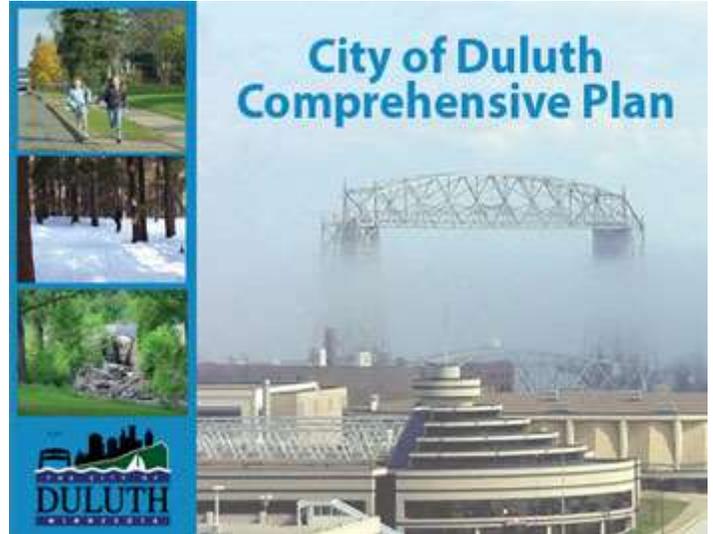


Transition 2006 to 2017

What factors led to the Imagine Duluth 2035 Comprehensive Plan update, and what trends and changes highlighted the need for updated direction and planning?

Background

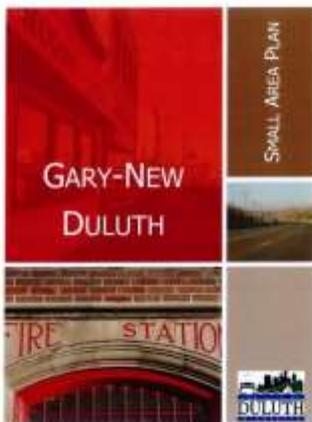
It's hard to believe that it was 10 years ago since we adopted the plan. We've seen a good deal of success in renewed development after both the 2008 recession and the 2012 flood, our success is growing along with our economy and population. Duluth is a jewel at the Head of Lake Superior with many natural vistas and wonderful experiences for both visitors and residents. And that's another reason to refresh our planning minds, as a number of residents were not living in Duluth in 2005 and 2006, or did not get the opportunity to participate in the process of thinking about Duluth's future.



The start of the Imagine Duluth 2035 process was to revisit the vision and 12 governing principles to determine if anything should be added. A couple of new principles were considered and the Vision Committee added a principle about fairness and a statement regarding health, as a City we've focused on healthy neighborhoods in our past few neighborhood Small Area plans. These two new principles were added leading to the adoption of 14 governing principles that guide the City's comprehensive development and delivery of services to the residents.

Small Area Plans

The 2006 Comprehensive Land Use plan called for the additional planning work in the form of ten Small Area plans, a process of diving into more complex issues contained in a neighborhood portion of the City. The City has completed 8 Small Area (neighborhood) plans that have been adopted as appendices to the 2006 Comprehensive Plan. These plans lead to Future Land Use map and Zoning map changes. Also, the 2006 Plan called for two Master Area Plans, the former U.S. Steel site and the Western Port Area Neighborhood (Irving & Fairmont) Plan. The City recently completed the Western Port Area Neighborhood plan with resource support from the U.S. Environmental Pollution Agency.



Another useful tool for focusing on neighborhoods is the "Neighborhood strategic plans" supported by the Local Initiative Support Corporation, a national intermediary supporting neighborhood revitalization. These grassroots neighborhood strategic plans provide analysis and strategy ideas for implementation steps with city initiatives and for use by other local collaborative partners. The focus of these plans has primarily been the Morgan Park, West Duluth, Lincoln Park and Hillside Neighborhoods.

General Development

The 2006 plan called for a number of actions to direct how development proceeds in the city. One way to do so is through adoption of zoning overlays, which are a tool for directing development that was identified in the 2006 plan for protecting certain properties. One addresses historic properties and areas within the Higher Education section of the community. The most detailed overlay district was for sensitive lands. Unfortunately, the sensitive lands overlay lacks a quantitative development analysis aspect for guiding conservation developments or best management practices for privately held properties.

