2030 COMPREHENSIVE HOUSING PLAN

City of Lake Elmo, Minnesota
HOUSING ELEMENT

The 1990 Lake Elmo Comprehensive Plan contained no specific Housing Element, but did address the basic data related to housing (1970 Census, 1980 Census and 1988 Metropolitan Council estimates). Little specific policy or planning period strategy regarding housing resources was included with the 1980 Comprehensive Plan.

Little additional research or analysis regarding Lake Elmo Housing resources has taken place since the preparation of the 1990 Comprehensive Plan, other than the annual April Metropolitan Council estimates of the most basic housing and population data.

The State Statute that becomes the foundation for the inclusion of a Housing Element in the Lake Elmo Comprehensive Plan is Minnesota Statutes 473.859.

Inventory – Numbers and Types
As with any Comprehensive Plan Element, the task of addressing future goals, whether those goals are community-based or State/Region mandated begins with determining the current quantitative status of the community in relation to those goals. Historically, only US Census data; or, a special community housing survey were sources for the data required to establish the current housing resources of a community. Census data is only valid at a specific point in time every 10 years – April 2000 now being the last valid Census data available, with only Metropolitan Council annual estimates of certain housing data as an attempt to provide currency to that data. Specific community housing surveys often suffer from the need to rely on projected data from limited sampling.

Lake Elmo, as well as all communities within Washington County, has until recently had access to data of the County Assessor through the Washington County Geographic Information System. Not only was the data available from the dbase files supporting the GIS graphics current (within 30 days on some data, but not longer than 12 months on other data), it is also complete, with no sampling issues or error factors to consider.

As of January 1, 2000 the Lake Elmo housing resource included 1,948 Homesteaded dwelling units – assumed to be owner occupied. In addition to, and not included the foregoing, 505 units of manufactured housing are located in Lake Elmo – all within the Cimarron Manufactured Housing neighborhood.

The Washington County GIS dbase did not provide information regarding rental housing resources. Since no housing dedicated to rental has been constructed in Lake Elmo since 2000, that Census data likely remains valid regarding dwelling units occupied as rentals within the community.
Table 1

<table>
<thead>
<tr>
<th>2000 Gross Rent</th>
<th>Reported Rental Units – 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>$150-$199</td>
<td>0</td>
</tr>
<tr>
<td>$200-$399</td>
<td>8</td>
</tr>
<tr>
<td>$400-$499</td>
<td>10</td>
</tr>
<tr>
<td>$500-$549</td>
<td>18</td>
</tr>
<tr>
<td>$550-$649</td>
<td>11</td>
</tr>
<tr>
<td>$650-$749</td>
<td>0</td>
</tr>
<tr>
<td>$750-$999</td>
<td>2</td>
</tr>
<tr>
<td>$1,000 or More</td>
<td>2</td>
</tr>
<tr>
<td>No Cash Rent</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>68</strong></td>
</tr>
</tbody>
</table>

The majority of the rental units reported in 2000 were single family detached dwellings or manufactured housing. Because of this, it is possible that units reported as rental in 2000 may also be reported as homesteaded in 2000 data.

Subject to the foregoing, combination of 2000 rental housing data with 2000 home ownership data and 2000-2005 non-rental unit data in Table 1:

Inventory - Value and Affordability

From a 2000 interview with the Cimarron Manufactured Housing neighborhood manager of the homes will service a requires a low of $6,800 to a maximum of $74,800 – lot not included. The rental value is $491 monthly. That lot rent value calculated at 5.5% over 30 years of a mortgage of $106,631. Taken together (unit value + monthly lot rent) range from $118,431 to $181,431. An average 2005 value could be computed at $149,131.

