

Business Item

Community Development Committee



Committee Meeting Date: February 17, 2026

For the Metropolitan Council: February 25, 2026

Business Item: 2026-52

City of Dayton Unsewered Rural Residential Interim Use Comprehensive Plan Amendment, Review File 22507-4

District(s), Member(s):	District 1, Judy Johnson
Policy/Legal Reference:	Metropolitan Land Planning Act (Minn. Stat. § 473.175)
Staff Prepared/Presented:	Freya Thamman, Planning Analyst (651-602-1750) Angela R. Torres, Senior Manager (651-602-1566)
Division/Department:	Community Development / Regional Planning

Proposed Action

That the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

1. Authorize the City of Dayton to place its comprehensive plan amendment into effect.
2. Find that the amendment does not change the City's forecasts.
3. Advise the City to implement the advisory comments in the Review Record for Land Use.

Background

The amendment includes a new Unsewered Rural Residential-Interim Use, which only is allowed in post-2040 Sewer Staged parcels (Figure 4). This interim use allows unsewered residential at density of 2 units per 20 gross acres in a limited area of northern Dayton (Figure 3 and 4). The amendment indicates parcels eligible for Unsewered Rural Residential-Interim Use must follow the Met Council's *Flexible Residential Development Guidelines*. The submittal indicates that there are 24 parcels that are 20 acres or larger eligible for subdivision, allowing for approximately 100 dwelling units. The purpose of the amendment is to allow for Unsewered Rural Residential-Interim Use, at a residential density of 2 units per 20 gross acres in a limited northern Dayton where regional wastewater sewer service is not anticipated for many decades.

Rationale

The proposed amendment conforms to regional system plans, is consistent with Council policies, and is compatible with the plans of other local communities and school districts.

Thrive Lens Analysis

On February 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, the proposed amendment is reviewed against the land use policies in *Thrive MSP 2040*. To achieve the outcomes identified in Thrive, the metropolitan development guide defines the Land Use Policy for the region and includes strategies for local governments and the Council to implement. These policies and strategies are interrelated and taken together, serve to achieve the outcomes identified in Thrive.

Funding
None.



REVIEW RECORD

City of Dayton
Unsewered Rural Residential Interim Use Comprehensive Plan Amendment
Review File No. 22507-4, Business Item 2026-52

BACKGROUND

The City of Dayton is in northern of Hennepin County. It is surrounded by Ramsey, Anoka, Champlin, Maple Grove, Corcoran, Rogers, as well as Otsego and Elk River, which are located to the west in Wright County (Figure 1).

Thrive MSP 2040 (Thrive) designates Dayton with a Emerging Suburban Edge community destination and Imagine 2050 designates Dayton with a Suburban community designation. The Council forecasts from 2030 to 2050 that the City will grow from 11,300 to 16,700 population and 3,980 to 6,100 households. The Council also forecasts that between 2030 and 2050, the City's employment will increase from 2,120 to 4,300 jobs.

The Metropolitan Council acted on the City of Dayton's 2040 Comprehensive Plan ([Joint Business Item 2022-219](#), Review File No. 22507-1) on August 24, 2022. This is the third comprehensive plan amendment since the 2040 Plan was reviewed.

The Council adopted Imagine 2050 in February 2025. Consistent with the procedures adopted in [Business Item 2025-113](#), the Council is reviewing this item under both Thrive MSP 2040 and Imagine 2050.

REQUEST SUMMARY

The amendment includes a new Unsewered Rural Residential-Interim Use, which only is allowed in post-2040 Sewer Staged parcels (Figure 4). This interim use allows unsewered residential at density of 2 units per 20 gross acres in a limited area of northern Dayton (Figure 3 and 4). The amendment indicates parcels eligible for Unsewered Rural Residential-Interim Use must follow the Met Council's Flexible Residential Development Guidelines. The submittal indicates that there are 24 parcels that are 20 acres or larger eligible for subdivision, allowing for approximately 100 dwelling units. The purpose of the amendment is to allow for Unsewered Rural Residential-Interim Use, at a residential density of 2 units per 20 gross acres in a limited northern Dayton where regional wastewater sewer service is not anticipated for many decades.

