

2024 Metropolitan Agencies Committee Members

Name	Title	Organization
Kristy Barnett	Councilmember	Maple Grove
Josh Berg	Councilmember	Elko New Market
Deb Calvert	Councilmember	Minnetonka
Macheal Collins	City Clerk	Burnsville
Marc Culver	City Engineer	Brooklyn Park
Jim Dickinson	City Administrator	Andover
Inderia Falana	Government Relations Representative	Minneapolis
Thomas Fletcher	Mayor	Greenwood
Mike Funk	City Manager	Minnetonka
*Gary Hansen	Councilmember	Eagan
Dana Hardie	City Manager	Victoria
Steven Huser	Government Relations Representative	Minneapolis
Cheryl Jacobson	City Administrator	Mendota Heights
**Beth Johnston	IGR Representative	League of MN Cities
Elizabeth Kautz	Mayor	Burnsville
Gregg Lindberg	City Manager	Burnsville
Amáda Márquez Simula	Mayor	Columbia Heights
Deb McMillan	Mayor	Victoria
Hugo McPhee	Deputy City Manager	Burnsville
Loren Olson	Senior Government Relations Representative	Minneapolis
**Hannah Pallmeyer	Government Affairs Liaison	Metropolitan Council
Eric Petersen	IGR Director	St. Paul
Jay Stroebel	City Manager	Brooklyn Park
Alyssa Swanson	Assistant City Manager	Victoria
Katie Topinka	IGR Director	Minneapolis
**Owen Wirth	IGR Representative	League of MN Cities
Nyle Zikmund	City Administrator	Mounds View

*Committee Chair

**Guest/Non-City Official



July 24, 2024

TO: Metropolitan Agencies Policy Committee Members
FROM: Gary Hansen, Councilmember, City of Eagan
SUBJECT: Meeting Notice and Agenda

Wednesday, July 31, 2024
9:00 am – 11:30 am
***Hybrid Meeting: Lake Superior Room/
LMC Building***
Or
Join Zoom Meeting:

◆ Thank you for agreeing to be a policy committee member!

Attached are the materials for the first Metropolitan Agencies Policy Committee meeting. Please take the time to read through the policies before the meeting and come with your ideas and suggestions.

AGENDA

1. Call to order.
2. Introduction of Committee Chair and Members.
3. Policy Committee Process and Protocols. (Patricia Nauman, Executive Director)
4. Policy Committee Memo Review. (Patricia Nauman, Executive Director)
5. 2024 Legislative Policies Review. (Metro Cities Staff)
6. Discussion of policies, potential modifications and ideas for new policies.
7. Discuss new issues for future consideration.
8. Other business.
9. Adjourn. (11:30 am.)

Future Committee Meetings:

Wednesday, August 28, 2024

Wednesday, September 25, 2024

To: Metro Cities Policy Committees
From: Patricia Nauman, Executive Director
Re: Policy Development Process and Protocol

General

Welcome to Metro Cities' policy development process. Each year, four legislative policy committees meet to recommend Metro Cities' legislative policies. Policies are then transmitted to the Metro Cities Board of Directors for adoption and forwarded to Metro Cities' membership for final adoption. Policies serve as the foundation for Metro Cities' work at the Legislature, Executive Branch and Metropolitan Council.

Purpose of Legislative Policies

Legislative policies reflect common needs, interests and goals of metropolitan municipalities and are adopted by consensus. General core principles that inform Metro Cities' policies are the need for sufficient local flexibility to address local public needs and services, opposition to state mandates that erode local control, and the need for a strong state and local partnership that recognizes the needs of metropolitan cities and the role they play in ensuring the state's economic and social well-being.

Speakers

Committees often host speakers to provide information on topics of pertinence to the work of the committee and may be suggested by committee members and staff. All speakers must be approved by Metro Cities' Executive Director.

Committee Participation and Voting

Members. Elected or appointed officials and staff of any member city may serve on any committee by indicating interest in email or through the sign-up process provided in advance of the committee process each year.

Members are encouraged to contribute ideas, feedback, and questions during the committee process. All comments and questions should be addressed through the Chair.

City officials and staff may serve on one or more committees but for voting purposes, each city has one vote on policies. Votes are made by acclamation unless a roll call vote is requested.

Guests. Non-members are welcome to attend committees as guests. Non-member attendees may observe meetings and provide general observations but may not vote on policies or raise specific issues for the committee's consideration.

Committee Etiquette

Discussion, feedback, and questions are welcome and should be addressed through the committee chair. Meetings will be held in a hybrid format. Members participating remotely should use the chat or hand raise function to raise a question or comment. Remote participants are asked to name yourself and your city, and to identify yourself when speaking.

July 24, 2024

TO: Metropolitan Agencies Policy Committee Members
FROM: Patricia Nauman, Executive Director
RE: July Policy Committee Memo

Welcome to all returning and new members of the Metropolitan Agencies Policy Committee.

Metropolitan Agencies policies address state legislation relating to regional issues as well as funding and policies set at the regional level. Metro Cities plays a unique role in the local government advocacy community in its representation of the shared interests of metropolitan cities at the Metropolitan Council.

Last fall, a legislative task force on regional governance created by the 2023 Legislature met and discussed various models of regional governance. As part of those discussions, Metro Cities was requested to provide testimony on its governance policy positions. The task force, made up of legislators and various stakeholders including one city official appointed by Metro Cities, did not come to agreement on a specific governance model and forwarded the models it discussed to the Legislature without recommendation.

Metro Cities continued to respond to housing related bills that would impose one size fits all mandates on cities relating to land use and density. Part of the association's response has been to articulate that cities in the metropolitan area work with the Metropolitan Council on density as well as regional needs for housing and that local needs, roles and decision making are, and must be, considered in determining regional policies. Staff will provide more information at the meeting.

Metro Cities, along with metropolitan city staff, continues to participate on a regional planning advisory group that is being asked to provide input on various issues that will inform the Council's next regional development guide.

Metro Cities recently conducted two well-attended webinars to hear from the Metropolitan Council on possible changes to the Council's regional density policy. Metro Cities is also in the process of hosting two meetings on the Council's livable communities programs as potential changes are considered and will be seeking additional city input as we learn more about any proposed changes.

We look forward to seeing you next week.

MA-1 GOALS AND PRINCIPLES FOR REGIONAL GOVERNANCE

The Twin Cities metropolitan region is home to a majority of the state's population and is poised for significant growth in the next two decades. The region faces significant challenges and opportunities, the responses to which will determine the future success of the metropolitan region and its competitiveness in the state, national and world economies.

The Metropolitan Council was created to manage the growth of the metropolitan region, and cities are responsible for adhering to regional plans as they plan for local growth and service delivery.

The region's cities are the Metropolitan Council's primary constituency, as regional and local growth are primarily managed through city comprehensive planning implementation and the delivery of public services. To function successfully, the Metropolitan Council must be accountable to and work collaboratively with city governments.

The role of the Metropolitan Council is to set broad regional goals and provide cities with technical assistance and incentives to achieve the goals. City governments are responsible for and best suited to provide local zoning, land use planning, development, and service delivery. Any additional roles or responsibilities for the Metropolitan Council should be limited to specific statutory assignments or authorization and should not usurp or conflict with local roles or processes unless such changes have the consent of the region's cities.

Metro Cities supports an economically strong and vibrant region, and the effective, efficient, and equitable provision of regional infrastructure, services, and planning throughout the metropolitan area.

Metro Cities supports the provision of approved regional systems and planning that are provided more effectively, efficiently, or equitably on a regional level than by individual local units of government.

The Metropolitan Council must involve cities in the delivery of regional services and planning, be responsive to local perspectives on regional issues and be required to provide opportunities for city participation on Council advisory committees and task forces.

The Metropolitan Council must involve cities at all steps of planning, review and implementation of the regional development guide, policy plans, systems statements, and local comprehensive plan requirements to ensure transparency, balance and Council adherence to its core mission and functions. These processes should allow for stakeholder input before policies and plans are released for comment and finalized. Any additional functions for the Metropolitan Council should not be undertaken unless authorized specifically by state law.

Legislative Update

No applicable legislation. The Metropolitan Council is in the process of developing its next regional development guide, as well as policies and systems statements.

MA-2 REGIONAL GOVERNANCE STRUCTURE

Metro Cities supports the appointment of Metropolitan Council members by the Governor with four-year, staggered terms for members to stabilize ideological shifts and provide for continuity of knowledge on the Council, which is appropriate for a long-range planning body. The appointment of the Metropolitan Council Chair should coincide with the term of the Governor. Metro Cities supports a nominating committee process that maximizes participation and input by local officials. Metro Cities supports expanding the nominating committee from seven to 13 members, with a majority of a 13-member committee being local elected officials. Of the local officials appointed to a nominating committee, two thirds should be elected city officials, appointed by Metro Cities.

Consideration should be given to the creation of four separate nominating committees, with committee representation from each quadrant of the region.

Metro Cities supports having the names of recommended nominees or other individuals under consideration for appointment to the Council by the Governor to be made public at least 21 days prior to final selection by the Governor, and a formal public comment period before members are appointed to the Council.

Metro Cities supports the appointment of Metropolitan Council members who have demonstrated the ability to work with cities in a collaborative manner, commit to meet with local government officials regularly and who are responsive to the circumstances and concerns of cities in the district that they represent on the Council. Council members should understand the diversity and the commonalities of the region, and the long-term implications of regional decision-making. A detailed position description outlining the required skills, time commitment and understanding of regional and local issues and concerns should be clearly articulated and posted in advance of the call for nominees.

Metro Cities supports opportunities for local officials to provide input during the decennial legislative redistricting process for the Metropolitan Council and supports transparency in the redistricting process.

Legislative Update

The 2023 Legislature created a legislative task force on regional governance, and the task force met throughout last fall. The task force discussed various governance models but did not agree

on any one model to recommend. The task force report forwarded all discussed governance models to the Legislature. No governance bills were considered during the 2024 session. Staff will provide additional information.

