

# Committee Report

Community Development Committee



**Committee Meeting Date:** February 2, 2026

**For the Metropolitan Council:** February 11, 2026

## Business Item: 2026-19

Metropolitan Urban Service Area (MUSA) Implementation Guidelines Update

### Proposed Action

That the Metropolitan Council adopt the 2026 MUSA Implementation Guidelines as shown in Attachment 1, replacing the current Metropolitan Urban Service Area (MUSA) Implementation Guidelines.

### Summary of Community Development Committee Discussion/Questions

Senior Planner MacKenzie Young-Walters presented the staff report to the Committee. The Committee asked for additional clarifications regarding the proposed land use inefficiency surcharge. Staff explained that the need for a study and possible surcharge would be based on a mandate to provide service to an area not planned for future service and which could not support the efficient expansion of urban services. Staff noted that this is anticipated to be a rare event and that most connections of failing subsurface treatment systems would be handled under other policies relating to individual and communal systems. Staff further clarified that the surcharge would be unique to each situation based on the individual circumstances related to required connection. Finally, the Committee requested additional information on how the revenue generated from the surcharge would be used and staff agreed to provide additional information on that topic as part of the Committee Report on this item.

This is not a wastewater surcharge, but rather a *land inefficiency* surcharge, that would be a reflection of how development patterns inconsistent with regional policy have impacted overall direction of growth and development in the region or subregion. A surcharge would be credited to the Council's general fund and could be directed to uses across the different policy areas of the regional development guide to advance regional goals, such as addressing environmental issues, housing issues, or other issues that might be identified as being impacted by specific circumstances related to the mandated connection being studied. The study determining if a surcharge should be charged and the amount of the surcharge would contain information that would help guide decisions on how to best utilize the funds to mitigate the identified land use inefficiencies.

The Committee expressed concern that overly strict application of the proposed guidelines could lead to cities needing to amend their comprehensive plans in response to extremely minor deviations between the land use plan and final development, especially during the period where there is a moratorium on amendments to the 2040 Comprehensive Plans. Staff acknowledged the concern and responded that focus was not on minor deviations where a portion of a development crosses a line, but rather on larger developments where there are large shifts and discrepancies between the planned land use and the final product.

The Committee noted that while public ownership may result in better maintenance, ownership does not impact the land use function of stormwater pond. They asked for clarification on why staff is proposing different treatment for private and publicly owned ponds when both are equally undevelopable. Staff agreed that the land use function was the same, but noted that Imagine 2050

contained environmental goals and that staff believed it was reasonable to use land use policy to encourage better environmental outcomes.

The Community Development Committee unanimously approved the proposed action at its meeting on February 2, 2026.



# Business Item

Community Development Committee



**LUAC Meeting Date:** January 15, 2026

**Community Development Committee Meeting:** Feb. 2, 2026

**Metropolitan Council Meeting:** Feb. 11, 2026

## Business Item : 2026-19

Metropolitan Urban Service Area (MUSA) Implementation Guidelines Update

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Minn. Stat. § 473.854 Imagine 2050, Land Use Objective 1, Policy 2, Action 2.2
<b>Staff Prepared/Presented:</b>	MacKenzie Young-Walters, Senior Planner, Local Planning Assistance (651-602-1373)
<b>Division/Department:</b>	Community Development / Regional Planning

### Proposed Action

That the Metropolitan Council adopt the 2026 MUSA Implementation Guidelines as shown in Attachment 1, replacing the current Metropolitan Urban Service Area (MUSA) Implementation Guidelines.

### Background

Local comprehensive plans for communities with regional wastewater service must identify the timing and staging of lands available for urban development through the planning horizon in 10-year stages. In many cases, communities also identify areas planned for longer-term urbanization, described as urban reserve areas or long-term service areas. Any areas planned to accommodate regional forecasted growth are expected to ultimately achieve a minimum net residential density based on the jurisdiction's community designation when wastewater services become available. These policy expectations are defined in Imagine 2050.