OVERVIEW

Conformance with Regional Systems

The amendment conforms to the Regional System Plans for Parks, Transportation (including Aviation), and Wastewater, with no substantial impact on, or departure from, these plans.

Consistency with Council Policies

The amendment is consistent with *Thrive MSP 2040*, *Imagine 2050*, with the *Housing Policy Plan*, with water resources management, and is consistent with Council forecasts.

Compatibility with Plans of Adjacent Jurisdictions

The amendment will not have an impact on adjacent communities, school districts, or watershed districts, and is compatible with the plans of those districts.



PREVIOUS COUNCIL ACTIONS

- The Council acted on the City of Dayton’s 2040 Comprehensive Plan on August 24, 2022 ([Joint Business Item 2022-219](#), Review File 22507-1).
- The Council administratively authorized a transportation plan map amendment on August 8, 2023 (Review File 22507-2). The amendment revised the planned alignment of Fernbook Lane and Zanzibar Lane in the Plan and updated the associated maps.
- The Council administratively authorized the Opus Land Use comprehensive plan amendment on August 1, 2023 (Review File 22507-3). The amendment regulated 10 acres from Commercial to Industrial located at 17600 Territorial Road to accommodate a 132,100 square foot office/warehouse and distribution building.
- The Council reviewed the Dayton Mixed Use Development EAW on November 15, 2023 (Review File 22911-1). The proposed development consists of 32.2 acres with five commercial buildings totaling 130,000 square feet and one 200,000-square foot industrial building. The proposed project is located north of County Road 81 near the future intersection of French Lake Road West and Dayton Parkway.
- The Council reviewed the Parkway Neighborhood Project EAW on August 22, 2024 (Review File 22997-1). The proposed development consists of approximately 67 acres with 650 residential units, a commercial parcel with convenience store, gas station/car wash, and service retail buildings. The project will include a connection to the Rush Creek Regional Trail, recreational area, internal roads, parks, and stormwater features. The proposed project is located south of I-94 in the southwest corner of the City.
- The Council reviewed the DCM Farms EAW on February 12, 2025 (Review File 23044-1). The proposed development consists of 91 acres with approximately 267 detached residential homes (41 villa, 59 traditional single family, and 67 alley-style single family) and 43,680 square feet of commercial and retail uses. The proposed project is located south of 117th Avenue North and west of Fernbrook Lane.

ISSUES

- I. Does the amendment conform to the regional system plans?
- II. Is the amendment consistent with Thrive MSP 2040, Imagine 2050, and other Council policies?
- III. Does the amendment change the City’s forecasts?
- IV. Is the amendment compatible with the plans of adjacent local governmental units and affected jurisdictions?

ISSUES ANALYSIS AND FINDINGS

Conformance with Regional Systems

The amendment conforms to the regional system plan for Regional Parks, Wastewater Service, and Transportation with no substantial impact on, or departure from, these system plans. Additional review comments are included below.

Regional Parks

Reviewer: Colin Kelly, Community Development (CD) – Regional Parks (651-602-1361)

The amendment conforms to the 2040 Regional Parks Policy Plan and the 2050 Regional Parks and Trails Policy Plan. There are three units of the Regional Parks and Trails System in the northern portion of the City. Elm Creek Park Reserve and a planned segment of the West Mississippi River Regional Trail are adjacent to this area. The planned Diamond Lake Regional Trail traverses the area (Figure 1).

The amendment acknowledged the proximity of Elm Creek Park Reserve and Diamond Lake Regional Trail and noted that there will be no impact to the park reserve. Regarding the planned Diamond Lake Regional Trail, the amendment said, “when land is proposed to be platted, consideration is given to planned city and regional trail corridors. Right-of-way and trail easements

are accommodated.” Council staff agree with the assessment and appreciate that consideration was given to regional trail corridors and that trail easements were accommodated. The cover sheet for the supplemental information also acknowledges West Mississippi River Regional Trail.

The proposed addition of a new land use category will not adversely impact Elm Creek Park Reserve, the planned Diamond Lake Regional Trail, the planned West Mississippi River Regional Trail, or the Regional Parks and Trails system more broadly.