As of May, 2005 the Metropolitan Council Housing Division reports that the Homeownership Price Affordability Approximation was $193,700. The said Metropolitan Council data indicates that the “Inclusionary Housing Program” Homeownership Affordability level of 60% was $145,200.
Table 2 - Summary of Lake Elmo Existing Housing Affordability – April, 2005

‘Owner-Occupied’
+ Percent

<table>
<thead>
<tr>
<th>Averaged Manufactured Housing</th>
<th>April, 2005 Units</th>
<th>Total of</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - $145,700</td>
<td>122</td>
<td>7.01%</td>
</tr>
<tr>
<td>Less Than $193,700</td>
<td>816</td>
<td>30.46%</td>
</tr>
</tbody>
</table>

By the logical inclusion of the Cimarron Manufactured Housing neighborhood homes in the Lake Elmo home ownership inventory, the percentage of “80% affordable” home ownership housing in Lake Elmo is imputed to be 31% as of April, 2005.

The value of rents reported in 2000 has little validity in 2005. Since virtually all the 2000 (and 2005) rental activity in Lake Elmo is made up of unidentifiable individual units (or, at best, duplex arrangements – some legal, some not) no accurate picture of 2005 rental values is possible. There are no single landlords of blocks of multiple rental units available to confirm the level of 2005 rents in the community.

Ownership/Affordability Compared to Neighboring Cities
The 2000 Census reveals the following median owner-occupied housing unit values for Lake Elmo and each of its 7 neighboring cities/townships:

- Lake Elmo - $225,900
- West Lakeland - $284,700
- Baytown - $275,000
- Oak Park Heights - $148,400
- Grant - $247,600
- Oakdale - $137,200
- Pine Springs - $255,200
- Woodbury - $174,300

Of the 7 cities/townships with which Lake Elmo shares borders, 4 exhibit median home values in excess of Lake Elmo’s and 3 exhibit median home values less than Lake Elmo’s.

Currently, no publicly subsidized housing is located within Lake Elmo other than 6 units of “group housing.”

Inventory – Age Composition
The most recent age composition data available is found in the 1990 Census, as follows:
Table 3 - Lake Elmo Age Composition – 2000 Census

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total 2000 Count</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-19</td>
<td>2130</td>
<td>31.2%</td>
</tr>
<tr>
<td>20-24</td>
<td>319</td>
<td>4.7%</td>
</tr>
<tr>
<td>25-34</td>
<td>640</td>
<td>9.4%</td>
</tr>
<tr>
<td>35-49</td>
<td>1964</td>
<td>28.8%</td>
</tr>
<tr>
<td>50-64</td>
<td>1245</td>
<td>18.3%</td>
</tr>
<tr>
<td>65-74</td>
<td>326</td>
<td>4.8%</td>
</tr>
<tr>
<td>75+</td>
<td>126</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

Compared with data from the 1990 Census, the age grouping between 22 and 34 has lost population while all age groups over 34 and the 10-17 age group have gained population. It is apparent that the City has attracted new residents that are somewhat older and with middle school and high school age children during the 1990-2000 decade. That is likely the outcome of the “move up” level housing that was constructed in the City during the decade.

Table 4 - Inventory – Age of Current Housing Stock
From 2000 Census data, the age of the Lake Elmo existing housing stock may be summarized as follows:

<table>
<thead>
<tr>
<th>Pre-1970</th>
<th>69</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970 or later</td>
<td>10</td>
</tr>
<tr>
<td>Pre-1960</td>
<td>526</td>
</tr>
<tr>
<td>1960 or Later</td>
<td>2,017</td>
</tr>
</tbody>
</table>

Inventory – Housing Rehabilitation
While no specific survey or studies have been completed, the Lake Elmo Building Official has served the community for several years, and is familiar with the exterior (windshield) condition of the housing stock. He reports that, regardless of age, the housing stock is uniformly in “Good” to “Excellent” condition, based upon the measures defined by the Local Planning Handbook.