To ensure an adequate supply of developable land to accommodate future regional growth, the Council continues to monitor the region's land supply. Through local comprehensive plans and plan amendments, the Council tracks the designation of guided land uses, ensures consistency with minimum density policies in sewerred areas, and plans for areas with current or future regional service needs (i.e. MUSA). In addition, the Council continues to administer the Plat Monitoring Program, which tracks and reports annually on density trends of residential development in communities primarily designated as Suburban Edge although also the program also includes some Rural Center and Suburban communities.

### Summary of Committee Review

#### *Land Use Advisory Committee*

This item appeared as a business item on January 15, 2026, Land Use Advisory Committee (LUAC) agenda. LUAC reviewed the proposed updates to the MUSA Implementation Guidelines

and 11 members voted to adopt the proposed action with 1 member voting against the proposed action. Committee members asked what cities were requesting for density averaging and why the Council was not recommending permitting it. Staff explained that cities utilize multiple land uses to signal a desire for a mixed product neighborhood and then use Planned Unit Development (PUD) zoning to control what develops within the development without necessarily matching that zoning to the specific areas established by the land use plan. State law requires spatial consistency between land use and zoning and states that inconsistencies between the two must be resolved by a Comprehensive Plan Amendment. Staff noted that this is existing policy which is being incorporated into the MUSA Implementation Guidelines to increase clarity and transparency.

The LUAC also requested staff clarify when the land use inefficiency surcharge could be charged and who would pay it. Staff stated the surcharge would only be considered for areas where the Council has never planned to provide sanitary sewer service and that the surcharge, if charged, would be based on a study evaluating the unique characteristics of the area to be served. Staff also explained that the surcharge would be charged to the city.

Previously, this item had appeared as an information item on the November 20, 2025, LUAC agenda. The LUAC was supportive of the proposed changes. The LUAC asked if there were concerns that an initial phase of a development would be constructed but that subsequent phases would not be developed as proposed. Staff responded that this concern is one of the reasons that cities are not allowed to average density across land uses and that the proposed language requires a comprehensive plan amendment if the development is subsequently amended to no longer be consistent with the comprehensive plan.

The LUAC noted instances of cities needing to step in and maintain privately owned stormwater ponds. Staff indicated that concerns around the standard of maintenance for these facilities was one of the factors that led to the differing treatment between publicly and privately owned stormwater ponds in the proposed MUSA Implementation Guidelines.

Finally, the LUAC requested clarification on how areas not currently planned for growth would be treated if they became the subject of a development proposal. Staff replied that a comprehensive plan amendment would be used to assign a land use and bring the site into the appropriate MUSA staging period, with the relevant sections of the MUSA Implementation Guidelines being used to ensure consistency with regional policy.

### *Community Development Committee*

This item appeared as an information item on the November 3, 2025, Community Development Committee (CDC) agenda. The CDC was largely supportive of the proposed changes, especially appreciating the increased flexibility, clarity, and transparency of the updated guidelines. The CDC asked if there were areas of flexibility that cities have requested that are not included and staff responded that elements like infrastructure directly serving the development (i.e. all local roads) or open space under private ownership were examples of flexibility that was requested but is not being proposed for consideration. Staff emphasized that the guidelines consistently draw distinctions between public and private as well as city-wide and development-specific benefits.

The CDC requested that staff clarify how situations would be resolved where there was not agreement between a city and the Council over a MUSA expansion. Staff described how cities would be able to demonstrate need, swap out areas, and clarified that known developments were considered to have met the demonstrated need criteria.