MA-3 COMPREHENSIVE ANALYSIS AND OVERSIGHT OF METROPOLITAN COUNCIL

A comprehensive analysis of the Metropolitan Council's functions and structure was conducted by a Governor's Blue-Ribbon Committee in 2020. Metro Cities supports specific findings by this committee that recommended four-year staggered terms for Metropolitan Council members with members appointed by the governor, an expanded nominating committee with a majority of local officials on the committee, and the publication of nominees prior to their appointment. These findings are consistent with Metro Cities' legislative policy on regional governance. The metropolitan region will continue to expand while simultaneously facing significant challenges for the effective, efficient, and equitable provision of resources and infrastructure.

Metro Cities supports an objective study of the Metropolitan Council's activities and services as well as its geographical jurisdiction to ensure that the Metropolitan Council's services are positioned to be effective and adequate in addressing the future needs of the region. Such work must include the participation of local officials. The Metropolitan Council should also examine its scope of services to determine their benefit and efficiency and be open to alternative methods of delivery to assure that services are provided at high levels of effectiveness for the region.

Metro Cities supports appropriate legislative oversight of the Metropolitan Council to regularly review the Council's activities, and to provide transparency and accountability of its functions and operations.

Legislative Update

No applicable legislation.

MA-4 FUNDING REGIONAL SERVICES

The Metropolitan Council should continue to fund regional services and activities through a combination of user fees, property taxes, and state and federal grants and should set user fees through an open process that includes public notices and hearings. User fees should be uniform and set at a level that supports effective and efficient public services based on commonly accepted industry standards and allows for sufficient reserves to ensure long-term service and fee stability. Fee proceeds should be used to fund regional services or programs for which they are collected.

Metro Cities supports the use of property taxes and user fees to fund regional projects so long as the benefit conferred on the region is proportional to the fee or tax, and the fee or tax is comparable to the benefit cities receive in return.

Legislative Update

No applicable legislation.

MA-5 REGIONAL SYSTEMS

Regional systems are statutorily defined as transportation, aviation, wastewater treatment and recreational open space. The purpose of the regional systems and the Metropolitan Council's authority over the systems is outlined in state law. The Metropolitan Council must seek a statutory change to alter the focus or expand the reach of any of these systems.

Systems plans prepared by the Metropolitan Council should be specific in terms of size, location, and timing of regional investments to allow for consideration in local comprehensive planning. Systems plans should also clearly state the criteria by which local plans will be judged for consistency with regional systems.

Additional regional systems should be established only if there is a compelling metropolitan problem or concern best addressed through the designation. Common characteristics of the existing regional systems include public ownership of the system and its components and established regional or state funding sources. These characteristics should be present in any new regional system that might be established. Water supply and housing do not meet necessary established criteria for regional systems. Any proposed additional system must have an established regional or state funding source.

Legislative Update

No applicable legislation.

MA-6 REGIONAL WATER SUPPLY PLANNING

The Metropolitan Council is statutorily authorized to carry out planning activities to address water supply needs of the metropolitan area. A Metropolitan Area Water Supply Advisory Committee (MAWSAC) that includes state agency representatives and local officials was established to assist the Council in developing a master water supply plan that includes recommendations for clarifying the roles of local, regional, and state governments, streamlining, and consolidating approval processes and recommending future planning and capital investments. The Master Water Supply Plan serves as a framework to assist communities in

water supply planning, without usurping local decision-making. Many cities also conduct their own analyses for use in water supply planning.

As the Metropolitan Council continues to assess the region's water supply and water sustainability, it must work cooperatively with local policymakers and local professional staff to ensure an on-going base of information that is sound, credible, and verifiable, and considers local information, data, cost-benefit analyses, and projections before any policy recommendations are issued. Metro Cities encourages the Metropolitan Council to consider the inter-relationships of wastewater treatment, storm water management and water supply. Any state and regional regulations and processes should be clearly stated in the Master Water Supply Plan. Further, regional monitoring and data collection benefits should be shared expenses between the regional and local units of government.

Metro Cities supports Metropolitan Council planning activities to address regional water supply needs and water planning activities as prescribed in statute. Metro Cities opposes the insertion of the Metropolitan Council as another regulator in the water supply arena.

Further, while Metro Cities supports regionally coordinated efforts to address water supply issues in the metropolitan area, Metro Cities opposes the elevation of water supply to "Regional System" status, or the assumption of Metropolitan Council control and management of municipal water supply infrastructure.

Metro Cities supports the technical advisory committee to the MAWSAC that maximizes participation by municipal officials and helps to ensure sound scientific analyses and models are developed with local expertise and input before legislative solutions are considered.

Metro Cities supports efforts to identify capital funding sources to assist with municipal water supply projects. Any fees or taxes for regional water supply planning activities must be consistent with activities prescribed in Minn. Stat. § 473. 1565, and support activities specifically within the metropolitan region.

Legislative Update:

HF 3536 (Elkins) would have established water supply as a metropolitan system. This bill was not heard and did not have a Senate companion.

The Metropolitan Council is in the process of updating the region's long-range development guide for 2050. The Water Policy Plan outlines water supply, water resources, and wastewater policies to align local and regional water priorities, set guidelines and expectations about the regional wastewater system, and help the region plan for future water needs.

The Metropolitan Area Water Supply Policy Advisory Committee (MAWSAC) and its technical advisory committee (TAC) have been actively involved in the 2050 process. The MAWSAC recommended the draft Metro Area Water Supply Plan be forwarded to the Metropolitan Council Environment Committee for consideration at their July meeting. The plan is due to be released for public comment on August 15, 2024.

MA-7 REVIEW OF LOCAL COMPREHENSIVE PLANS

Local officials identified concerns with the submission and review processes for 2018 local plans including requests for information beyond what should be necessary for the Metropolitan Council to review local plans for consistency with regional systems, regional requirements that evolved as local plans were prepared and finalized and finding plans to be incomplete or requiring detailed information on items of a local rather than regional nature, among others.

The Metropolitan Council must work with Metro Cities and local officials to address challenges and concerns identified with the 2018 comprehensive planning process and undertake any necessary improvements in advance of the next comprehensive planning cycle. This work should be conducted with opportunities for ongoing input and consultation with local officials as any modifications to the comprehensive planning review processes are considered, including but not limited to a recently established regional planning advisory group that includes Metro Cities and municipal officials. This work shall include reviewing processes for comprehensive plan amendments and identifying areas for improvement.

In reviewing local comprehensive plans and plan amendments, the Metropolitan Council should:

- Recognize that its role is to review and comment, unless it is found that the local plan is more likely than not to have a substantial impact on or contain a substantial departure from one of the four system plans;
- Be aware of statutory time constraints imposed by the Legislature on plan amendments and development applications;
- Provide for immediate effectuation of plan amendments that have no potential for substantial impact on systems plans;
- Require the information needed for the Metropolitan Council to complete its review, but not prescribe additional content or format beyond that which is required by the Metropolitan Land Use Planning Act (LUPA);
- Work in a cooperative and timely manner toward the resolution of outstanding issues. When a city's local comprehensive plan is deemed incompatible with the Metropolitan Council's systems

plans, Metro Cities supports a formal appeal process that includes a peer review. Metro Cities opposes the imposition of sanctions or monetary penalties when a city's local comprehensive plan is deemed incompatible with the Metropolitan Council's systems plans or the plan fails to meet a statutory deadline when the city has made legitimate, good faith efforts to meet Metropolitan Council requirements;

- Work with affected cities and other organizations such as the Pollution Control Agency, Department of Natural Resources, Department of Health, and other stakeholders to identify common ground and resolve conflicts between respective goals for flexible residential development and achieving consistency with the Council's system plans and policies; and
- Require entities, such as private businesses, nonprofits, or local units of government, among others, whose actions could adversely affect a comprehensive plan, to be subject to the same qualifications and/or regulations as the city.

Legislative Update:

Legislation that would pre-empt local decision-making over zoning and land use to create more 'middle housing' and allow for multifamily residential developments as a permitted use in any zoning district that allows for commercial uses, received hearings in the House and Senate this session. The legislation would have required that a multifamily residential development must be approved by a city if it is consistent with the comprehensive plan on the date of submission and complies with all state and municipal standards. This legislation did not pass.

MA-8 COMPREHENSIVE PLANNING PROCESS

Metro Cities supports examining the comprehensive planning process to make sure that the process is streamlined and efficient and avoids excessive cost burdens or duplicative or unnecessary planning requirements by municipalities in the planning process. Metro Cities supports resources to assist cities in meeting regional goals as part of the comprehensive planning process, including planning grants and technical assistance.

Metro Cities supports funding and other resources from the Metropolitan Council for the preparation of comprehensive plan updates, including grant funding. Grants and other resources should be provided to all eligible communities through a formula that is equitable, and recognizes varying city needs and capacities.

Legislative Update

No applicable legislation.

MA-9 COMPREHENSIVE PLANNING SCHEDULE

Cities are required to submit comprehensive plan updates to the Metropolitan Council every 10 years. A city's comprehensive plan represents a community's vision of how the city should grow and develop or redevelop, ensure adequate housing, provide essential public infrastructure and services, protect natural areas, and meet other community objectives.

Metro Cities recognizes the merit of aligning comprehensive plan timelines with the release of census data. However, the comprehensive plan process is expensive, time consuming and labor intensive for cities, and the timing for the submission of comprehensive plans should not be altered solely to better align with census data. If sufficient valid reasons exist for the schedule for the next round of comprehensive plans to be changed or expedited, cities should be provided with financial resources to assist them in preparing the next round of plans.

Metro Cities opposes cities being forced into a state of perpetual planning because of regional and legislative actions. Should changes be made to the comprehensive planning schedule, Metro Cities supports financial and other resources to assist cities in preparing and incorporating policy changes in local planning efforts. Metro Cities supports a 10- year time frame for comprehensive plan update submissions.

Metro Cities supports the Metropolitan Council's consideration to reduce requirements for 10-year Comprehensive Plan updates for cities under 2,500 residents.

Legislative Update

No applicable legislation.

MA-10 LOCAL ZONING AUTHORITY

Local governments are responsible for zoning and local officials should have full authority to approve variances to remain flexible in response to the unique land use needs of their own community. Local zoning decisions, and the implementation of cities' comprehensive plans, should not be conditioned upon the approval of the Metropolitan Council or any other governmental agency.

Metro Cities supports local authority over land use and zoning decisions and opposes the creation of non-local appeals boards with the authority to supersede city zoning decisions, and statutory modifications that would diminish the ability of cities to set and implement local zoning ordinances and policies.