Another overlay discussed in the 2006 plan that was not fully developed was for viewsheds. This development tool was focused primarily on the important viewshed of Lake Superior and the St. Louis River from Skyline Parkway, but not the viewshed from the water up to the hillside. A more effective use of this tool in the Imagine Duluth 2035 process will be to provide development sequencing guidelines that provide an analysis framework for maximizing both protection and utilizing public and private property.

The Port Land Use Plan is a document that is prepared by the Metropolitan Interstate Committee (Metropolitan Planning Organization) for the purpose of meeting federal planning requirements. This document informs our planning process but may also differ in status of local land uses and zoning applications. The plan is first and foremost to support waterborne commerce in the multijurisdictional port area. Our comprehensive plan goes beyond that aspect and analyzes key connections between infrastructure and other modes of transportation in support of economic development and local employment.

The Imagine Duluth 2035 plan dives into a few key areas: Economic Development, Transportation, Residential Development patterns, Open Space, and Energy & Conservation. These topical areas have had some additional research since the 2006 Comprehensive Plan; there is a need to focus our goals to reflect that new data. These policy areas also led to the city's focus on housing and economic development improvements St. Louis River Corridor, and enhancing the community's overall sense of place through actions like development of a Parks Master Plan. Updated data will help the city over the next twenty years as its population, economy, and systems continue to grow and change.

Housing - "Where we live"

In 2006 the housing market for residential development was very robust with over 4,000 resales annually. Then Duluth, like the rest of the Country, experienced the recession of 2008 and the burst of the housing bubble. Since, the recession a number of factors tightened the residential market. First, the loss of contractors due to restrictions in funding and reduction of construction demand, this caused contractors and skilled labor to leave the market area. Second, the cost of construction rapidly increased and continues to increase, this reduces the ability to replace housing units affordably. Third, the lack of competition and poor soils continues to increase cost of new construction, the trade area has no production builders to meet a growing demand for new housing products. Fourth, the cost of extending infrastructure is prohibitive to do infill or new development adjacent to built areas at the current residential density patterns.

At a 2014 Duluth Housing Summit, a Maxfield Research study noted that the City needed an additional 4400 units by 2020 to meet employment and economic development demands. To date, 1200 new market rate housing units have been built or will be completed by September 2018. These include: Bluestone Lofts & Flats, Kenwood Village and Endi all of which are meeting a new market niche. The remaining gap in this housing need is to create additional affordable units.

The future residential development needs to be more intense or dense, with more units per acre. Meeting the City's housing goals, primarily affordable housing, means providing units in a fashion that is both cost effective and utilizing existing infrastructure. Increasing access to recreational opportunities and connecting people with efficient transit and bike options. These new developments should build a sense of place that connects people with desired services and cultural opportunities. Also, the community must embrace new models for housing and welcome the concept of housing choice for all people in every neighborhood. With the increase of people and households there will be increasing choices for both retail and service oriented businesses that are both locally owned and within a walkable distance. Another key factor in meeting the City's housing need is to continue the reinvestment into the existing housing stock to preserve neighborhoods and maintain quality.

Transportation - "How get from place to place"

The previous strategies in the Comprehensive Land Use plan were focused mostly on "auto-centric" policies. The focus on transit in that plan was secondary to movement of personal vehicles. The City has invested a lot of resources in reconstruction of roads, but the primary funding source for that activity changed and was dramatically reduced. The concept of "complete streets" was new to the community and resulted in untested challenges for different neighborhoods, how to plan for bicycles and pedestrians were not priorities.

The demographic change happening in the community led to becoming one of the fastest growing communities in the 20-35 age cohorts. This portion of the community relies more on bikes and walking for transport and this has resulted in focusing more by the public to invest in bike infrastructure and planning for this mode has become a commuting priority. Another aspect of complete streets is the pedestrian. The city investment in sidewalks has been very limited and has resulted in further infrastructure needs. More and more people are walking in the community to be healthier and to access services and transit. A major issue for pedestrians is in the winter time, the lack of snow clearance from those sidewalks. Another major factor for the pedestrian infrastructure in accessibility, so a focus on smooth and level surfaces has become more of a discussion point.