Finally, the CDC requested that the Environmental Committee provide input on the proposed land use inefficiency surcharge. They indicated a need for additional information to fully evaluate the proposal. Staff clarified that this policy did not create a specific charge but only sets up the ability for the Council to do so in the future if the situation is merited. In all cases, any charge would be based on studies and the unique circumstances involved with the connection. Staff also stated that this was not an add-on to the Sewer Availability Charge (SAC) but was related to the inefficient use of land that occurs when areas are not developed consistent with Council policy. This item appeared before the Environmental Committee on January 13, 2026, for additional discussion.



## *Environment Committee*

This item appeared as an information item on the January 13, 2026, Environment Committee (EC) agenda. The EC discussion revolved around the proposed land use inefficiency surcharge. A question was asked as to why this was being proposed now when it was not present in previous guidelines. Staff responded that as more communities' systems have aged and started to fail, the Council is seeing more requests for connections to serve failing systems. Staff felt it was important to ensure that we had mechanisms in place to protect the efficiency of the regional system in the case where we are mandated to connect to a system that cannot be sewerred efficiently.

Committee members expressed support for ensuring that mandated connections did not negatively impact the efficiency of the regional system and for making sure that there was not a "backdoor" present allowing for communities that have not developed in accordance with regional policy to receive sanitary sewer service. The EC stressed that it was important that any land use inefficiency surcharge be flexible and based on the unique circumstances of the mandated connection in question. Finally, they conveyed that it was important that any studies associated with a mandated connection not unduly delay providing service in cases where there were environmental risks.

## **Summary of Local Government Engagement**

### *Regional Planning Advisory Group*

The proposed changes were presented to members of the Regional Planning Advisory Group on December 2, 2025. Members asked several clarifying questions regarding the differing treatment of roadways where the right of way is obtained by easement versus by plat and if sewer easements over larger municipal lines could be deducted under the proposed policy. Staff responded that all local and collector roadways should be included in density calculations for greenfield developments, while acknowledging that in practice right of way granted by plat is typically not considered to be part of the development by cities and developers.

Staff also noted that only easements over regional sewer infrastructure can be deducted as city owned easements, even those over larger diameter pipes, are part of the local infrastructure. Finally, participants asked for clarification on why the Council does not permit net density to be averaged within a development. Staff explained that state law requires land use maps and zoning maps to be consistent, and that adopting zoning that allows for densities or product types not permitted by an area's established land use creates an inconsistency.

### *Local Government Focus Group*

The proposed changes were discussed with a focus group on November 12, 2025, and on December 19th. The focus group was comprised of planners from Blaine, Hugo, Victoria, Andover, Norwood Young-America, Elko New Market, Woodbury, Rosemount, Medina, Plymouth, and Corcoran. The group asked several clarifying questions regarding how expansion requests would be evaluated but generally were comfortable with the proposed process.

There was a robust discussion around areas that were proposed for exclusion from density calculations. Specifically, members felt strongly that all stormwater ponds should be excluded regardless of ownership. Their position centered around requirements for ponds as infrastructure that cannot be removed or redeveloped. Since cities would ultimately be responsible for maintaining the infrastructure if the private owner was negligent, they did not believe that ownership is relevant to the pond's impact on the density of the development. That is to say, the same acreage is rendered undevelopable regardless of if the city or a private entity owns the easement. Staff maintains that throughout the proposed guidelines a distinction is made between public and private ownership, and that public ownership ensures appropriate maintenance and ensures that ponds do not become co-mingled with private amenities.

There was also extensive discussion around the provision allowing for the exclusion of local right of way from infill developments. Participants did not object to the proposed policy but stressed the need for a definition for infill development, noting that there is not a single accepted definition within the planning field and that there could be cases where a city and the Council disagree on if a



development is or is not infill. Staff agreed with their concern and have included a proposed definition in the proposed Update to the MUSA guidelines.