Legislative Update:

Legislation that would have pre-empted local decision-making authority over zoning and land use to create more 'middle housing', as well as to allow for multifamily residential developments as a permitted use in any zoning district that allows for commercial uses, received hearings in the House and Senate this session. The legislation would have required that a multifamily residential development must be approved by a city if it is consistent with the comprehensive plan on the date of submission and complies with all state and municipal standards. Metro Cities opposed the legislation, and it did not pass.

MA-11 REGIONAL GROWTH

The most recent regional population forecast prepared by the Metropolitan Council projects a population of 3,746,000 people by 2040 and 4,001,000 by 2050.

Metro Cities recognizes cities' responsibility to plan for sustainable growth patterns and the integration of transportation, housing, parks, open space, and economic development that will result in a region better equipped to manage population growth, provide a high quality of life for a growing and increasingly diverse metropolitan area population, and improved environmental health.

In developing local comprehensive plans to fit within a regional framework, adequate state and regional financial resources and incentives and maximum flexibility for local planning decisions are imperative. The regional framework should assist cities in managing growth while being responsive to the individual qualities, characteristics and needs of metropolitan cities, and should encourage sub-regional cooperation and coordination.

In order to accommodate this growth in a manner that preserves the region's high quality of life:

- Natural resource protection will have to be balanced with growth and development/reinvestment;
- Significant new resources will have to be provided for transportation and transit; and
- New households will have to be incorporated into the core cities, first and second- ring suburbs, and developing cities through both development and redevelopment.

In order for regional and local planning to result in the successful implementation of regional policies:

The State of Minnesota must contribute additional financial resources, particularly in the areas of transportation and transit, community reinvestment, affordable housing development, and

the preservation of parks and open space. If funding for regional infrastructure is not adequate, cities should not be responsible for meeting the growth forecast set forth by the Metropolitan Council;

- The Metropolitan Council and Legislature must work to pursue levels of state and federal transportation funding that are adequate to meet identified transportation and transit needs in the metropolitan area;
- The Metropolitan Council must recognize the limitations of its authority and continue to work with cities in a collaborative, incentives-based manner;
- The Metropolitan Council must recognize the various needs and capacities of its many partners, including but not limited to cities, counties, economic development authorities and nonprofit organizations, and its policies must be balanced and flexible in their approach;
- Metropolitan counties, adjacent counties and school districts must be brought more thoroughly into the discussion due to the critical importance of facilities and services such as county roads and public schools in accommodating forecasted growth; and
- Greater recognition must be given to the fact that the “true” metropolitan region extends beyond the traditional seven-county area and the need to work collaboratively with adjacent counties in Minnesota and Wisconsin, and the cities within those counties. The region faces environmental, transportation, and land use issues that cannot be solved by the seven-county metro area alone. Metro Cities supports an analysis to determine the impacts of Metropolitan Council’s growth management policies and infrastructure investments on the growth and development of the collar counties, and the impacts of growth in the collar counties on the metropolitan area.

Metro Cities opposes statutory or other regulatory changes that interfere with established regional and local processes to manage growth in the metropolitan region, including regional systems plans, systems statements, and local comprehensive plans. Such changes erode local planning authority as well as the efficient provision of regional infrastructure, disregard established public processes and create different guidelines for communities that may result in financial, environmental, and other impacts on surrounding communities.

Legislative Update

No applicable legislation.

MA-12 NATURAL RESOURCE PROTECTION

Metro Cities recognizes the Metropolitan Council's efforts to compile and maintain an inventory and assessment of regionally significant natural resources for providing local communities with additional information and technical assistance. The state and region play significant roles in the protection of natural resources. Any steps taken by the state or Metropolitan Council regarding the protection of natural resources must recognize that:

- The protection of natural resources is significant to a multi-county area that is home to more than 50 percent of the state's population and a travel destination for many more. Given the limited availability of resources and the artificial nature of the metropolitan area's borders, and the numerous entities that are involved in protecting the natural resources of the region and state, neither the region nor individual metropolitan communities would be well served by assuming primary responsibility for financing and protecting these resources;
- The completion of local Natural Resource Inventories and Assessments (NRI/A) is not a regional system nor is it a required component of local comprehensive plans under the Metropolitan Land Use Planning Act;
- The protection of natural resources should be balanced with the need to accommodate growth and development, reinvest in established communities, encourage more affordable housing and provide transportation and transit connections; and
- Decisions about the zoning or land use designations, either within or outside a public park, nature preserve, or other protected area are, and should remain, the responsibility of local units of government.

The Metropolitan Council's role with respect to climate change, as identified in the 2040 regional development guide, should be focused on the stewardship of its internal operations (wastewater, transit) and working collaboratively with local governments to provide information, best practices, technical assistance and incentives around responses to climate change.

Metro Cities urges the Legislature and the Metropolitan Council to provide financial assistance for the preservation of regionally significant natural resources.

Legislative Update:

No applicable legislation. The Metropolitan Council continues to implement and work from its Climate Action Work Plan. As a part of the ongoing planning for Imagine 2050, the Metropolitan Council has endorsed five regional goals. One of these goals is "we lead on addressing climate change," and another is "we protect and restore natural systems."

MA-13 INFLOW AND INFILTRATION (I/I)

The Metropolitan Council has identified a majority of sewer communities in the metropolitan region to be contributing excessive inflow and infiltration (I/I) into the regional wastewater system or to be on the threshold of contributing excessive inflow and infiltration. Inflow and infiltration are terms for the ways that clear water (ground and storm) makes its way into sanitary sewer pipes and gets treated, unnecessarily, at regional wastewater plants. The number of identified communities is subject to change, depending on rain events, and any city in the metropolitan area can be affected.

The Metropolitan Council establishes a surcharge on cities determined to be contributing unacceptable amounts of I/I into the wastewater system. The charge is waived when cities meet certain parameters through local mitigation efforts.

Metro Cities recognizes the importance of controlling I/I because of its potential environmental and public health impacts, because it affects the size, and therefore the cost, of wastewater treatment systems and because excessive I/I in one city can affect development capacity of another. However, there is the potential for cities to incur increasingly exorbitant costs in their ongoing efforts to mitigate excessive I/I. Therefore, managing I/I at a regional as well as local level, is critical to effective mitigation and cost management.

Metro Cities continues to monitor the surcharge program and supports continued reviews of the methodology used to measure excess I/I to ensure that the methodology appropriately normalizes for precipitation variability and the Council's work with cities on community specific issues around I/I.

Metro Cities supports state financial assistance for metro area I/I mitigation through future Clean Water Legacy Act appropriations or similar legislation and encourages the Metropolitan Council to partner in support of such appropriations. Metro Cities also supports resources, including identified best practices, information on model ordinances, public education and outreach, and other tools, to local governments to address inflow/ infiltration mitigation for private properties.

A 2023 task force recommended parameters for a private property inflow-infiltration program that will be funded through a portion of the regional wastewater charge. As a program gets underway, Metro Cities will monitor program criteria for transparency and accessibility for eligible cities.

Metro Cities supports continued state capital assistance to provide grants to metropolitan cities for mitigating inflow and infiltration problems into municipal wastewater collection systems.

Grant funding should continue to be structured so that all eligible cities have access to this funding assistance.

Legislative Update

Metro Cities initiated legislation in support of a capital appropriation for inflow-infiltration mitigation assistance for metropolitan cities. I/I bills were discussed and proposed for inclusion in omnibus capital appropriations bills in the House and Senate, but no agreement was reached, and a capital appropriations bill did not pass this year.

MA-14 SEWER AVAILABILITY CHARGE (SAC)

Metro Cities supports a SAC program that emphasizes equity, transparency, simplification, and lower rates.

Metro Cities supports principles for SAC that include program transparency and simplicity, equity for all served communities and between current and future users, support for cities' sewer fee capacities, administrative reasonableness, and weighing any program uses for specific goals with the impacts to the program's equity, transparency, and simplicity. As such, Metro Cities opposes the use of the SAC mechanism to subsidize and/or incent specific Metropolitan Council goals and objectives. Input from local officials should be sought if the SAC reserve is proposed to be used for any purpose other than debt service, including pay-as-you-go (PAYGO). Metro Cities opposes increases to the SAC rate while the reserve is projected to exceed the Metropolitan Council's minimum reserve balance, without the express engagement of city officials in the metropolitan area.

Metro Cities supports current SAC program criteria that use gross square feet in making SAC determinations, and do not require a new SAC determination for business remodels that do not change the use of the property. These changes were the result of a 2018 task force that made recommendations to simplify the SAC program for users, and to reduce incidents of "surprise" SAC charges.

Metro Cities supports current SAC policy that enhances flexibility in the SAC credit structure for redevelopment purposes and supports continued evaluation of SAC fees to determine if they hinder redevelopment.

Metro Cities supports the Metropolitan Council providing details on how any proposed changes to the SAC rate are determined. Metro Cities supports a periodic review of MCES' customer service policies, to ensure that its processes are responsive and transparent to communities, businesses, and residents. Metro Cities supports continued outreach by MCES to users of the SAC program to promote knowledge and understanding of SAC charges and policies. Any

modifications to the SAC program or structure should be considered only with the participation and input of local officials in the metropolitan region.

Metro Cities supports a “growth pays for growth” approach to SAC. If state statutes are modified to establish a “growth pays for growth” method for SAC, the Metropolitan Council should convene a group of local officials to identify any technical changes necessary for implementing the new structure.

Metro Cities supports allowing the Council to utilize a SAC ‘transfer’ mechanism when the SAC reserve fund is inadequate to meet debt service obligations. Any use of the transfer mechanism must be done so within parameters prescribed by state law and with appropriate notification and processes to allow local official input and should include a timely ‘shift back’ of any funds that were transferred from the wastewater fund to the SAC reserve fund. Efforts should be made to avoid increasing the municipal wastewater charge in use of the transfer mechanism.

Legislative Update

No applicable legislation.