Being a long linear community has a number of challenges and opportunities for the city. Also, the construction of streets on bedrock and poor soils with elevation changes creates higher costs and the need for more maintenance. This configuration of streets makes the development of a transit system challenging to meet higher service demands. A key to developing a multi-modal transportation system is the presence of many modes. The city has all these modes present: rail, water, auto, bicycle, pedestrian, air and bus. Being able to capitalize on transportation corridors means maximizing the current infrastructure that is present to meet the growing needs and not stretching the communities tax base. This presence of mind to adopt new technologies in the area of transportation will be one the next major changes for society, electric vehicles are only the forefront of a new era that will include driverless vehicles, buses or other modes, such as a gondola.

Commerce and business depend upon transportation and freight logistics is a growing sector in the national economy with internet sales from anywhere in the county. Duluth is a nexus in rail, ship and air,

which most communities do not have present. Planning to capitalize on this competitive advantage is a major component for both transportation and economic development. As economic opportunities present themselves being ready with the table set for taking advantage of these job creation situations will continue to position the city for growth.

The City's policies towards transportation are evolving to be more people centric instead of auto-centric. There is a critical need to fix the aging street infrastructure, but that creates an opportunity to rethink the paradigm with a comprehensive complete streets policy. Another component of this paradigm will be evaluating the current network of street infrastructure and shrinking the overall maintenance by reducing the amount of street mileage and width to better accommodate a changing demographic that focuses on those connections to work, play and home and being stewards of our environment.

Economic Development - "Where we work"

In 2006, the Comprehensive Land Use plan lacked clear direction on how certain commercial sectors of our community needed to develop or redevelop. That is why the plan highlighted 10 Small Area plans and 2 Master Area plans. The City's Economic Development Authority was engaged in developing certain sectors of the local economy (aviation, technology and medical)

During the small area plan process a number of these included market area studies and analysis that helped to guide more focus on smaller commercial nodes, including examining the mall area and central entrance for growth potential. Also, this research phase has included an in depth retail market analysis for the entire city. The summary of that study was to focus on existing commercial areas and intensify the develop of synergistic uses.

The economic recession of 2008 proved to be a turning point for the City from a predominant resource based economy to a more diversified job base. The normal boom and bust cycles from the City's past were not as hard on Duluth as this event was on other communities. While this event was felt most directly in the housing sector, there was a short slowdown in business development. After 2010, the community experienced new opportunities with new construction of schools, housing and commercial buildings. A concentrated effort was made by the city in 2012 to develop a positive brand and worked to get the message out to the region both locally and across the state. This effort has resulted in both local investment and the attraction of developers from the twin cities.

A key focus on upgrading the Duluth International Airport to accommodate more air traffic and bolster the supporting aviation sectors lead to the redevelopment of the Maintenance Recovery Operation facility to attract AAR. The community also supported the continued growth of the Cirrus plane manufacturer to become the largest company in this industry. This success has led to a concentration of good paying jobs in the airport area.

For the city to continue the positive economic development momentum the focus of job growth and investment in the sectors of aviation, manufacturing, medical and education are key. An overall policy for all these sectors is making sure that the foundation is laid for capturing new technologies or innovations. Creating an environment that fosters the growth of these new technologies will be a key to becoming an economic leader within the region.

Another key area of growth for the community will be capitalizing on the geographic location as a transportation connector. Cargo and freight movement and logistics are a key competitive advantage

that partners like the Port Authority and Airport Authority are both focusing efforts today and will need for future success. Striking a key balance for manufacturing growth will depend upon that growth in freight logistics. New employment opportunities in this sector are going to be opportunities for the revitalization of underutilized sites that will provide opportunities for addressing blighted property and clean up issues.

The ever changing method of commercial transactions and the provision of services has been a national movement which has challenged both planners and economic developers. The new “crowd sourced” way of conducting business and purchasing goods and materials via the internet challenges the traditional storefronts of neighborhood centers. The future success of those neighborhood centers will depend upon creating an intensity of use. By providing more density of quick service retail (restaurants, stores and personal service items) in walkable easy to navigate facilities will provide more opportunities for buying local and living a healthier lifestyle. The introduction of “Core Investment Areas” to Duluth is the means to concentrate efforts and maximize infrastructure to meet the growing future demands. These Core Investment Areas will take precedence for investment of public resources to support private efforts.

