



Date: November 2, 2022

To: Shakopee City Council and Planning Commission

From: Scott County and Scott Community Development Agency (CDA)

Re: Comprehensive Plan Amendment, Zoning Map Amendment, Preliminary & Final Plat, and
Vacation of City Right of Way Requests
Project Narrative – Community Land Trust Single-Family Housing Proposal

Property ID#s: 279130670, 279130680		
Request	Current Designation	Proposed Designation
Comprehensive Plan Amendment	Open Space	Suburban Residential
Zoning Map Amendment	RR, Rural Residential	R-1B, Urban Residential
Preliminary and Final Plat	N/A	N/A

Property ID#: 279130680
Request
Vacation of City Right of Way

Summary

In partnership with the Scott County Community Development Agency (CDA), Scott County respectfully submits a request for preliminary and final platting for the subject parcels under the ownership of Scott County near the intersection of Eagle Creek Boulevard (County Road 16) and County Road 18. In support of the plat, Scott County requests a Comprehensive Plan Amendment from Open Space to Suburban Residential and Zoning Map Amendment from RR, Rural Residential, to R-1B, Urban Residential. Scott County also requests vacation of City of Shakopee right of way east of 8650 Moraine Drive over an existing emergency access route. The purpose of these requests is to utilize excess developable County-owned land to support the creation of 10 detached single-family residential lots for use in the Scott CDA's Community Land Trust program.

Site Overview

The County owns approximately 4.6 acres of developable land at the subject location along with several acres of non-developable land associated with right of way and stormwater ponding for the adjacent transportation network. At one time, a portion of the developable land at the northwest corner of Eagle Creek Boulevard and County Road 18 was preserved for possible highway improvements; however that option is no longer supported as adjacent land has developed and traffic patterns have shifted from County Road 18 to County Road 21 after that highway opened in the 2010s, reducing the need for major realignments to this intersection.

To support the need for additional housing opportunities within Shakopee and to maximize the use of developable land, the CDA and Scott County have developed preliminary and final platting for a housing development on the subject parcels. The proposed concept would require changes in land use and zoning designation. The current land use designation of Open Space does not support the ability to maximize the developable land potential beyond open land and right of way purposes. In addition, the RR, Rural Residential Zoning designation does not support the ability to utilize adjacent city sewer and water services and the local road connection (Moraine Drive) from the adjacent Glacier Estates development. The preliminary and final plat are for 10 lots with single family detached housing in conformance with the R-1B, Urban Residential zoning district standards. The R-1B zoning district and development of the property as single family homes would be consistent with neighboring properties and the City's comprehensive plan which supports single family housing options in this area as urban services are extended.

The County's funding for the proposed land development is through the American Rescue Plan Act (ARPA), which is intended to address negative economic impacts caused or exacerbated by the COVID-19 pandemic. Extending city water and sewer services to this site for development supports the CDA's and County's efforts to expand housing opportunities for families and can help address local housing market supply constraints experienced during the pandemic.

Addressing the Housing Need

In Scott County, home values have increased 26 percent between 2000 and 2019 while wages have increased by 9 percent. New housing stock has been increasing over the past few years, but still does not meet demand as the housing industry has been slow to recover from the Great Recession. The COVID-19 pandemic has further impacted the housing industry as workforce and supply chain constraints persist.



OWNER HOUSEHOLDS

40,993 | 83% of all households

Home value, 2000: \$238,132

Home value, 2019: \$299,700



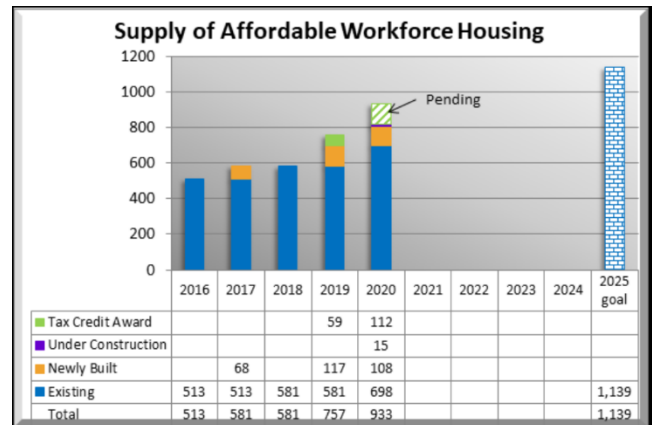
value up 26%

Owner income, 2000: \$105,642

Owner income, 2019: \$114,756



income up 9%



Source: Minnesota Housing Partnership, 2021 Scott County Profile

Source: Scott County

While housing supply issues remain, demand has accelerated leading to major increases in housing costs especially during the pandemic. The increase in costs for building new units leads to fewer units being economically within reach for more families. Multifamily housing developments do help meet the affordability and supply needs, but many families continue to desire single family home ownership. While all housing product types are in demand, workforce housing for families is needed to support the growing employment in Shakopee.

The proposed single family housing trust development would address the need to support a more affordable home ownership option for households that are on the cusp of transitioning from rental housing to homeownership. In addition, the development would expand the single family housing stock variety and assist in moving the county further toward its 2025 goal to increase the supply of workforce housing for families.

Community Land Trust Model

As the current landowner, the County proposes to plat the land, establish the lots, and install public infrastructure (water, sanitary sewer, sidewalks, and roadway). Once developed, the land would be transferred to the Scott CDA for use in its Community Land Trust Program. The CDA would build the new homes and sell them to eligible buyers.

The community land trust model represents an alternative that can assist households to bridge the gap between rental home and traditional home ownership. The CDA has been building this new program over the past few years and currently has a trust home in Shakopee with others being pursued in Savage. The land would remain under the ownership of the CDA, separating the appreciation of land and building values to maintain housing affordability. In the future, homeowners would have the ability to sell their homes at a restricted price (lower land values) but would be able to realize appreciation from improvements they make while living in the house.

Adding workforce single family housing stock through the community land trust model will allow several families the opportunity to transition from renting to home ownership. Stable housing for families leads to several benefits for their children, including consistency in schooling (less moving around to different homes and schools), reduced need for educational support and social services, and the ability to create generational wealth. This also supports a stable workforce for businesses within Shakopee over time.

Scott CDA and Scott County are pleased to collaborate with the City to bring some needed single-family housing stock variety to support Shakopee families. Please refer to the submittal materials for more information about the Scott CDA Community Land Trust program, the proposed site concept, and housing options that are being explored. As requested, the comprehensive plan amendment and zoning map amendment support the ability to add housing stock to the City consistent with the zoning standards of adjacent properties and maximizes the use of adjacent utility services planned to serve this site.

Thank you for your consideration.

Sincerely,

Julie Siegert

Executive Director

Scott CDA

Lisa Freese

ARPA Program Director

Scott County