MA-15 FUNDING REGIONAL PARKS & OPEN SPACE

In the seven-county metropolitan area, regional parks essentially serve as state parks, and the state should continue to provide capital funding for the acquisition, development, and improvement of these parks in a manner that is equitable with funding for state parks. State funding apart from Legacy funds should equal 40 percent of the operating budget for regional parks. Legacy funds for parks and trails should be balanced between the metropolitan region and greater Minnesota. Metro Cities supports state funding for regional parks and trails that is fair, creates a balance of investment across the state, and meets the needs of the region.

Legislative Update:

Chapter 106, the supplemental legacy appropriations bill includes \$3.643 million for park and trail projects within the metropolitan regional parks system.

Chapter 116, the omnibus environment and natural resources supplemental appropriations bill, includes a \$1.4 million appropriation from the natural resources fund for tree planting within the metropolitan regional parks and trails system.

MA-16 LIVABLE COMMUNITIES

The Livable Communities Act (LCA) under Minn.Stat. 473.25 is administered by the Metropolitan Council and provides a voluntary, incentive-based approach to affordable housing development, tax base revitalization, job growth and preservation, brownfield clean up and

mixed-use, transit-friendly development, and redevelopment. Metro Cities supports the continuation of this approach that is widely accepted and utilized by cities. Since its inception in 1995 the LCA program has generated billions of dollars of private and public investment, created thousands of jobs and added thousands of affordable housing units in the region.

Metro Cities monitors the LCA programs on an ongoing basis and supports any necessary program modifications to ensure that the LCA program criteria are flexible and promote the participation of all participating communities, and to ensure all metropolitan area cities are eligible to participate in the Livable Communities Demonstration Account (LCDA).

Metro Cities supports increased funding and flexible eligibility requirements in the LCDA to assist cities with development that may not be exclusively market driven or market proven in the location, in order to support important local development and redevelopment goals. Metro Cities supports the findings of a recent local official working group that identified the need for the Metropolitan Council to expand its outreach to cities on the LCA programs and to continue efforts to ensure that LCA criteria are sufficiently flexible to meet the range of identified program objectives. These efforts should include ongoing opportunities for structured input by Metro Cities and local officials.

Metro Cities supports the statutory goals and criteria established for the Livable Communities Act and opposes any changes to LCA programs that constrain flexibility in statutory goals or program requirements and criteria. Metro Cities is monitoring 2021 modifications to the LCA program to ensure that program criteria are responsive to local needs within the context of overall LCA objectives.

Metro Cities opposes funding reductions to the Livable Communities Act programs and the transfer or use of these funds for purposes outside of the LCA program.

Metro Cities supports statutory modifications in the LCDA to reflect the linkages among the goals, municipal objectives, and Metropolitan Council system objectives.

Metro Cities supports the use of LCA funds for projects in transit improvement areas, as defined in statute, if funding levels for general LCA programs are adequate to meet program goals and the program remains accessible to participating communities.

Any proposed program modifications should be considered with input by local officials before changes to LCA programs are enacted or implemented. Use of interest earnings from LCA funds should be limited to covering administrative program costs. Remaining interest earnings should be considered part of LCA funds and used to fund grants from established LCA accounts per established funding criteria.

Legislative Update:

The Metropolitan Council has had discussion of its LCA program this year and is conducting a review. The Council will consider potential recommendations for the program for 2025 and future years. As part of this work, Metro Cities is coordinating two workshops for cities to provide feedback on the programs. Metro Cities will monitor any suggested changes, provide feedback to the Council, and continue to keep cities informed on any potential changes to the program.

MA-17 DENSITY

Metro Cities recognizes the need for a density policy, including minimum density requirements, that allows the Metropolitan Council to effectively plan for and deliver cost-efficient regional infrastructure and services. Regional density requirements must recognize that local needs and priorities vary, and requirements must be sufficiently flexible to accommodate local circumstances as well as the effect of market trends on local development and redevelopment activity.

The Metropolitan Council asks cities to plan for achieving minimum average net densities across all areas identified for new growth, development, or redevelopment. Because each community is different, how and where density is guided is determined by the local unit of government, regional density requirements should use minimum average net densities and provide flexibility to accommodate individual city circumstances.

Metro Cities opposes parcel-specific density requirements as such requirements are contrary to the need for local flexibility in a regional policy.

Any regional density policy must use local data and local development patterns and must accommodate local physical and land use constraints such as, but not limited to, wetlands, public open space, trees, water bodies and rights-of-way, and any corresponding federal and state regulations imposed on local governments when computing net densities. The Metropolitan Council must coordinate with local governments in establishing or revising regional density requirements and should ensure that regional density and plat monitoring reports comprehensively reflect local densities and land uses.

Legislative Update:

Metro Cities is monitoring and engaging with the Metropolitan Council as they prepare for the next Regional Development Guide, Imagine 2050. Metro Cities hosted two recent online density forums to provide cities an opportunity to provide feedback on proposed density policy for

Imagine 2050. Metro Cities is actively engaged in monitoring this process and will be providing formal responses to the draft Imagine 2050 density policy released this August.

MA-18 COMPREHENSIVE PLANS AND ENVIRONMENTAL REVIEW

Comprehensive plans are essential guiding documents for cities and lay out a range of future land use scenarios, which are intended to allow for the orderly and economic development of the metropolitan region. To allow for local flexibility and functionality, as well as to best align local goals with regional requirements, it is essential that local comprehensive plans remain as high-level visioning documents that guide future development as well as other city policies.

Recent litigation, if successful, could require local comprehensive plans to meet the standards of the Minnesota Environmental Rights Act (MERA), which is not possible given that they are high-level visioning documents and not development plans.

Comprehensive plans, under state law, are expressly exempt from the Minnesota Environmental Protection Act (MEPA), unlike development projects, which are regularly and rightfully reviewed under MEPA. This litigation threatens the autonomy of cities to conduct long-term planning and the ability of the Metropolitan Council to conduct thoughtful, effective regional planning. Metro Cities supports legislative changes to clarify that cities' comprehensive plans are exempt from review under the Minnesota Environmental Rights Act (MERA).

Legislative Update:

Chapter 127 includes language that exempts comprehensive plans for cities of the first class in the metropolitan area from the Minnesota Environmental Rights Act (MERA). The language states that comprehensive plans shall not constitute conduct that causes or is likely to cause pollution, impairment, or destruction under MERA. Additionally, the bill exempts all city comprehensive plans in the metropolitan area from being subject to chapter 116D, which requires environmental impact statements.

DENSITY ANALYSIS FOR IMAGINE 2050

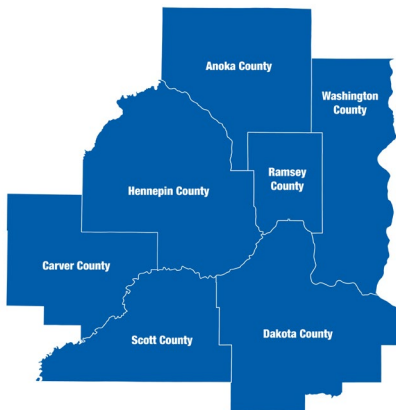


May 2024

The Council's mission is to foster efficient and economic growth for a prosperous metropolitan region

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The Metropolitan Council is the regional planning organization for the seven-county Twin Cities area. The Met Council operates the regional bus and rail system, collects and treats wastewater, coordinates regional water resources, plans and helps fund regional parks, and administers federal funds that provide housing opportunities for low- and moderate-income individuals and families. The 17-member Met Council board is appointed by and serves at the pleasure of the governor.

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Executive Summary

The Metropolitan Council conducted a density analysis for the Imagine 2050 planning process. The analysis provides insights into the current and projected development densities across communities within the Metropolitan Urban Service Area (MUSA). This analysis includes net developed overall density, net developed 2010-2020 density, and minimum planned densities for 2030 and 2040. Our Plat Monitoring Program data on residential platting activity is included for evaluation of the density of submitted plats.

The conclusions from the density analysis highlight differences between actual developed densities that exist in the built environment and planned minimum densities that are authorized as part of local comprehensive plans. Despite some communities achieving higher densities in recent years, overall development density falls short of planned targets. Notably, communities designated as Suburban Edge in Thrive MSP 2040 exhibit lower densities than required, while platted density surpasses developed density, indicating a slower build-out or lot absorption for subdivisions.

In response to these findings, we evaluated nine approaches, including both policy decisions and administrative practices, to help implement any density policy adopted as part of Imagine 2050. These approaches aim to achieve development consistency while allowing flexibility for local planning needs. The policy approaches we analyzed include increasing minimum density requirements, restraining MUSA expansion, and requiring new connections to the regional sewer system to meet the required minimum density of any given community designation.

We analyzed the following proposed administrative processes or guidelines:

- Evaluating the feasibility of demand and development based on practicality.
- Including all land guided to support growth in density calculations.
- Identifying forecasted growth and land supply by decade.
- Using a performance-based approach to offering flexibility in meeting minimum requirements.

We also considered, but did not recommend, approaches to include all existing development in density calculations and to assign a target density for communities in addition to minimum density standards.

To recommend specific minimum densities for community designations in Imagine 2050, our analysis included assessment of average and median planned densities for different community designations in Thrive MSP 2040. Recommendations include revised minimum density requirements tailored to community designations.

While not all approaches are recommended for consideration, we do recommend a holistic approach that integrates various strategies, including performance-based flexibility programs, to achieve consistent yet flexible planned development that results in a built form reflective of minimum planning requirements.

We recommend additional analysis to establish clear criteria for MUSA expansion, develop incentive programs, and refine methodologies for assessing land use practicality. Additionally, a detailed assessment is required to establish minimum density requirements for transit station areas, tailored to specific community designations and transit modes.

Overall, the density analysis and proposed approaches provide a comprehensive framework for addressing development density challenges, ensuring sustainable growth, and aligning with regional goals within the urban service area.

The appendix to this report includes the development density methodology, the Met Council-endorsed updated community designations for Imagine 2050, and the process for that update.

Density Analysis

Minimum density requirements are an essential component of community designations which determine the overall minimum density of new development and redevelopment in different communities based on their designation. To determine these requirements, Met Council staff evaluated the developed and planned densities in communities within the Metropolitan Urban Service Area (MUSA). To conduct an analysis of current development density trends in communities within the MUSA, staff compiled several pieces of data:

1. Net developed overall density

The overall net developed density illustrates community-wide density of existing residential development in each jurisdiction in the region. This measure uses the number of all the housing units in a community based on the 2020 census and the areas identified as residential in the Met Council's 2020 Generalized Land Use information. The acreage excludes areas that are not developable and only includes the developed portions of the land.