Wastewater Service

Reviewer: Roger Janzig, Environmental Services (ES) – Wastewater Planning (651-602-1119)
The amendment conforms to the 2040 Water Resources Policy Plan (WRPP) and the 2050 Water Policy Plan. The amendment includes a new "Unsewered Rural Residential-Interim Use", which only allowed in post-2040 Sewer Staged parcels (Figure 4). This interim use allows unsewered residential at density of 2 units per 20 gross acres. The amendment indicates that this are must follow the Met Council’s Flexible Residential Development Guidelines. The submittal indicates that there are 24 parcels that are 20 acres or larger eligible for subdivision, allowing for approximately 100 dwelling units. Any “Unsewered Rural Residential-Interim” dwelling units will utilize individual or subsurface sewage treatment systems (SSTs); therefore, there is no impact to the Metropolitan Disposal System.

Transportation

Reviewer: Joe Widing, Metropolitan Transportation Services (MTS) (651-602-1822)

The amendment conforms to the 2040 Transportation Policy Plan (TPP) and the 2050 TPP. The amendment is not anticipated to have any impact on any regional transportation systems. The change could result in approximately 100 new residential units spread in the rural area of Dayton. This would not pose an impact on the regional roadway system as the change is limited and diffused across many acres which will not generate significant new traffic. The amendment would not impact transit, nor would this result in densities which could support future transit operations. A density of 2 units per 20 acres would likely not see any additional pedestrian or bicycle infrastructure that was not a regional trail or Regional Bike and Transportation Network (RBTN) alignment for longer distance cycling or recreation. There are no freight considerations or impacts from this amendment. There are no regional aviation facilities near the subject sites and no considerations for regional aviation.

Consistency with Council Policy

The amendment is consistent with Council policies for forecasts, land use, housing, and water supply. Additional review comments are detailed below.

Forecasts

Reviewer: Todd Graham, CD – Research (651-602-1322)

The forecast-related content is consistent with regional policy. For reference, the Council’s current approved forecasts are included in Table 1 below.

Table 1. Metropolitan Council City of Dayton Forecasts

Category	Census 2020	Current Approved Forecast		
		2030	2040	2050
Population	7,212	11,300	13,800	16,700
Households	2,438	3,980	5,000	6,100
Employment	1,063	2,120	3,020	4,300

[Community Pages - Local Planning Handbook](#)

Land Use

Reviewer: Freya Thamman, CD – Local Planning Assistance (651-602-1750)

The amendment is consistent with regional policy for land use. Thrive MSP 2040 identifies the entire city within the Emerging Suburban Edge community designation, and Imagine 2050 designates the city as Suburan Edge (Figure 2). This designation is within the early stages of

transitioning into urbanized levels of development, which may include extensive undeveloped land planned for low to medium residential densities along with some areas guided for industrial and commercial uses. Communities in this designation are also required to ensure the efficient use of land when planning for and approving new developments.

The amendment includes a new Unsewered Rural Residential-Interim Use, which only is allowed in post-2040 Sewer Staged parcels (Figure 4). The amendment allows for Unsewered Rural Residential-Interim Use, at a residential density of 2 units per 20 gross acres in a limited northern Dayton where regional wastewater sewer service is not anticipated for many decades (Figure 3 and 4). The amendment indicates that parcels are eligible to be rezoned to A-3 Agricultural and to be subdivided with a maximum density of two units per 20 acres, consistent with the comprehensive plan. The amendment indicates parcels eligible for Unsewered Rural Residential-Interim Use must follow the Met Council's Flexible Residential Development Guidelines. These Guidelines preserve areas where post-2040 growth can be provided with cost-effective and efficient urban infrastructure. The City's associated ordinance indicates that eligible areas may have an interim density of 2 units per 20 acres, where only 25% of the developable land may be developed with the remaining 75% for future wastewater services. It also requires the developer to record a restrictive covenant on the land.

The submittal indicates that there are 24 parcels that are 20 acres or larger (Figure 4) that would be eligible for Unsewered Rural Residential-Interim Use, allowing for approximately 100 dwelling units (on 1,059 gross acres/ 794.8 net acres). The amendment is consistent with the Council's Flexible Residential Development Guidelines preserving land in Dayton to accommodate future urban services. The amendment only applies to areas with post-2040 urban services staging and does not change the City's overall net residential density.

