services	16	5.6%
Other Services (except Public Administration)	26	9.1%
Public Administration	4	1.4%
Unclassified Establishments	12	4.2%
Total	286	99.7%

Source: Infogroup 2015

According to 2014 ACS estimates, 60.4% of the total population over the age of 16 in Medina was employed. The following table demonstrates the number of employees per industry.

**Table 3-F
Number of Employees by Industry in Medina**

Industry	Number of Employees	Percentage
Administrative and Waste Services	251	6%
All Other Industries	2,628	58%
Construction	200	4%
Finance and Insurance	68	1%
Manufacturing	587	13%
Public Administration	27	1%
Real Estate and Rental and Leasing	67	1%
Wholesale Trade	706	16%
Total Employees	4,534	

Source: Quarterly Census of Employment and Wages (DEED) 2015 Second Quarter Data

Major Employers

Employers within the City provide a wide range of potential employment options. The following table identifies the major employers in the City, along with their respective number of employees working within the City:

**Table 3-G
Largest Medina Employers**

Top Employer's	Number of Employees
Polaris Industries	450
Loram Maintenance of Way, Inc.	411
Open Systems International	340
Rockler Companies	250
Hennepin County Public Works	212
Tolomatic, Inc.	210
Graphic Packaging (formerly Walter G. Anderson, Inc.)	185
Medina Golf & Country Club	180
Target	150
Adam's Pest Control	88
Intercomp Co.	85
Maxxon Corporation	46
Twinco/Romax Automotive	36

Source: Reported by local businesses when contacted by staff

The table below shows that from 2011 through 2016, there was approximately \$18,337,613 of new commercial development in the City. This growth includes the entry of new larger employers such as Open Systems International, Inc and the Wealshire of Medina. The growth also includes a number of new small businesses which are a tremendous asset to the

community, including Complete Eye Care, Goddard School, Just for Kix, Urban Eve, and Oak Eatery.

**Table 3-H
Medina Commercial Building Permits**

Year	New Commercial Building Permits	New Valuation	Valuation of Other Commercial Permits*
2011	0	\$0	\$1,149,107
2012	0	\$0	\$1,779,833
2013	1	\$800,000	\$5,703,277
2014	1	\$500,000	\$1,763,723
2015	3	\$3,835,973	\$3,006,041
2016	5	\$13,201,640	\$7,807,687
Total	10	\$18,337,613	\$21,209,668

* Includes renovations, additions, etc.

Source: City of Medina, 2017

Economic Development Initiatives

The City created a Tax Increment Financing (TIF) District (TIF District 1-9) in 2004 to provide public improvement incentives for the redevelopment of properties within and around the Uptown Hamel area. The TIF district consists of more than 60 parcels on both sides of TH 55 near its intersection with Sioux Drive/CR 101. TIF funds have been used to fund public improvements to entice development north and south of TH 55 in the Uptown Hamel area, including storm water infrastructure in Uptown Hamel. Through 2017, redevelopment in Uptown Hamel has been slow.

Investment Framework

To maintain a strong tax base, Medina seeks to attract commercial and business developments along TH 55. Commercial development is a significant part of Medina's tax base plan. Map 3-1 illustrates the amount of taxes paid by residential and commercial properties in the City.

Demographics

This demographic data is primarily sourced from the U.S. Census Bureau. The 2010 U.S. Census typically provides the most current demographic information available, but is somewhat out of date. The data remains relevant because it suggests trends of development and population characteristics. Where more up-to-date information is available, regardless of source, that information is included as a point of reference.

Household Income

The following table describes the annual household income levels of current residents in Medina in the year 2013. Fifteen percent of the City population had annual income of less than \$50,000, 27.7% between \$50,000 and \$100,000, and 57.4% over \$100,000.

**Table 3-I
City of Medina Household Income**

Income	Households	Percentage
Less than \$10,000	21	1.3%
\$10,000 to \$24,999	71	4.4%
\$25,000 to \$49,999	150	9.3%
\$50,000 to \$74,999	189	11.7%
\$75,000 to \$99,999	260	16.0%
\$100,000 to \$149,999	237	14.6%
\$150,000 to \$199,999	241	14.9%
\$200,000 or more	452	27.9%

Source: U.S. Census Bureau, American Community Survey 2009-2013

The following table indicates that the average household income in Medina is high relative to both the Hennepin County and the Minnesota statewide average. The 2013 median household income in Medina was \$127,039, almost twice the median County household income. The mean household income in Medina is \$234,041, which was 261% of the mean County household income and more than three times the statewide mean household income. The contrast between the mean and the median household income levels in Medina is due to the high numbers of Medina households with incomes that exceed \$200,000 per year.