2. Net developed 2010-2020 density

This measure is the net density of developments that occurred between 2010 and 2020 in each community using two factors: 1) the number of housing units added between the 2010 and 2020 census; and 2) the change in residential acreage between the Met Council's 2010 and 2020 Generalized Land Use information, where change refers to movement from a nonresidential use or vacant land to any residential use.

3. Minimum 2030 planned density (2030 comp plan update-planned)

The minimum 2030 planned density includes the overall minimum density of new development and redevelopment within each community. This measure is extracted directly from each 2030 local comprehensive plan.

4. Minimum 2040 planned density (2040 comp plan update-planned)

The minimum 2040 planned density includes the overall minimum density of new development and redevelopment within each community. This measure is extracted directly from each 2040 local comprehensive plan.

5. Plat monitoring 2000-2022

Communities that participate in the Met Council's [Plat Monitoring Program](#) annually report their sewer residential platting activity. The program started in early 2001 and includes data from these communities going back to 2000 and provides credit to communities that assist with meeting minimum density requirements. There are 45 communities included in the program. Platting activity demonstrates a stage between planning and permitting development. As such, not all plats are realized into actual developments, or may be realized with a several-year delay. This measure shows the density of the plats submitted by each participating community during the program.

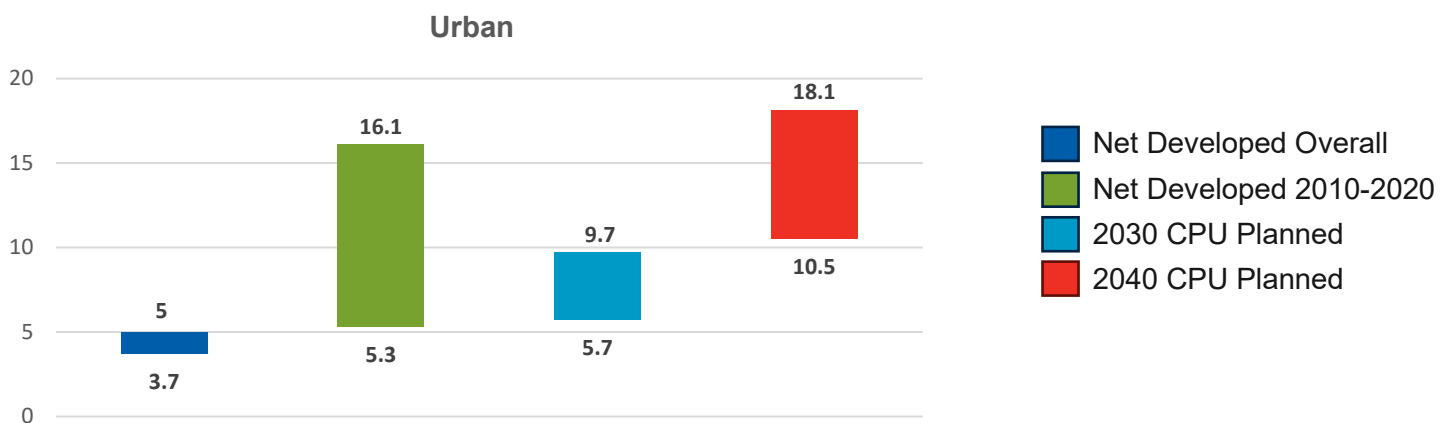
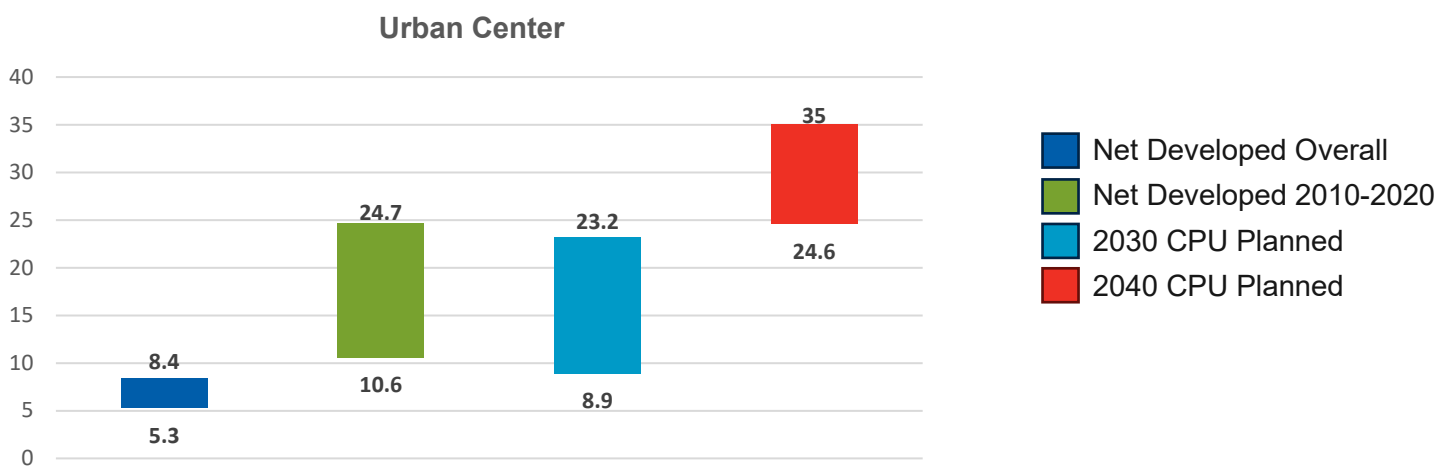
Conclusions from the density analysis

The following charts show the range of densities in each category described above, within the *Thrive MSP 2040* community designations. Overall, the charts below show:

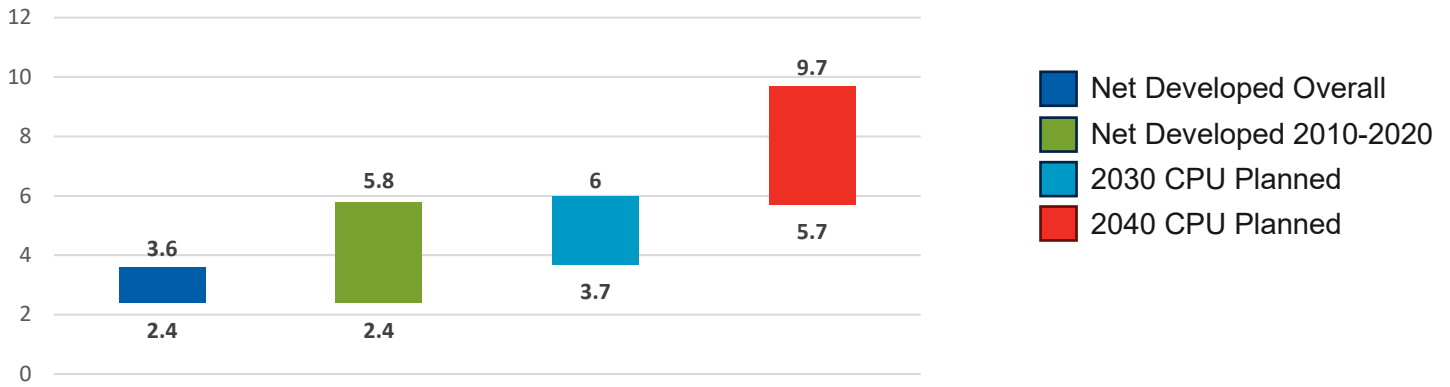
- Despite higher density ranges developed in the past decade, overall developed density remains below planned minimum densities.
- Higher developed densities in the recent decade are insufficient to bring the overall density of development up to minimum planned densities.

- Despite some communities building at higher densities, very low densities are still being developed in other communities within the same community designation.
- Recent development trends in Suburban Edge communities are consistent with the planned 2040 densities.
- Overall developed density in Emerging Suburban Edge communities is lower than the minimum requirements.
- Platted density is higher than developed density. We recognize that it takes time for construction to occur in recently platted subdivisions which results in some differences between built and platted densities.

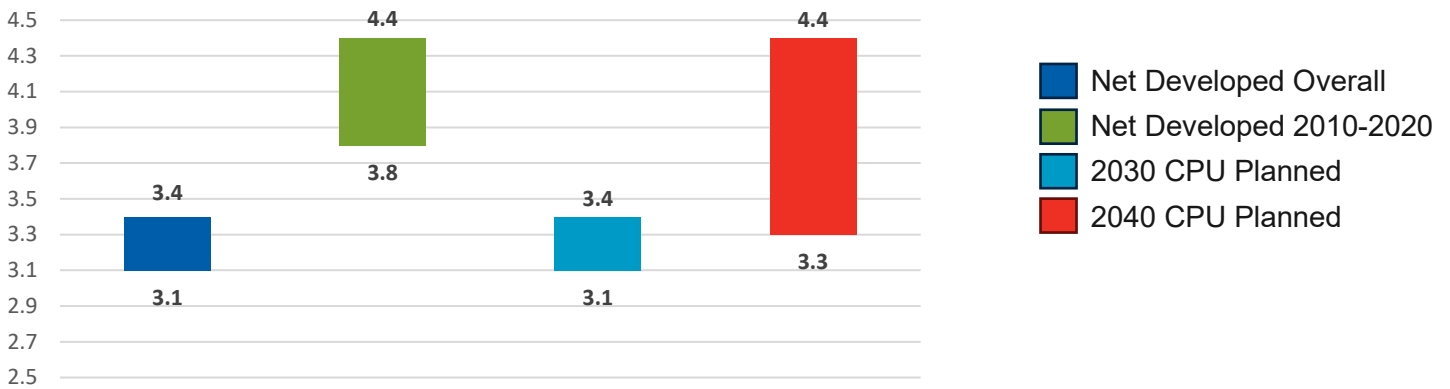
The ranges shown on the charts represent the middle spread of densities in each category and exclude outliers. Middle spread refers to the data between 25% and 75%, excluding the lowest and highest values.