Open Space - “Where we play”

In 2006 the city realized that unlike most built up communities, we do have a lot of land within the corporate boundaries. A lot of this land was undeveloped and vacant, meaning it was privately owned. In Duluth, 47% of city’s land area is “tax exempt”, that means it is either publicly owned (parks, schools, trails, etc.) or tax forfeit (state owned) due failure to pay property taxes. A lot of land that is tax forfeit lacks public infrastructure, such as roads, water, sewer; and would be fairly costly or difficult to develop.

Some of the tax forfeit land contains public resources, such as trails for biking, skiing, hiking, etc. and the ownership of that resource has not been fully delineated. The community’s investment of recreational resources is important to the residents and is utilized quite extensively. The ownership in the right public fashion is important to protect that investment. The constant friction with the State via the county is that so much of the tax base is limited by these uses. Growing a community’s tax base is important to provide public services, such as public safety, libraries and utilities. More financially sustainable communities have much less tax exempt land area to balance out growth and good planning. A key factor to preserving the taxable resources will be to clearly defining the ownership that is necessary to meet ongoing investment and ownership needs while still incentivizing reinvestment of tax base growth.

The community in 2012 experienced a flood that profoundly changed the landscape of a number of neighborhoods. That included impacting homes and businesses near streams along with the rapid water release downstream to the lake. A key take away from that event was to focus on resiliency in many forms, including right sizing infrastructure, purchasing homes near streams and other methods to promote stormwater retention. Development pressures in and near the miller hill mall area and above the hill continues to drive questions regarding how development aspects should be reviewed. A key outcome of the 2006 plan was to develop a sensitive lands overlay that provided some geographic guidance, but not from a development standard standpoint. Focusing on these landscapes is important and

Being land rich and challenged on a tax base side means the City has a high number of parks and open space for enjoyment by the residents. It also means the city is challenged for resources to do ongoing maintenance or improvements that would enhance the user's experience. The city has embarked upon a new process in developing collaborative partnerships with non-governmental organizations to meet a lot of the recreation user’s needs and create places for people to recreate and promote a healthy

lifestyle. One of the key issues with enjoying these recreational facilities is access to those sites, many neighborhoods are limited with direct access to certain recreational resources that seem to be adjacent to their residences. Also, the cost of the recreational activity can create a barrier to enjoyment of the facility or trail.

Many residents are seeking to relocate to our community for the recreational and open space opportunities. Capitalizing upon that resource from an access and user experience is a key for continued success in the future. Clearly, the future use of land resources and defining key ownership issues will be the focus to protecting critical sensitive areas.

Energy and Conservation - "How we preserve resources"

The City has long participated in energy and conservation programs, starting in 1998 with the adoption of a resolution for climate cities and a few different plans to reduce energy usage with public buildings. The City supported working in collaboration with Equilibrium 3 to assist homeowners to reduce energy consumption through efficiency rehabilitation work through the Duluth Energy Efficiency Program (DEEP), that was funded through the State of Minnesota.



There has been a lot of discussion regarding the science of "Climate Change" and the impact of carbon fuels as to the cause and effect of emissions. Mayor Larson in her 2017 State of the City address called for recognition of the science underpinning climate change and called for the City to reduce its carbon footprint. That importance of this issue to the administration lead to the inclusion of this topic within Imagine Duluth 2035 Reducing carbon footprint. Probably, the section of the City's policies that will have the most financial impact upon the community is this topical area.

There are many areas of technological advancement that will lead to reduced energy usage from power generation to daily in-home heating systems and living patterns. The challenge will be encouraging private businesses and residences to be more energy efficient that generates a fairly quick return on investment to justify the expense. Another point of community dialogue will be utilizing new technology for public spaces, whether that is message boards or public lighting. The new look of the signage or lighting will have an effect upon visual perceptions and the overall ambiance and feel of those spaces. Balancing these shared public goals and yet reduce energy consumption will be an on-going discussion.