**Table 3-J
Median and Mean Household Income (2013)**

Income	Medina	Hennepin County	Percentage of County	State of MN	Percentage of State
Median household income	\$127,039	\$64,403	197.3%	\$59,836	212.3%
Mean household income	\$234,041	\$89,707	260.9%	\$77,204	303.1%

Source: U.S. Census Bureau, American Community Survey 2009-2013

Age

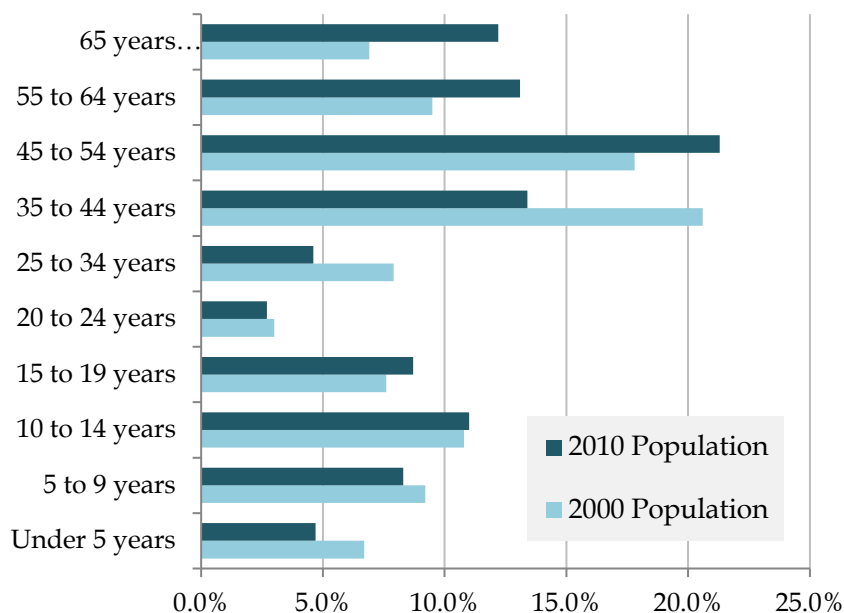
The table below shows that, in 2010, 32.7% of the population was 19 years old or younger, 20.7% of the population was between 20 and 44 years old, 34.4% of the population was between 45 and 64 years old and 12.2% of the population was 65 years or older. Residents of the City of Medina were almost half male and half female.

Table 3-K
Age of Medina Residents

Age of Residents	Number of Residents	Percentage
Under 5 years	231	4.7%
5 to 9 years	405	8.3%
10 to 14 years	536	11.0%
15 to 19 years	426	8.7%
20 to 24 years	132	2.7%
25 to 34 years	225	4.6%
35 to 44 years	656	13.4%
45 to 54 years	1,039	21.3%
55 to 64 years	645	13.1%
65 years and over	597	12.2%
Median Age (years)	43.1	
Total Population	4,892	100.0%

Source: U.S. Census Bureau, Census 2010

Chart 3-A
Medina Population by Age
Comparing 2000 to 2010



Comparing the demographics in 2000 to 2010, it appears that there was a demographic shift in Medina toward older age categories. The proportion of the population between the ages of 25 and 44 has dropped substantially; meanwhile, population ages 45 and older in Medina has grown by more than 12%. When planning future community facilities and housing options in the City, apparent age trends must be considered. As the population continues to age the demand for senior lifestyle housing and activities within the City will increase.

School Enrollment

In 2014, 1,646 residents in the City of Medina were enrolled in school. Of these residents 13.7% were enrolled in preschool or kindergarten, 47.4% were enrolled in elementary school, 26.4% were enrolled in high school and 12.5% are enrolled in college or graduate school.

**Table 3-L
City of Medina School Enrollment (2014)**

School Enrollment	Number of Students	Percentage
Nursery school, preschool	117	7.1%
Kindergarten	108	6.6%
Elementary School (grades 1-8)	781	47.4%
High School (grades 9-12)	434	26.4%
College or Graduate School	206	12.5%
Total Population Enrolled in School	1,646	100.0%

Source: U.S. Census Bureau, American Community Survey 2014

Property within the City is located within one of four school districts. Map 3-6 displays the school district boundaries within the City and locations of school buildings which currently serve Medina residents. Over 60% of the households in the City are located within the Wayzata School District (ISD #284) and approximately 35% of households are located within the Orono School District (IDS #278). Over 72% of projected household growth is anticipated to be within the Wayzata School District.

**Table 3-M
City of Medina School Districts**

School District	Approximate Households (2016)	Projected Additional Households (2017-2040)
Wayzata - ISD 284	1,349	697
Orono - ISD 278	770	232
Delano - ISD 879	59	5
Rockford - ISD 883	20	98
Total	2,198	1,032

Level of Educational Attainment

In 2013, 98.9% of the adult population had graduated from high school and 59% of the population had completed a bachelor's degree or higher level of education.

**Table 3-N
Medina Adult Resident Level of Educational Attainment (2010)**

Level of Educational Attainment	Number of Residents	Percentage
No High School Diploma	35	1.1%
High School Graduate (includes equivalency)	511	15.7%
Some College, No Degree	519	15.9%
Associate Degree	265	8.1%
Bachelor's Degree	1405	43.1%
Graduate or Professional Degree	526	16.1%

Source: U.S. Census Bureau, ACS 2010-2014 Estimates

Race

The table below illustrates that, in 2010, 93% of the population was white, 3.2% as Asian, 1.2% was Hispanic or Latino, and 1% was Black or African American.