The majority of the pre-1980 housing stock is located in the Tri-lakes and Old Village Planning Areas. These were the geographic areas of East Oakdale Township and historic Lake Elmo that were initially “urbanized” due to the popularity of Lake Elmo, DeMontreville, Olson and Jane Lakes. The Tri-lakes Planning Area is heavily influenced by the increasing favor and escalating values of lakeshore property in the Metro Area. The result of this influence has been demolition of summer cabin type and other pre-1980 housing, and replacement of those units with newer (and more substantial) new residences. In other cases pre-1980 residences have been substantially renovated, in keeping with the enhanced locational value.
The Old Village Planning Area presents a somewhat different picture. The locational influence of Lake Elmo (the water body) results in the same rehabilitative factors found in the Tri-lakes Planning Area. In addition, and perhaps even more of a factor in the Old Village Planning Area, is the demonstrated care of individual homeowners to upgrade and maintain the homes, regardless of age of build. There is not a government sponsored or funded rehabilitation program in existence that can replace this factor.

The balance of Lake Elmo’s pre-1980 housing stock is small in numbers and scattered among the 20 square miles of the City not a part of Tri-lakes or the Old Village. Here pre-1980 housing is primarily present or former farmsteads. Some of these residences date from the late 19th Century. Many have undergone numerous upgrades and rehabilitations over the past 100 years, and remain “safe, decent and sanitary.” Because of the unique architecture of some of these older residences, substantial expense and efforts have been invested in restorations, with spectacular results.

**Inventory – Current Housing Vacancy Rates**
The City does not track vacancy rates of housing.

**Housing Affordability**
The foregoing Housing Inventory sections suggest the following with respect to affordable housing in Lake Elmo:

1. Lake Elmo has for years (at least since the consolidation with East Oakdale Township) provided a sizeable resource of housing that remains affordable to not only those earning 80% of the Metro Median Family Income, but also to those earning less than 60% of the Metro Median Family Income – all ownership housing, which is generally considered to be the most desirable.
2. The age composition of Lake Elmo’s residents has changed sufficiently to suggest housing more suitable for older age groupings should be considered in the near future.
3. It is likely that the existing Lake Elmo affordable housing stock is serving as a significant Regional resource today, and will continue to so serve many years into the future.

**Mix of Housing Types**
As the Housing Inventory section details, Lake Elmo has not historically been considered a location suitable for a variety of housing types. The vast majority of housing has been, is, and will continue to be single family detached in type. It would be inaccurate, however, to characterize the existing and planned homogeneity of housing types as exclusionary policy by the City. It rather appears that the forces of the market place for housing bear directly on this outcome. The following three considerations will act to influence mix of housing types during the planning period:

1. The Cimarron Manufactured Housing neighborhood represented over 20% of the Lake Elmo housing resource in the Year 2000. While those housing units may not feature “party walls”, those same units, by living area and
neighborhood/structure design (as well as affordability) certainly qualify as alternative housing types to single family detached.

2. In an effort to accommodate life cycle housing within the City, the Open Space Development Zoning (Cluster Housing) Ordinance, adopted in 1996, includes a provision that allows up to 25% of the units within an OP development to be the “townhouse” type (attached housing).

Townhouse housing types have been City-approved components of several of the OP neighborhoods approved by the City since the OP Ordinance was adopted. Virtually all residential development approved by the City since 1996 has been responsive to the OP Ordinance. No OP development application has been denied based on the proposed inclusion of attached housing within the formula prescribed.

The developers of one half of the OP neighborhoods with approved townhouse components since 1996 have returned to the City with development approval amendments to reduce or eliminate the townhouse components, because townhouses could not be successfully marketed.

3. The Land Use Element of the 2005-2030 Comprehensive Plan includes Policy and Plans for the geographic area of the City referred to as the “Old Village Area.” New housing resources within this limited (in scale) planning area are, at this point, simply described as “Village Scale”, with no reference to housing types. Any future senior-specific housing in Lake Elmo will be best accommodated within the Old Village Area due to proximity to goods, services, and public facilities. The combination of senior housing needs and village scale housing density may result in attached housing of some description.

Development/Redevelopment Densities and Mixed Use
Existing bus transit and potential future commuter rail both geographically focus on the Old Village planning area of Lake Elmo. Old Village Area plans and policy affirmatively emphasize both retention of the historic housing densities (“Village Scale”), and retention and enhancement of the historic existing mixed-use character of the Old Village. Any future feasibility for increased transit applications for Lake Elmo is clearly complimented by the Old Village Area plans and policy portion of this Comprehensive Plan.