Participants also noted that they have not historically included right of way that was previously platted when determining the net density of greenfield developments and that they were concerned that needing to research the history of parcels to determine original ownership would significantly increase the cost and time of developments. They clarified that county owned right of way is often completely omitted from development calculations, especially when it was dedicated by plat rather than easement. Staff indicated that there was not the expectation that cities would do an historical analysis of existing platted road right of way to determine if it had been included in density calculations at the time of dedication. Based on these concerns, staff further evaluated the nature and role of collector right of way in the regional highway system. Ultimately, staff concluded that collector right of way serves a regional function and should not be included in residential density calculations.

Finally, participants indicated that the Council's current practice of not allowing density to be averaged within a development does not align with how cities review and approve developments. They noted that they use planned unit developments and density transfers to create neighborhoods that fall within an area's overall density range, even if it does not geographically align with the comprehensive plan's future land use map. They believe that if the PUD governing a development is consistent with the density and type of uses established by the development's land uses, the zoning is consistent with the comprehensive plan. They expressed concern that requiring a geographic alignment of the zoning and land use maps leads to a proliferation of minor comprehensive plan amendments that can slow or even prevent development. Council staff acknowledge their concern, especially as it related to the super majority vote required for a comprehensive plan amendment; however, the Council's position is that since land use maps and zoning maps both have geographic components and need to be consistent, approving zoning that falls outside the density range of or which allows product types not permitted by the guided land use for an area does require a comprehensive plan amendment.

### **Update Process**

In October of 2004, the Council adopted the initial "Guidelines for Evaluating Plan Amendments Proposing Changes to Metropolitan Urban Service Area (MUSA) Timing Staging." In early 2007, the Metropolitan Council and Metro Cities' staff discussed the guidelines relative to the density calculation and amended them for use in the 2008 comprehensive plan reviews. The Council revised these implementation guidelines in 2017 to reflect the policies of Thrive 2040 and in 2023 to provide additional clarity. With the adoption of Imagine 2050 and its associated MUSA policies, the Metropolitan Council again needs to update the MUSA Implementation Guidelines to reflect the policies and priorities adopted in Imagine 2050.

This update focuses on integrating Imagine 2050's policies into a clear and transparent process for evaluating development within the MUSA, providing some flexibility for communities as they grow over time, and ensuring that the practices and procedures related to comprehensive plans and plan amendments are clear. The Land Use Policy chapter of Imagine 2050 outlines specific direction in Objective 1, Policy 2, Action 2.2 as follows:

1. Requests must meet system conformance requirements and maintain consistency with regional policies and goals.
2. Proposed additions must demonstrate a need for additional land supply, including the need for a change to adopted forecasts. The Metropolitan Council will review requests to ensure a 20-year rolling land supply considering both regional and local market demand.
3. For local governments already served by regional wastewater services, planned sewer-serviced densities must be consistent with regional density policy for the applicable community designation, including existing planned densities and the planned densities for the new area to be served.



4. Any previous conditions related to Metropolitan Council authorization of a comprehensive plan or plan amendments must be fulfilled and program participation (Plat Monitoring Program, building permit survey, etc.) must be current and complete.
5. Past performance must meet density expectations. The Metropolitan Council will consider a shorter look-back period for performance and/or measure performance against rules in place at the time.
6. When calculating land capacity, the following will be excluded: publicly protected areas, water bodies, wetlands, steep slopes, areas with limited depth to bedrock, depth to water table, and areas protected by public ownership/easement.

In addition to codifying these criteria, the updates to the MUSA Implementation Guidelines will explicitly address how phased developments and sewer extension permits are evaluated for consistency by the Metropolitan Council. The goal of incorporating these elements is to create a resource that clearly conveys to our local partners how the Metropolitan Council calculates density and what they need to do to demonstrate consistency with regional policy.

### **Changes from 2023 Guidelines**

Many of the changes between the current guidelines and the proposed guidelines are either clarifications of existing policy or are additions in response to the Imagine 2050 policies listed above. Substantive changes are described below. Both the 2023 guidelines and the proposed guidelines can be found as attachments to this report

#### ***Plat Monitoring***

Provisions relating to the Plat Monitoring Program were updated to reflect the proposed shorter lookback period for the Program and to clearly state how it will be used to determine consistency with regional density policy. Staff's analysis shows that most Plat Monitoring Program participants will have additional flexibility under the proposed revisions.