Advisory Comments

The City's 2040 Plan has planned and stage development for forecasted growth through 2040 and beyond at overall average net densities of at least 3-5 units per acre, which is consistent with Council's land use policy. The amendment indicates that the Unsewered Rural Residential-Interim Use must use Flexible Residential Development Guidelines, which protect land for future (post-planning period) wastewater service. Please note, as indicated in Imagine 2050, the Flexible Residential Development Guidelines will be evaluated for alignment with regional goals and policies in Imagine 2050. As the City works on its 2050 Plan, due December 2028, it should consider any changes or updates to the Council's Flexible Residential Development Guidelines.

Housing

Reviewer: Olivia Boerschinger, CD – Housing (651-602-1327)

The amendment is consistent with the housing policy. The amendment does not impact the City's inventory of land guided to support the development of low- and moderate- income housing. The amendment does not inhibit the City from implementing their housing element nor from promoting sufficient land to address their share of the region's affordable housing need for 2021-2030.

Water Supply

Reviewer: John Clark, ES – Water Supply (651-602-1452)

The amendment is consistent with the 2040 WRPP and Imagine 2050 WPP for water supply and policies related to sustainable water supplies. This amendment does not impact Dayton's water supply information or Local Water Supply Plan.

Compatibility with Plans of Adjacent Governmental Units and Plans of Affected Special Districts and School Districts

The proposed amendment is compatible with the plans of adjacent jurisdictions. No compatibility issues with plans of adjacent governmental units and plans of affected special districts and school districts were identified.