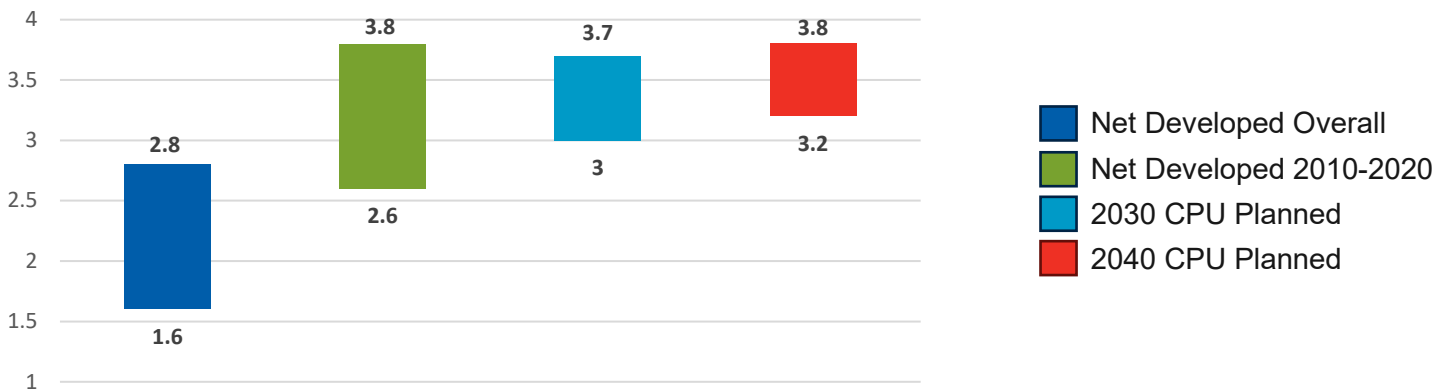
Suburban



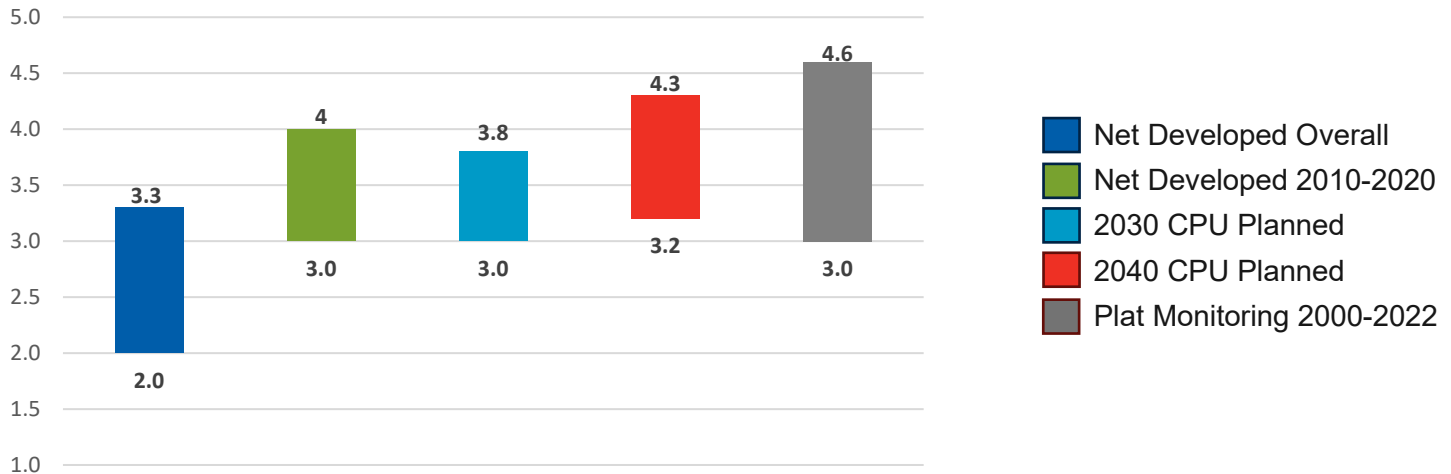
Suburban Edge



Emerging Suburban Edge



Plat Monitoring Participants



Possible land use and density approaches

Each approach below includes a description and identification of some associated implications, advantages, and potential considerations. None of these approaches are meant to exist in isolation but can be paired with other approaches to achieve both more consistent development densities for use of the regional wastewater system, and some flexibility for local planning purposes. These approaches are separated into density policy decisions included in either land use policies or actions (1-4 below); or administrative practices or guidelines developed to implement comprehensive planning requirements (5-9 below).

1. Increase minimum density requirements.
2. Restrain MUSA expansion and establish criteria for when expansion would be authorized.
3. Establish a minimum density requirement for all new connections to the regional sewer system.
4. Evaluate the feasibility of demand and development of land uses based on practicality.
5. Include all land guided to support growth within the planning period, not just areas of change in density calculations.
6. Identify forecasted growth and land supply by decade, meeting the density requirements within each planning decade rather than over the planning horizon.
7. Include all existing developments in density calculations.
8. Establish a target density in addition to minimum density requirements.
9. Use a performance-based approach to explore flexibility in minimum planning requirements while advancing regional goals.

Density policy decisions

1. Increase minimum density requirements.

Minimum density requirements are based on community designations. Raising the minimum requirements means that communities will have to plan for higher density developments in their comprehensive plans. Communities with limited land supply will need to achieve this density mostly through redevelopment.

Increasing the minimum density requirements could encourage communities to overall plan for higher-density, more compact development and better advance regional goals. Over time, as communities plan for higher minimum densities, it can contribute to an overall increase in the density of existing development, compensating for lower-density areas within communities. Additionally, compact development has been shown to lower greenhouse gas (GHG) emissions, irrespective of the development trajectory, which is crucial in meeting the state's new GHG reduction targets and regional goals.

However, without accompanying measures that require communities to meet minimum density requirements within specific timeframes, communities may maneuver the numbers in subsequent decades to merely meet the minimum number without real progress. There may be pushback from communities that wish to preserve their "small town character," potentially leading to resistance and conflict. It is advisable to pair this increase with a strong collaborative effort, engaging all stakeholders in exploring how such an increase can be implemented, emphasizing the benefits for communities.

2. Restrain MUSA expansion and establish criteria for when expansion would be authorized.

The MUSA boundary is informed by local comprehensive plans and based on the Met Council's capacity to provide wastewater service in an orderly and efficient manner. Currently, MUSA expansion can occur as part of the comprehensive plan update process or through amendments to those plans. As long as the regional system has capacity in the respective period and the site is within the Met Council's service area, these MUSA expansions are typically authorized. Analysis shows that the region has more than adequate land supply within the current MUSA boundary to accommodate the growth forecasted to 2050. The Met Council can restrain MUSA expansion and limit or preclude these requests. The Met Council can establish standard criteria for when MUSA expansion meets regional policies and goals to signal a commitment to efficient and cost-effective growth management.

This approach encourages more efficient infrastructure utilization by directing development to areas already equipped with infrastructure, which includes small and developing cities. It also helps mitigate inefficient, dispersed development patterns, and facilitates the protection of agricultural lands and natural resources.

However, this approach may be perceived as limiting the outward expansion of areas receiving services. Communities may view Met Council policy as inflexible, not accommodating local needs, and may strain relationships with local governments.

3. Establish a minimum density requirement for all new connections to the regional sewer system.

Any new development within the MUSA can apply for a sewer extension permit. These permits are reviewed by the Met Council and approved by the Minnesota Pollution Control Agency (MPCA). As part of its review, the Met Council ensures consistency of the development with the future land use guiding of the site. While communities have to meet an overall minimum density requirement based on their community designations, they still accommodate land uses with densities lower than that minimum requirement. This provides flexibility within local boundaries to plan for a variety of development densities. This approach would require any development with a new connection to the regional sewer system to meet the minimum density requirement based on community designation, even if the land use category of the site allows for a lower density development.

Implementing this policy would contribute to increasing the overall net density of existing development in communities, addressing situations where density falls below three units per acre. It encourages higher-density, more compact development and promotes efficient platting practices,

particularly in single-family attached and detached developments, to meet minimum density requirements. Additionally, it streamlines the review of sewer service extension permits, ensuring the efficiency of the overall wastewater system.

However, this approach can be perceived as limiting local communities' flexibility to plan for lower density, sewer development, a practice they have been accustomed to in the past, and therefore may receive significant resistance. In practice, it may render all future land use designations with minimum densities lower than three units per acre ineffective and applicable only to existing development. It should also be noted that meeting the three units per acre requirement can be challenging for developments within existing local regulatory practices and may require subsequent changes to local ordinances.

This approach also highlights the concept of zoning within the context of land use policy. Changes to local zoning ordinances are required by state statute following every decennial comprehensive plan update to ensure local zoning conforms to adopted land use plans. Local governments are also required to submit to the Met Council any necessary zoning ordinance updates within nine months following local adoption of their decennial comprehensive plan update. This provision is currently not well adhered to, although the Met Council does have the authority to establish a more precise submittal schedule. Historically, the Met Council has not done this. Inconsistencies between the local land use plan and the underlying zoning district have resulted in misinterpretation and errors in implementing the land use plan locally. It can also result in challenges with local sewer permit review until the comprehensive plan is amended so that the site aligns with the local land use plan.

4. Evaluate the feasibility of demand and development of land uses based on practicality.

This approach proposes measuring the feasibility of demand and development of land uses within different communities, ensuring that both the intensity (density range) and location of planned developments are practical. The objective is to differentiate between what is merely allowed and what is plausible, providing a realistic framework for land use planning. This methodology would compel communities to plan land uses that are realistically marketable within the planning period, focusing on plausibility and long-term viability.

The advantage of this approach is that it encourages realistic planning by urging communities to adopt land use plans that are not only allowed but also realistically implementable. This helps prevent the overestimation of development outcomes, thereby reducing the risk of underutilized infrastructure, inefficient land management, and improbable planned densities.

This method may introduce stricter planning constraints, which could be more challenging for communities to meet their minimum density requirements, especially in areas with aggressive growth targets. The approach ensures enough flexibility to accommodate unforeseen future changes while still grounding expectations in practicality. By adopting this method, the Met Council can assist communities in refining their comprehensive plans to better reflect feasible development patterns. This facilitates more efficient growth management and guides regional resources more effectively by focusing investments in areas with a higher likelihood of development.