#### ***New Areas Excluded from Density Calculations***

The MUSA Implementation Guidelines incorporate new policy direction from Imagine 2050, clarify policy implementation, add flexibility for communities, and consolidate the Council's density policy in one location. The changes result in increased flexibility for communities in how they can structure their developments and in what areas can be excluded from net density calculations. Specifically, the following are now eligible to be netted out:

1. Areas where there is insufficient depth to bedrock or water table.
2. Publicly owned and maintained stormwater best management practices (BMP)s.
3. Publicly owned conservation/preservation easements.
4. Collector right of way (previously only arterial right of way could be removed)
5. Existing local right of way (for infill developments only)

These additions have been requested by communities to recognize development constraints that are largely outside of their control, as a way of incentivizing the protection of natural systems and open spaces, promote connected neighborhoods, and to mitigate the challenges associated with infill development, all in alignment with the overall goals of Imagine 2050. In all cases, the Metropolitan Council differentiates between private and public amenities and only permits publicly owned features to be deducted from density calculations. The proposed updates require elements that predominately/exclusively benefit the development in question be included in the net density calculations, but allows for features benefiting the region or community as a whole to be excluded.

These updates also propose allowing pre-existing local right of way to be deducted from the net density calculations for infill developments. This proposal recognizes the unique challenges that can be encountered when a city attempts to redevelop an area with an existing street grid that can constrain site layout. These challenges often emerge when developed cities attempt to build "missing middle" housing in established neighborhoods; the proposed flexibility should reduce the barriers that these proposals can encounter.



### ***Determining Consistency with Regional Policy***

The guidelines have been updated to clarify what documentation the Metropolitan Council uses to evaluate different requests for consistency with regional policy. The most significant change is that the Metropolitan Council is proposing using preliminary rather than final plats to review projects with multiple phases/stages for consistency with Council policy. This change is being proposed in recognition of the fact that cities review development proposals for consistency with their comprehensive plan at the project level rather than at the phase level. This means that a project that in total falls within the density range stated in the City's land use plan may have an individual phase that falls outside of the range, so long as the project is consistent. Aligning our level of review with our local partners will ensure that any consistency issues raised by the Council are the result of a true misalignment between the development and the land use plan, rather than from where a developer chooses to break up a project's phases.

While this will give cities additional flexibility in how they configure lots within a guided land use, it will not allow for cities to average out density between land uses within a project. For projects with multiple land uses, each phase will still need to independently meet the requirements of its respective land use.

### ***Demonstrating Need***

The guidelines have been updated to incorporate Imagine 2050's requirement that proposed additions to the MUSA demonstrate the need for additional land supply. The guidelines clarify how cities can demonstrate a need for additional land supply, and the various factors the Metropolitan Council will consider in approving requests to expand the MUSA. The Metropolitan Council recognizes that the presence or absence of Orderly Annexation Agreements can impact where the MUSA line is and proposes guidelines to ensure that communities can expand in a manner consistent with their forecasted growth.

### ***Failing Subsurface Treatment Systems (SSTS)***

The existing policy language around failing SSTSs has largely been carried forward. An additional provision is proposed to clarify how the Metropolitan Council would accommodate service extension to a city or area with a development pattern inconsistent with regional policy if the Council were to be directed to provide such services. In these cases, the proposal requires that the connecting area meet regional policy to the maximum extent practicable and states that the area could be subject to a land inefficiency surcharge. The Council has been directed to manage the growth and development of the region in an orderly and economical manner, which also relates to land use. The intent of this approach is to ensure that areas which have developed in a manner consistent with Council policy do not subsidize areas which have developed in a manner inconsistent with Council policy.