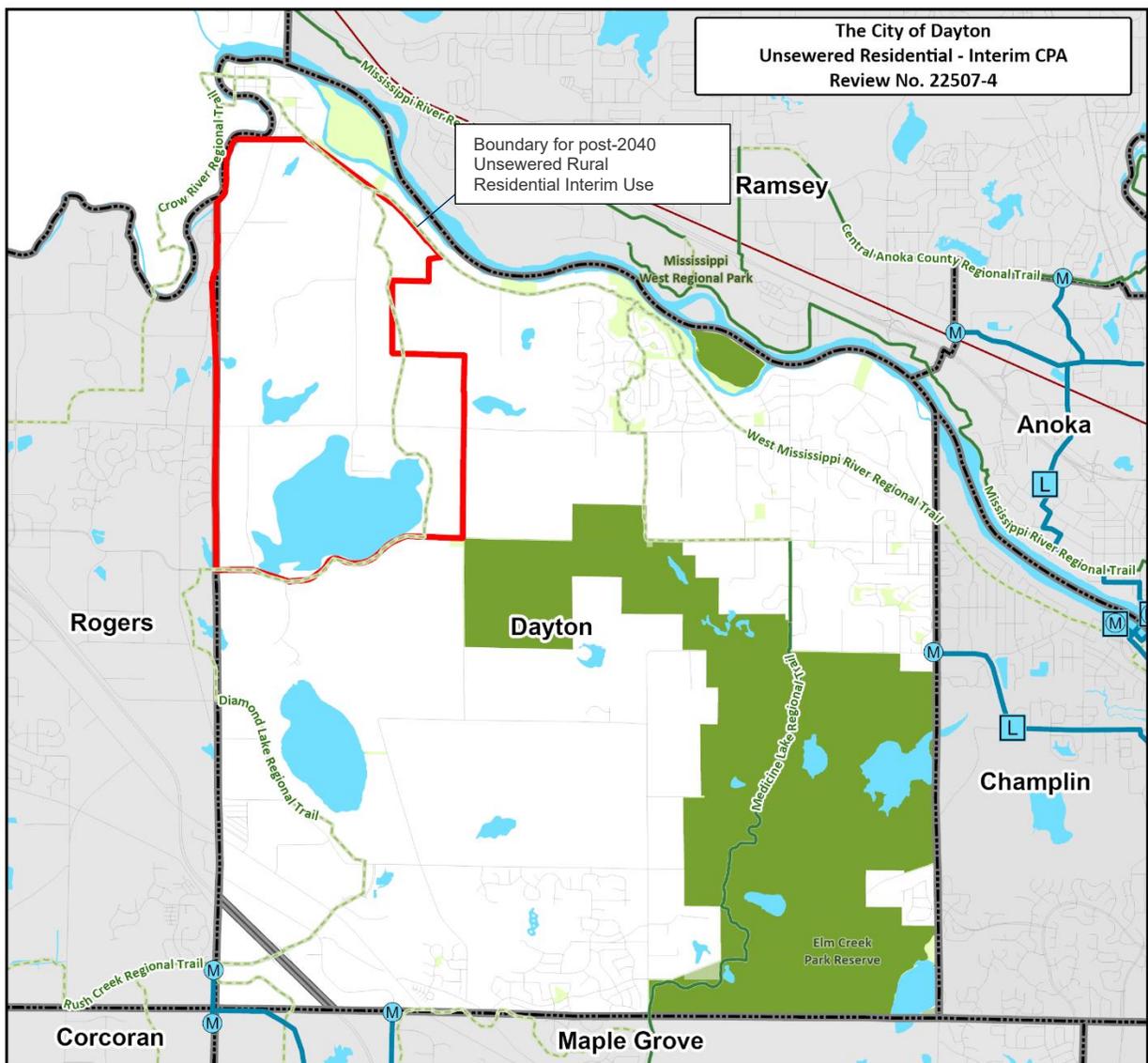


ATTACHMENTS

- Figure 1: Location Map Showing Regional Systems
- Figure 2: Location Map Showing Community Designation
- Figure 3: Future Land Use Map
- Figure 4: Staging Map Showing Parcels Eligible for Post-2040 Unsewered Rural Residential Interim Use

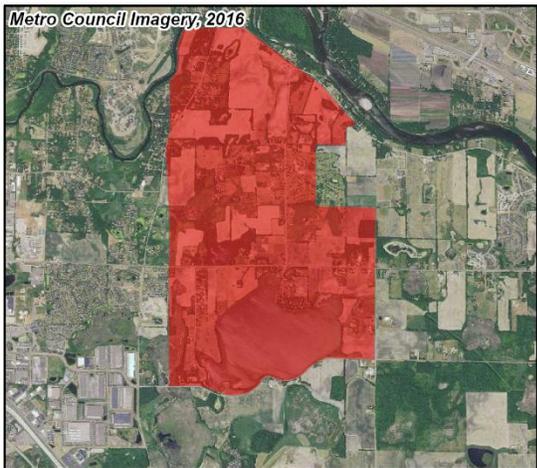


Figure 1. Location Map Showing Regional Systems



The City of Dayton
Unsewered Residential - Interim CPA
Review No. 22507-4

Boundary for post-2040
Unsewered Rural
Residential Interim Use



Regional Systems

Regional Transitways

- Existing
- Planned Current Revenue Scenario
- Potential Increased Revenue Scenario

Wastewater Treatment

- M Meters
- MCES Interceptors
- L Lift Stations
- WTP MCES Treatment Plants

Regional Highway System

- Interstates
- US Highways
- State Highways
- County Roads
- Road Centerlines

Regional Parks

- Existing (Open to Public)
- In Master Plan (Not Open to Public)
- Planned Units
- Other Parks, Preserves, Refuges and Natural Areas