**Table 3-O
City of Medina Ethnicity (2010)**

Race	Number of Residents	Percentage
White	4,562	93.3
Black or African American	47	1.0
American Indian and Alaska Native	4	0.1
Asian	156	3.2
Pacific Islander	2	0.0
Some other race	4	0.1
Two or more races	56	1.1
Hispanic	61	1.2
Total Population	4,892	100.0%

Source: U.S. Census Bureau, Census 2010

Household Demographics

The vast majority of households in Medina (81% in 2010) are family households, containing at least two members who are related. Single-person households made up 15.6% of total households. The average household size was 2.87 and the average family was 3.23 persons.

**Table 3-P
Household Demographics (2010)**

Type of Household	Number of Households	Percentage
Family Households	1386	81.4%
Family Households with own children under 18	692	40.7%
Married-couple family	1266	74.4%
Married-couple family households with own children under 18	626	36.8%
One householder, no spouse	120	7.1%
One householder, no spouse households with own children under 18	66	3.9%
Non-family households	50	2.9%
Householder living alone	266	15.6%
Total Households	1,702	
<i>Average household size</i>	2.87	
<i>Average family size</i>	3.23	

Source: U.S. Census Bureau, Census 2010

Marital Status

In 2014, 70% of Medina's adult residents were married; 21.2% were single and 8.7% were widowed or divorced. The percentage of married couples in the City of Medina is relatively high compared to communities in closer to proximity to either Minneapolis or St. Paul.

**Table 3-Q
Medina Resident Marital Status (2014)**

Marital Status	Number of Residents	Percentage
Never married, single	877	22.1%
Now married, except separated	2,628	66.2%
Separated	44	1.1%
Widowed	202	5.1%
Divorced	218	5.5%
Total Population 15 Years and older	3,970	100.0%

Source: American Community Survey, 2010-2014 Estimates

Factors Influencing Development

Natural features within the City of Medina will substantially influence the feasibility of extending municipal services and where and when development will occur. The City undertook an extensive open space and natural resources initiative as a part of previous planning efforts.

- A. **Lakes and Wetlands:** Map 3-2 illustrates the Wetland Locations throughout Medina and is based on Hennepin County wetland data records. Nearly 35 percent of the land in Medina is wet, with many lakes, creeks and wetlands. These natural areas affect where and in what intensity development can occur within the City. Upland areas suitable for development need to be well planned to ensure that lakes, wildlife and wetlands are not adversely impacted. The City completed a Functional Assessment of Wetlands (FAW) in November 2007, which was developed to provide guidelines for regulating and protecting these wetlands, and a comprehensive inventory and assessment of existing wetland functions with the City. An overall wetland classification map was provided as part of the FAW and is referenced at the end of this section as Map 3-2.
- B. **Floodplains:** Map 3-3 identifies the FEMA designated floodplains found in Medina. Minnehaha Creek, Elm Creek and Pioneer-Sarah Creek Watersheds have floodplains that will limit development in Medina. Much of the floodplains cover the same area as wetlands. Limited portions of these floodplains may be used for development, if criteria for building elevations, flood proofing and filling can be met as outlined in the City's Floodplain Ordinance.
- C. **Watershed District Boundaries:** Map 3-4 identifies the boundaries of the three Watershed District Organizations and boundaries within Medina. Although not visible as landscape features, these boundaries are significant because they define the direction of surface water flow. The boundaries are commonly used as major parameters for development of sewer interceptor and trunk lines. Each of the watershed districts has its own regulations for land development, and some require watershed board approval of water management plans for development proposals. The City has designated itself as the Local Governmental Unit (LGU) responsible for reviewing development proposals affecting wetlands.
- D. **Woodlands:** Preservation of woodlands is important aesthetically, ecologically and functionally. Woodlands provide wildlife habitat, prevent soil erosion, absorb runoff, provide wind breaks, and define the patterns of streets and land use.
- E. **Soils:** The United States Department of Agriculture's Soil Survey and Soil Classifications are used to evaluate development proposals in Medina and to determine the capability of on-site septic systems. Rural residential lots are required to have sufficient soils suitable for a standard sewage disposal system as defined by Medina's Sewage Treatment and Disposal System Code. A significant portion of the rural residential area of Medina contains soils that are considered unsuitable for septic site development. General soil conditions, therefore, establish the intensity of unsewered development. Map 3-5 generally identifies the areas where suitable soils are present in Medina.

- F. **Topography:** Topography and steep slopes in the City will impact future and current developments. Map 3-5 identifies areas considered as “Steep Slopes” and “Steep Slopes with Grades Greater than 18%.” Management and maintenance of steep slopes and other topographic challenges will be critical to future development and growth plans.

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