This proposal would establish a framework for the Council to evaluate the costs of inefficient land use and development patterns on the regional system. This surcharge is separate and distinct from the Sewer Availability Charge (SAC) and would only be considered in cases where the Council was directed by another entity to extend sanitary sewer to a city or area with a development pattern inconsistent with regional policy and which cannot reasonably be expected to meet regional policy. The intent of the land inefficiency surcharge is both to offset the additional costs to study and plan for extending service as well as account for the regional impacts of inefficient land uses, including but not limited to the need to plan for growth to be accommodated in other communities, the additional costs to extend urban services when needed to bypass low-density neighborhoods, and limiting land availability within proximity to existing urban services, among other impacts.

Due to the complexity, unique nature, and rarity of these cases and their impacts on the region and regional systems, this provision allows the Council to conduct analysis to determine the appropriateness, scale, and amount of any land inefficiency surcharge that may be warranted. It is anticipated that mandated connections to the regional system triggering this provision would be very uncommon.



## **Next Steps**

If the proposed action is adopted, the proposed 2026 MUSA Implementation Guidelines will go before the Metropolitan Council on February 11, 2026.

## **Imagine 2050 lens analysis**

On February 12, 2025, the Council adopted Imagine 2050. As part of its implementation of Imagine 2050, the proposed programmatic updates aim to advance the core responsibilities for the Council in the Metropolitan Land Planning Act as well as Imagine 2050 regional goals and adopted Land Use policies. The 2026 MUSA Implementation Guidelines update specifically carries out the direction identified in the Land Use Policy chapter of Imagine 2050, Objective 1, Policy 2, Action 2.2.

## **Funding**

This is an existing program update and the changes proposed do not include direct funding.

## **Attachments**

Attachment 1: 2026 Metropolitan Urban Service Area (MUSA) Implementation Guidelines

Attachment 2: MUSA Implementation Guidelines 2023



## Revised Attachment 1: 2026 Metropolitan Urban Service Area (MUSA) Implementation Guidelines

### 2026 MUSA Implementation Guidelines

1. The city's planned overall net residential density for areas planned to accommodate forecasted growth within the relevant staging period(s), including the new area to be served, must be consistent with regional density policy for the applicable community designation.
  - a. For cities enrolled in the Plat Monitoring Program, the Council will calculate net residential density by combining the average net density of the city's last 10 years of actual platting or the average net density of the city's last 10 plats, if fewer than 10 plats have been recorded in the last 10 years, and the lowest allowable density on land identified to support forecasted growth for the relevant staging period. Cities may elect not to have their plat monitoring program data included in the calculations.
  - b. For cities not enrolled in the Plat Monitoring Program, the Council will calculate net residential density using the lowest allowable density on land identified to support forecasted growth for the relevant staging period(s).
2. The following will not be included in the city's planned overall net residential density calculations:
  - a. Lots that have failing individual sub-surface sewage treatment systems (SSTS) and no on-site alternative SSTS locations. The city shall provide documentation from a licensed SSTS inspector confirming the failure of the existing system and the existing conditions on the site that prohibit the installation of a new SSTS. Failing communal systems are not covered by this policy and will be included in density calculations.
  - b. Acreage that is undevelopable due to:
    - i. State or local ordinances which prohibit development (i.e. steep slopes, wetlands, wetland buffers, waterbodies, etc.)
    - ii. Insufficient depth to bedrock or water table.
    - iii. The presence of publicly owned and properly maintained stormwater BMP facilities that do not encroach upon or modify an existing natural resource. Facilities owned and maintained by homeowners associations and other private entities are not covered by this policy and will be included in density calculations. Drainage and utility easements along lot lines are not covered by this policy and will be included in density calculations.
    - iv. The presence of publicly owned parks and open space. Parks and open spaces owned by homeowners associations and other private entities are not covered by this policy and will be included in density calculations.
    - v. The presence of arterial or collector right of way. Right of way for local streets is not covered by this policy and will be included in density calculations.
    - vi. The presence of Council sewer easements, gas pipeline, and high voltage transmission line easements. Drainage and utility easements along lot lines are not covered by this policy and will be included in density calculations.
    - vii. The presence of publicly held conservation/preservation easements.