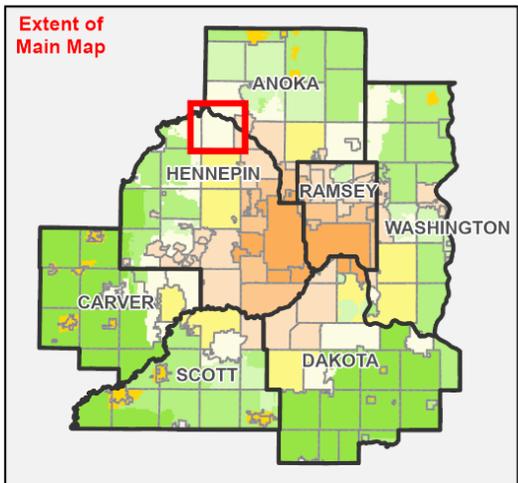
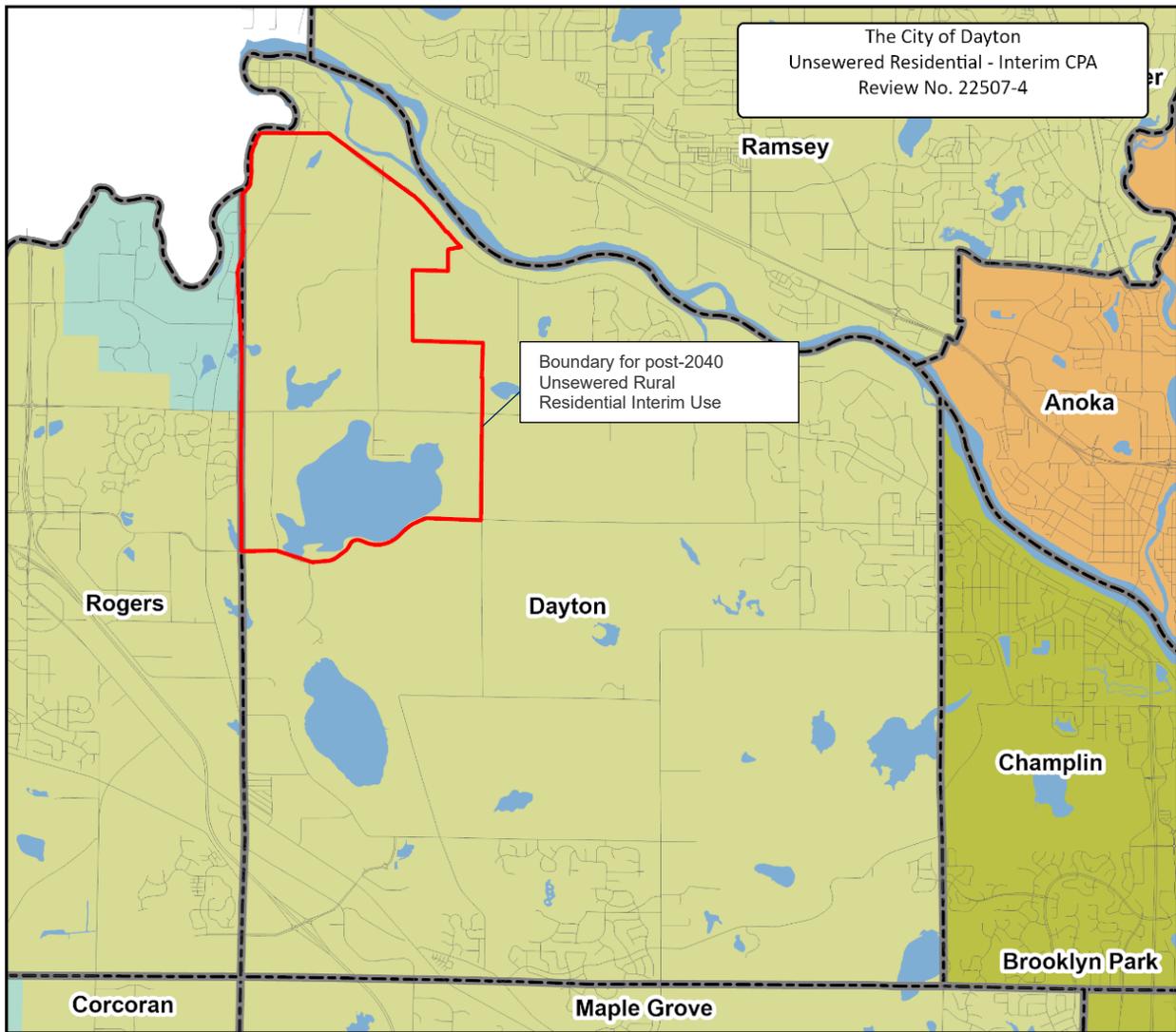
Regional Trails

- Existing (Open to Public)
- Existing (Not Open to Public)
- Planned Regional Trails
- Regional Trail Search Corridors