Employment/Housing Linkages
The 2005-2030 Land Use Plan prescribes a 2030 Lake Elmo employment total of 13,000 in relation to a population of 24,000 – a ratio of 1 employee per 1.84 residents. This compares with Regional Development Framework ratios of 1:2.52 for Oakdale and 1:2.27 for Woodbury. With the exception of Oak Park Heights (with a high prison employment), Lake Elmo will, by 2030, host more jobs per capita than any of its 7 neighboring communities.
The majority of the employment that will be created in Lake Elmo will be located in the I-94 corridor south of 10th Street North. Not only will this be an ideal location from a Regional transportation perspective, the Lake Elmo 2005-2030 Comprehensive Plan also specifies approximately 3,600 new residential dwelling units within the same corridor to compliment the 700 existing residential units now located there. By 2030 there will be nearly as many residents with the Lake Elmo I-94 corridor as there will be employees – linkage.

**Concentrations of Lower-Cost and/or Substandard Housing**

As reported elsewhere by this Housing Element, Lake Elmo has a sizeable resource of lower cost housing, in relation to its total housing resources. As also reported, there are no existing concentrations of substandard housing in Lake Elmo.

The Cimarron Manufactured Housing neighborhood is now nearly 40 years old. The neighborhood remains well maintained and otherwise cared for by its residents and owners. Scattered individual dwelling units may be in need of improvements - short of safe, decent, and sanitary problems. Continued vigilance by the neighborhood owners, residents and the City must be maintained if Cimarron Manufactured Housing is to remain the valuable housing resource that it is today, and has been for decades. Rehabilitation of individual units, as well as the existing private common septic and water supply systems, will likely become required during the planning period ending in 2030. To that end, the City has reserved 500 REC units of Regional sewer capacity to service the Cimarron Manufactured Housing neighborhood to be utilized at a point during the planning period when major improvements to the Cimarron Manufactured Housing “package” waste water treatment system will be required.

**Comparison with Other Communities**

Lake Elmo’s historic housing development has been well documented elsewhere in this Housing Element. The future housing stock of Lake Elmo will be and partially an extension of the existing residential development patterns and partially residential development at urban densities serviced by Regional wastewater treatment.

The housing trends of neighboring communities have not had a discernable impact on the Lake Elmo housing resource – in many cases, by Lake Elmo design. The policy-makers of our neighbors – Woodbury, West Lakeland, Baytown Township, Oak Park Heights, Grant and Oakdale – have made local residential development strategy choices, ranging from suburban with Regional Sewer to Permanent Estate Ex-urban. Due, in part, to the influence of historic development patterns and based on the choices of local elected leaders, Lake Elmo has adopted a 2005-2030 housing development strategy that embraces and extends those historic patterns – both ex-urban and urban. The ex-urban residential development pattern is, and will be, the more efficient cluster style resulting in significant Preserved Open Space and streets/utilities designed for minimizing City maintenance and replacement expense in the future.

**Relationship to Regional Plans and Policies**

Policy 4 of the 2030 Regional Development Framework addresses Regional policies
regarding housing. The 2005-2030 Lake Elmo Comprehensive Plan responds to those policies affirmatively, as follows:

1. Maintenance of the existing housing stock as a safe decent and sanitary resource.
2. Focused efforts (including connection to Regional Sewer) to maintain the significant affordable housing resource represented by the Cimarron Manufactured Housing Manufactured Housing Neighborhood.
3. The 2005-2030 Land Use/Staging Plan provides new opportunities for both affordable and life cycle housing in the Old Village Area by 2007, and in the I-94 Corridor in later years.
4. The Comprehensive Plan by both Planning Policy and Land Use/Staging clearly recognizes the need for the City to address senior housing in the Old Village and/or the I-94 Corridor.
5. The Land Use Plan for the I-94 Corridor affirmatively addresses the linkage between place of residence, employment, and existing transportation infrastructure.