Conservation/preservation easements held by homeowners associations and other private entities are not covered by this policy and will be included in density calculations.

### 3. MUSA Expansion Requests

- a. MUSA expansion requests will only be approved for cities that meet Guideline 1 above and that have fulfilled all previous conditions relating to the Council authorization of a comprehensive plan or comprehensive plan amendments and city participation in Council programs (Plat Monitoring Program, building permit survey, etc.) must be current and complete.
- b. When a MUSA expansion request is associated with a known development, an approved preliminary plat may be used to determine the areas eligible for exclusion for planned overall net residential density calculations under 2.b above. Environmental Reviews (AUARs, EAWs, etc.) as well as concept plans, ghost plats, and other similar exhibits may not be used.
  - i. If this area is subsequently replatted or the final plat results in a net residential density no longer in conformance and consistent with regional policies and goals, a sewer permit will not be issued for the development until the city amends its comprehensive plan to remedy the conformance/consistency issue.
- c. When a MUSA expansion request is not associated with a known development with an approved preliminary plat, the city's Future Land Use Map and relevant available data will be used to determine the areas eligible for exclusion from planned overall net residential density calculations under 2.b above.
- d. MUSA expansion requests not associated with a known development or failing SSTS must demonstrate the need for additional land supply. This can be done through demonstrating a need to amend adopted forecasts or by demonstrating that additional land is needed to maintain a 20-year rolling land supply considering both regional and local market demand.
  - i. If a city cannot demonstrate the need for additional land supply, the city may propose removing acreage in other areas from the MUSA such that there is no net increase to MUSA in the current planning horizon, or another solution mutually agreed upon by the Council and city.
- e. MUSA expansion into areas governed by Orderly Annexation Agreements and identified for accommodating forecasted growth during the relevant staging period will be considered to have demonstrated a need for additional land supply.
- f. MUSA expansion into area areas annexed by a city but not governed by Orderly Annexation Agreements must demonstrate a need for additional land supply unless:
  - i. The city's forecasted growth includes an assumption of annexing adjacent lands not governed by Orderly Annexation Agreements during the relevant staging period; or,
  - ii. The annexation is associated with a known development.
- g. When a MUSA expansion request is necessary as a result of requirements by another regulatory agency, the local government requesting the MUSA expansion may be required to pay for studies, infrastructure, and costs associated with MUSA expansion. In cases where the average net density of planned future growth combined with the average net density of the new area to be served cannot meet regional density policy, an inefficiency

surcharge may be added to sewer connections within the jurisdiction to offset the density shortfall.

4. Sewer Extensions within the MUSA
  - a. Sewer Extension Permits will only be issued for developments that are consistent with regional density policy and the authorized local comprehensive plan.
  - b. To be found consistent with the authorized local comprehensive plan the net residential density must fall within the density range listed for the land use. If a development has multiple land uses, the net residential density within each individual land use must fall within the planned density range identified in the comprehensive plan. Net residential density may not be averaged within the development.
    - i. Net residential density will be determined by excluding undevelopable acreage described in 2.b above. In cases of redevelopment, defined as converting an existing built property into another use, that advances regional policy existing local right of way can also be removed from the calculations.
    - ii. If a development has a single phase/stage the final plat will be used to calculate net residential density.
    - iii. If a development has multiple phases/stages, the approved preliminary plat will be used to calculate net residential density. Environmental Reviews (AUARs, EAWs, etc.) as well as concept plans, ghost plats, Planned Unit Development Ordinances, and other similar exhibits may not be used. If this area is subsequently replatted or the final plat for a phase results in a net residential density no longer in conformance and consistent with regional policies and goals, a sewer permit will not be issued for the development until the city amends its Comprehensive Plan to remedy the conformance/consistency issue.
  - c. To be found consistent with the authorized local comprehensive plan the product types and allowable uses within the development must be consistent with those specified for the guided land use in the city's comprehensive plan.