Administrative practices and guidelines

5. Include all land guided to support growth within the planning period, not just areas of change in density calculations.

The Met Council calculates the overall density of development and redevelopment for each community based on areas identified to accommodate future growth. Currently, it is the Met Council's policy to give deference to the previously approved comprehensive plan and only review the new plan based on areas of change between the two planning documents. Communities, of

course, may start each comprehensive planning process anew and completely redo their plan, and many do. However, some communities opt to look only at areas of change, which in turn means that the Met Council may authorize a plan that does not meet minimum density requirements. This approach will ensure that every comprehensive plan is reviewed based on all areas that are identified to accommodate future growth and not just those that are changing from the previous 2040 comprehensive plan.

This approach can help communities plan more effectively for change in their communities and not focus on previous planning decisions and approaches that may not fit the evolving regional and local needs well.

However, for very built-out communities, complying with minimum density requirements could prove challenging if all land to accommodate growth is factored into the calculations. This could lead to difficulties in meeting regional density minimum requirements.

6. Identify forecasted growth and land supply by decade, meeting the density requirements within each planning decade rather than over the planning horizon.

The Met Council calculates the minimum density requirement based on the acreage identified for new development or development between the date of the plan (for example, 2018) and the planning horizon (for example, 2040). For land use and density purposes, communities are not required to divide the planning period into smaller timelines and only need to meet the minimum density requirement over the entire period.

However, that approach has led to more of the lower density developments being planned for the near future and in some cases, higher density development is postponed to a later time in the planning horizon (2050). This cycle delays higher density development with each consecutive planning cycle as comprehensive plan updates occur every 10 years. Calculating minimum density by decade will ensure that the communities meet their density requirements in each decade, and higher density developments are also planned for the more immediate future.

Shifting to per-decade density calculations may result in fewer lower-density developments being planned for the initial decade of the period, aligning with regional objectives for increased density. This approach could assist some communities in meeting their affordable housing planning requirements for the first decade without postponing higher-density development to later periods to achieve overall density targets. Additionally, this approach does not require new planning tools. Local comprehensive plans already identify stages or phases of growth in 10-year increments, so the foundation for this work already exists as part of planning requirements.

7. Include all existing developments in density calculations.

Currently, the overall density of a community for purposes of meeting minimum requirements only includes acreage planned for new development and redevelopment. Areas already developed do not count towards a community's overall density. But since land use decisions have long-lasting effects, many communities' existing densities are in fact much lower than the minimum density requirements. This approach ensures that past planning practices play a role in the planned density of each community.

Incorporating existing developments into density calculations can serve as a means for the Met Council to acknowledge and account for the current realities of the region, providing a more accurate reflection of the existing state. If implemented effectively, this approach could hold communities more accountable for the existing pattern of development within their boundaries, potentially preventing them from designating lower-density future land uses without justification. This approach could complement other measures and provide valuable context for evaluating and achieving density goals.

However, this approach could potentially make it considerably more challenging for communities to meet minimum density requirements, which may lead to resistance in some cases, particularly in communities facing constraints that make achieving higher densities difficult.

Alternatively, this approach could be implemented first as a tracking measure to assess overall community progress towards higher density of existing development. This could raise awareness of the overall impact that each community's existing development density has on the overall development pattern observed in the region.

8. Establish a target density in addition to minimum density requirements.

Communities are required to plan for development and redevelopment in a manner that meets the minimum density requirements based on community designations. [Communities with transit investments](#) need to meet higher average minimum densities around the station areas, depending on the transit type. Additionally, the 2040 Transportation Policy Plan identifies higher target densities that best support transit, and communities are encouraged to explore opportunities to guide land at these higher densities. One approach in regional land use practices can be to establish a community-wide target density to encourage communities to plan at higher than minimum densities.

Implementing a mechanism for establishing target densities alongside minimum requirements could empower local staff to negotiate higher minimums for their land uses by showcasing the potential for even higher target densities. When complemented with additional incentives, this approach has the potential to drive higher-density developments.

However, historically, target densities for transitways have lacked significance and proper tracking, raising concerns about their effectiveness. Communicating the impact and significance of this policy to local communities may pose challenges, as it could be perceived as symbolic rather than effecting tangible changes in permitted and developed projects. Ensuring clarity will be essential to its successful implementation and effectiveness.

9. Use a performance-based approach to explore flexibility in minimum planning requirements while advancing regional goals.

Under this approach, the Met Council would use past plans and actions—including regional goal and regional policy consistency, existing development patterns, plat monitoring data, adopted plans and ordinances as well as other relevant data—to determine eligibility for MUSA expansion, flexible density programs, or application of density credits. A programmatic and performance-based approach to flexible application of density requirements is intended to incentivize local implementation of regional goals. The structure and requirements where flexibility may be acceptable in developing communities must not jeopardize conformance with regional system plans or consistency with Met Council policies.

As an example, net density calculations take into account areas that are undevelopable, such as wetlands, steep slopes, and arterial rights of way. While some natural areas are protected as a result and do not have to be planned for development, the scope of such protections is very limited and not widespread. The Met Council can provide additional flexibility in meeting minimum density requirements, if certain conditions are met locally, such as protection of regionally significant ecological areas. Communities will need to systematically implement such protections through adopted ordinances to ensure their lasting impact.

Implementing such incentives could provide more flexibility locally and improve the Met Council's relationship with local governments. Incentives have historically proven to be effective in encouraging desired outcomes at the local level. However, more specific details about the nature

and design of these incentives are needed, and consideration may be necessary for the additional effort at the Met Council to develop, administer, and track any established program.

Minimum density requirement analysis

Thrive MSP 2040 land use policies established minimum density requirements for different community designations to support orderly and efficient land use, along with the objectives of reducing greenhouse gas emissions and promoting sustainable development. As we transition from Thrive MSP 2040 to Imagine 2050, it is crucial to reassess and potentially recalibrate these minimum density requirements to reflect the changing dynamics and growth patterns observed across the region. Detailed information on these analyses, including densities from each community within the MUSA, is included in the appendix. Our recent analysis of the average and median minimum planned densities from the 2040 local comprehensive plans, categorized by the draft 2050 community designations, reveals the following:

- **Urban:** Average planned density is 30.9 units per acre, excluding Minneapolis which has a significantly higher density of 98.1 units per acre. The median planned density in Urban areas is 34.3 units per acre. One out of nine 2050 Urban communities (City of Osseo) was designated as Urban in Thrive MSP 2040 (minimum density of 10 units per acre), while the rest were designated as Urban Center (minimum density of 20 units per acre).
- **Urban Edge:** Average planned density is 14.6 units per acre. The median planned is 12.6 units per acre. One third (out of 24) of 2050 Urban Edge communities were designated as Suburban in Thrive MSP 2040 (minimum density of 5 units per acre), while two were designated as Urban Center (minimum density of 20 units per acre). The rest were designated as Urban (minimum density of 10 units per acre).
- **Suburban:** Average planned density is 7.7 units per acre. The median planned is 7.0 units per acre. 13% (out of 36) of 2050 Suburban communities were designated as Suburban Edge or Emerging Suburban Edge in Thrive MSP 2040 (minimum density of 3-5 units per acre).
- **Suburban Edge:** Average planned density is 4 units per acre. The median planned is 3.4 units per acre. One fifth (out of 40) of 2050 Suburban Edge communities were designated as Suburban in Thrive MSP 2040 (minimum density of 5 units per acre).

Recommendations on Land Use and Density Approaches

After careful consideration of the various density approaches discussed, we offer the following recommendations:

1. **Minimum density requirement by community designation:** Based on the above analysis and community-specific information, the overall minimum density requirement for development and redevelopment for communities within the MUSA based on community designations in Imagine 2050 should be considered as follows:

Community Designation	Recommended Minimum Density Requirement
Urban	25 units per acre
Urban Edge	14 units per acre
Suburban	7 units per acre
Suburban Edge	4 units per acre

Based on these recommended minimum density requirements, there should be additional evaluation to determine whether any communities are potentially better suited to be part of another community designation.

Since other communities outside of the MUSA (Rural Center, Diversified Rural, Rural Residential, Agricultural) were not part of this analysis, the minimum or maximum density requirements and guideline for them should be carried forward from Thrive MSP 2040.

2. **Approach #7 - Inclusion of all existing developments in density calculations** should not be implemented due to the significant complications it introduces at the local level. This approach would force communities to plan at much higher densities than the minimum requirements, which is not aligned with their long-range planning efforts. Implementing this approach could also unfairly penalize communities for historical development patterns, creating a barrier to achieving planned growth objectives.
3. **Approach #8 - Establishing a target density in addition to minimum density requirements** appears to be less beneficial than anticipated. The effort required to establish this approach is considerable, and it primarily serves as a communications tool rather than a substantive change to planning practices. The potential benefits do not justify the resources and time investment required, making it an inefficient option.
4. **Consideration of other approaches:** All other approaches should be considered collectively, as they are not mutually exclusive and can potentially complement each other to achieve more consistent and flexible development densities. Specifically, incentives should be integrated with various approaches to enhance their effectiveness and encourage consistency with regional goals.
5. **Further development needed:**
 - a. Criteria for MUSA expansion: Additional work is required to establish clear criteria for MUSA expansion to ensure that it aligns with regional goals and policies.
 - b. Incentive programs: There is a need to develop comprehensive incentive programs that support the achievement of desired density outcomes.
 - c. Methodology for land use practicality: Establishing a methodology for measuring the practicality of land uses is essential to ensure that land use planning is both feasible and aligned with realistic development expectations.
6. **Density requirements in transit station areas:** A detailed assessment is needed to establish minimum density requirements for transit station areas based on recent developments and 2050 community designations. This involves several steps:
 - a. Identifying the geographies of various transit station areas for different transit modes.
 - b. Collecting residential permit data for developments within these areas from the last decade (2013-2023) to align with Thrive MSP 2040 requirements.
 - c. Integrating permit data with parcel data to calculate the density of developments.
 - d. Evaluating these densities based on the 2050 community designations and transit modes.
 - e. Formulating recommendations for minimum density requirements for station areas tailored to specific transit modes and community designations.