Metropolitan Council

Figure 2. Location Map Showing Community Designation



Imagine 2050 Community Designations

- Urban
- Urban Edge
- Suburban
- Suburban Edge
- Rural Center
- Diversified Rural
- Rural Residential
- Agricultural
- Non-Council Community

Figure 3. Future Land Use

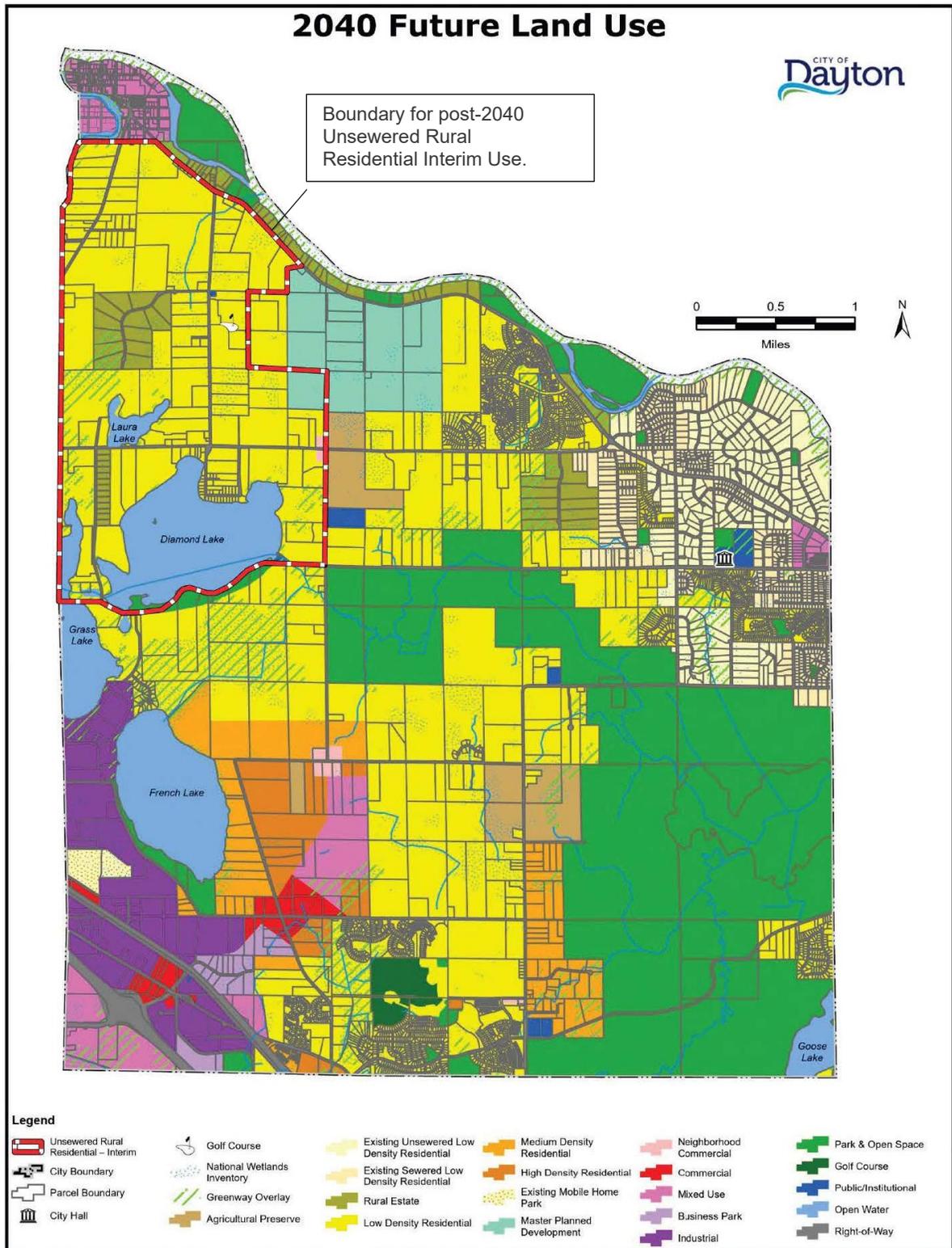


Figure 4. Staging Map Showing Parcels Eligible for Post-2040 Unsewered Rural Residential Interim Use