# METROPOLITAN URBAN SERVICE AREA (MUSA) IMPLEMENTATION GUIDELINES

April 2023



## BACKGROUND

Local comprehensive plans for communities with regional wastewater service must identify the timing and staging of lands available for urban development through the planning horizon in 10 year stages. In many cases, communities also identify areas planned for longer-term urbanization, described as urban reserve areas or long-term service areas. These areas planned for new development are expected to ultimately achieve a minimum net residential density of 3 dwelling units per acre when wastewater services become available.

To ensure an adequate supply of urban land to accommodate future regional growth the Council continues to monitor the region's land supply. Monitoring includes tracking the designation of guided land uses, enforcement of minimum urban density standards in sewered areas, and planning for additional area in which the Council will ensure that regional services are provided (i.e. MUSA) in the next decennial round of comprehensive plans that extends the planning horizon an additional decade. In addition, the Council continues to run the Plat Monitoring Program, which tracks and reports annually on density trends of residential development in all Suburban Edge and Emerging Suburban Edge (formerly "Developing") communities.

In October of 2004, the Council adopted "Guidelines for Evaluating Plan Amendments Proposing Changes to Metropolitan Urban Service Area (MUSA) Timing Staging." In early 2007, the Metropolitan Council and Metro Cities staffs discussed the guidelines relative to the density calculation and the 2008 comprehensive plan reviews. The Council revised these implementation guidelines in 2007 and 2023 to be more flexible, more responsive to market forces, and to acknowledge the performance of individual communities in achieving the Council's policy for average minimum net residential densities.

## UPDATED GUIDELINES

1. The city's overall average net residential density for new development and redevelopment since 2000 must be a minimum of three units per developable acre. Determination of this density will be based on approved plats as reported in the Plat Monitoring Program, if needed.
2. The following will not be counted in a city's density calculation:
  - a. Replatted areas that were previously platted and reported in the Plat Monitoring Program.
  - b. Existing developments that are part of townships or areas being annexed from townships.
  - c. Areas that have failing sub-surface sewage treatment systems (SSTS) and no on-site alternative SSTS locations. The city shall provide documentation from a licensed SSTS inspector confirming the failure of the existing system and the existing conditions on the site that prohibit the installation of a new SSTS.
3. Failing communal systems are not included in provision 2.c (above). These areas will be included in density calculations.
4. Communities may receive credit for the installation of stormwater BMP facilities provided that the facilities are located on separate lots or outlots, are publicly-owned, properly maintained, and do not encroach upon or modify an existing natural resource.

## Comprehensive Plan Updates

In review of decennial updates to local comprehensive plans, the Council will calculate density consistent with the policies of the current metropolitan development guide as follows:

1. For communities that participate in the Council's Plat Monitoring Program, the Council will calculate density giving credit on a 1:1 basis for housing units platted or developed that yield an overall average density in excess of the applicable minimum net density required in the current metropolitan development guide. The housing unit credits will be applied to areas guided for the next decade of planned development on urban services and to any other proposed reguided areas.
2. For communities with platted development history, the Council will calculate density using an acreage average of the city's actual platting since 2000, the lowest allowable density on land guided for development for the next decade of planned development, and any reguided land within the community's current approved MUSA.
3. For communities without platted development history, the Council will calculate density using the lowest allowable density on land guided for development for the next decade of planned development and any reguided land within the community's current approved MUSA.
4. The Council will not include in the density calculations any remaining undeveloped land within the current approved MUSA in the city's existing comprehensive plan, with the exception of areas that are being reguided in the comprehensive plan update.