APPENDIX A

Development density methodology

To calculate the development density between 2010 and 2020, the area of development must first be defined and the number of new units built in those areas summarized. There are two methods to define the area of development:

1. Total area of county parcels with new residential units (excluding rebuilds), or
2. Total land consumed for development as observed in the Metropolitan Council's Generalized Land Use Inventories.

Calculating development density using the total area of full parcels provides a more representative measure of new development (units per platted property). However, for considering long-term land supply and housing capacity, calculating density based on land consumed (units per observable residential land use) is more appropriate. For instance, in rural areas where agricultural land is subdivided into 5-acre parcels with one home constructed per parcel, the development density would be 0.2 units per acre based on the full parcel size. However, if only 0.25 acres of each 5-acre parcel is developed, the remaining 4.75 acres could potentially be further developed in the future (depending on the nature of the remaining land). If eventually, the entire 5 acres were developed into 0.25 acre lots with a home on each, the total development could accommodate 20 homes, representing a density of 4 units per acre. This example illustrates how different calculations can yield dramatically different development density measures. Therefore, density calculations will include both full parcel density and land consumption.

To calculate development density, several datasets are needed, and each dataset has its own challenges.

1. Generalized land use

Although each Generalized Land Use Inventory is built on the previous inventory, not all changes represent a true land use change between inventory years. In other words, some change between land use inventory years can reflect changes missed in the previous year inventory, a refinement of a delineated boundary, or a correction to the land use classification. Steps need to be taken to minimize the amount of area included in the change analysis.

2. County parcel data

Parcels tend to be defined based on the county's ability to leverage a tax on the property. As a result, sometimes parcels are "missing" in the dataset. This becomes particularly challenging when trying to determine the full development area for multifamily and specifically single-family attached housing (for example, attached townhomes). Even if the common land is delineated in the parcel dataset, there is generally not a corresponding building permit for the area. As a result, when building permits are used to help identify land development, these areas are often not included, which over-inflates the development density in these areas.

3. Comprehensive plan data

To fully understand any development density measure, it is important to be able to distinguish different geographic areas when summations are made. In other words, rather than simply calculating the overall residential density for a community, it is better to calculate the density for areas inside and outside the MUSA. There is also the assumption that summations will be desirable by Thrive MSP 2040 community designations and the proposed Imagine 2050 community designations. However, the MUSA and community designation datasets are constructed independent of generalized land use and county parcel data and therefore the alignment of the three datasets are not perfect. This leads to a lot of noise that needs to be addressed before any calculations can be undertaken.

4. Building permits

Although new permits are a useful measure, the placement of permits points do not always line up with observable land consumption, which makes spatial relations difficult. Additionally, it appears that the demolition permits are incomplete. In determining development density of “new” development, all residential teardowns and rebuilds should be excluded in the analysis. There are many examples where imagery clearly shows that an existing home is demolished and a new unit is built, however, there are not corresponding demolition and new build permits in the building permit data.

Development density (housing) between 2010 and 2020

General steps

1. Prepare and clean land use data

Identify areas that were categorized as Agricultural, Farmstead, Extractive, or Undeveloped in 2010 and changed to Residential by 2020. Efforts were made to account for alignment discrepancies between the 2010 and 2020 land use inventories.

2. Create MUSA and Thrive MSP 2040 community designations layer

To distinguish land use changes within the MUSA and summarize by community designation, create a combined MUSA/community designation layer that will be associated with the land use change layer.

3. Prepare parcel data

Address gaps in geographic representation within the county parcel data. Condominium properties may appear as stacked parcel polygons, where each unit represents the full extent of the property boundary. Necessary steps were taken to generate geographies for missing properties and to eliminate all stacked parcels, ensuring that only a single geographic polygon represents each parcel to avoid overcounting total acreage.

4. Prepare residential building permit data for change analysis

Assuming that all new developments have a corresponding residential building permit, identify permits issued between 2010 and 2019 for new units or conversions and group them accordingly.

5. Identify land use change

- a. Identify all new unit building permits located within (or in some cases, near) areas identified with a residential land use change. The process is somewhat iterative to ensure that all appropriate permits were included and all inappropriate permits (for example, teardowns and rebuilds) were excluded. This step does not include redevelopment areas other than some large-lot rural or farmstead parcels that were redeveloped into higher density suburban development.
- b. Note that in calculating development density, the total number of housing units may differ slightly due to variations in defining the area of development: full parcel versus land consumption. More significantly, the total area of development between the two methods is dramatically different. These differences are due to the choice of geographic base: county parcels or Met Council’s generalized land use data. Using county parcels as the geographic base provides the total land area of all parcels identified as having new residential development, while calculating land consumption using the generalized land use data includes rights-of-way easements along with the portion of parcels delineated with residential land. Typically, the total area of development in the land consumption method is larger than that of the full parcel method.

Full parcel development density (net developed density)

What density are communities developing at (in other words, platting)?

From the data gathered, 67,838 new housing units were developed on 15,471 acres within the 2040 MUSA boundary, resulting in an overall development density of 4.38 units per acre. Recognizing that this average density does not accurately reflect variations across the region, the development density was further analyzed within each Thrive MSP 2040 community designation:

Thrive Community Designation	Housing Units	Acres	Density
Urban Center	8,519	266.4	31.97
Urban	3,971	367.8	10.80
Suburban	13,643	3,032.1	4.50
Suburban Edge	23,064	5,971.9	3.86
Emerging Suburban Edge	16,896	5,218.3	3.24
Rural Center	1,738	604.4	2.88
Diversified Rural*	7	10.0	0.70

**Results likely due to misalignment of all combined geographies.*

In light of defining appropriate density policies for the proposed 2050 community designations, average densities were calculated for developments between 2010 and 2019 within these new designations:

2050 Community Designation	Housing Units	Acres	Density
Urban	8,286	241.6	34.30
Urban Edge	5,227	493.8	10.58
Suburban	17,573	4,292.6	4.09
Suburban Edge	35,007	9,828.5	3.56
Rural Center	1,738	604.4	2.88
Diversified Rural*	6	7.5	0.80
Rural Residential*	1	2.5	0.40

**Results likely due to misalignment of all combined geographies.*

Land consumption development density (gross developed density)

What is the land consumption rate for supporting residential development, including roads and potential subdivision of parcels?

Based on available data, 72,514 new housing units on 18,170 acres were identified within the 2040 MUSA boundary, equating to an overall development density of 3.99 units per acre. Recognizing the

regional variability, development density was also analyzed within each Thrive MSP 2040 community designation:

Thrive Community Designation	Housing Units	Acres	Density
Urban Center	8,774	618.4	14.19
Urban	4,506	449.9	10.01
Suburban	15,525	3,388.7	4.58
Suburban Edge	24,337	7,023.3	3.44
Emerging Suburban Edge	17,596	6,026.0	2.92
Rural Center	1,770	743.4	2.92
Diversified Rural*	7	8.2	0.85

**Results likely due to misalignment of all combined geographies.*

We conducted further analysis for the proposed 2050 community designations to determine appropriate density policies based on developments between 2010 and 2019:

2050 Community Designation	Housing Units	Acres	Density
Urban	8,612	589.5	14.61
Urban Edge	5,712	647.2	8.83
Suburban	19,682	4,858.5	4.05
Suburban Edge	36,731	11,461.2	3.20
Rural Center	1,770	605.2	2.94
Diversified Rural*	6	6.6	0.91
Rural Residential*	1	1.6	0.63

**Results likely due to misalignment of all combined geographies.*

APPENDIX B

Community designations

Regional land use policies are framed around common characteristics of communities. These common characteristics are the basis for community designations. As part of the regional development guide, community designations work in concert with land use policies to guide growth in areas with urban infrastructure; establish distinct land use policies and density expectations; protect agricultural land and natural amenities; and outline strategies to meet the region's forecasted growth. Community designations are further used to plan and implement regional policies at the local level.

Imagine 2050 builds upon the foundation of community designations by categorizing communities based on defining characteristics essential for effective regional planning. These community designations are informed by key variables that guide the development towards areas equipped with the necessary urban infrastructure. They set specific land use and density expectations crucial for managing spatial development while preserving agricultural lands and natural amenities essential for sustainable regional growth.

Key variables used to define community designations include:

- **Age of infrastructure:** Acts as a proxy for the infrastructure's overall condition and anticipated service life.
- **Planned residential density:** Extracted from 2040 local comprehensive plans; this variable helps in anticipating future growth patterns.
- **Intersection density:** Serves as an indicator of connectivity, urban form, and accessibility within the community.

By incorporating these main variables, Imagine 2050's designations are tailored to implement regional policies effectively at the local level, accommodating projected growth in a structured and foresightful manner (Figure 1). Community designations not only support the planning of local policies but also help implement these strategies effectively, accommodating the region's projected growth in a sustainable and efficient manner.

Process

To establish community designation in Imagine 2050, Met Council staff examined Thrive MSP 2040 community designations, identified areas of improvement, and compiled proposals for new community designations. The project team worked in collaboration with the Met Council's Land Use Advisory Committee, an external focus group of local planners, and an internal group of technical experts during this process. The engagement efforts have helped narrow down the possibilities, better understand local needs, and analyze potential impacts.

After extensive feedback, there was consensus among the groups that areas outside of the Metropolitan Urban Service Area (MUSA) with rural designations should remain unchanged in order to better reflect the long-term effect of policies in these designations. Areas within the MUSA were further explored for refinements.

The project team evaluated the variables considered in Thrive MSP 2040 designations, as well as new variables recommended by the stakeholders. Among the variables considered, the following were excluded from the analysis due to lack of regionwide data, duplicative material, binary information, no significance to the data, or because their inclusion could bias the outcomes by predetermining the results:

- Localized flooding

- Significant ecological areas
- Groundwater infiltration areas
- Municipal water supply system source
- Drinking water vulnerability
- Transitways
- Redevelopment opportunities
- Forecasts
- Job/employment density
- Prime agricultural soil
- Land surface temperature
- Previous designations
- Percentage of developable land (percent developed)

In turn, the project team in collaboration with the stakeholders identified the following as the main variables for identifying community designations within the MUSA:

- Age of infrastructure
- Planned residential density (from 2040 local comprehensive plans)
- Intersection density

Figure 1: Draft 2050 Community Designations

