

III. HOUSING

East Bethel is a rural community with housing that predominately consists of large-lot, single-family homes. Recent interest in the community for a more diverse housing stock (i.e. multi-family, town homes, and senior housing) with areas of higher density per acre as part of the City Center development, are more consistent with the community being classified as a rural growth center. The plan for the City to have a state-of-the-art wastewater treatment facility is a critical element of the plan for a more varied housing stock. The City is developing appropriate zoning classifications that reflect this change while maintaining, for the most part, larger lots of a minimum of two acres in size. Table III-1 identifies the characteristics of the housing supply in the City and contrasts it with Anoka County as a whole.

Table III-1. Housing Units by Structure and Tenure, 2000

<u>City of East Bethel</u>	<u>Owner Occupied</u>	<u>Renter Occupied</u>	<u>Total</u>	<u>Percentage</u>
Single Family Detached	3,152	25	3,177	88
Single Family Attached	8	3	11	<1
Duplexes	8	0	8	<1
3 or 4 Unit Buildings	2	0	2	<1
5 or More Unit Buildings	0	9	9	<1
Mobile Homes	390	10	400	<11
Other Units	0	0	0	0
Total Occupied Housing Units	3,560	47	3,607	100

<u>Anoka County</u>	<u>Owner Occupied</u>	<u>Renter Occupied</u>	<u>Total</u>	<u>Percentage</u>
Single Family Detached	75,448	1,431	76,879	72
Single Family Attached	7,160	1,287	8,447	8
Duplexes	430	1,056	1,486	1
3 or 4 Unit Buildings	370	1,056	1,426	1
5 or More Unit Buildings	782	12,576	13,358	13
Mobile Homes	4,580	246	4,826	5
Other Units	6	0	6	<1
Total Occupied Housing Units	88,776	17,652	106,428	100

Source: U.S. Census; Metropolitan Council

Housing development has been influenced by historical, mobility, and economic trends. The vast majority of residential development has occurred in the past 35 years. As the Twin Cities continued to become more decentralized and suburban in nature, improved access to employment centers has been facilitated by an expansion in the regional highway system. Commuting longer distances to work is the trade-off for more rural, less densely populated communities. Development came to East Bethel later than to Anoka County as a whole as indicated in Table III-2. Eighty percent of the housing in East Bethel has been built since 1970. This compares with approximately 49 percent for Anoka County during the same time frame.

Table III-2. Age of Housing Units

Year Built	East Bethel		Anoka County	
	Owner Occupied	Renter Occupied	Owner Occupied	Renter Occupied
1939 or earlier	49	0	2,698	647
1940-1949	125	9	2,695	471
1950-1959	167	0	10,291	1,462
1960-1969	266	7	13,013	3,513
1970-1979	999	24	17,184	4,730
1980-1989	837	7	19,561	3,945
1990-1994	477	0	10,911	1,781
1995-1998	558	0	9,467	897
1999-March 2000	<u>82</u>	<u>0</u>	<u>2,956</u>	<u>206</u>
Total	3,560	47	88,776	17,652

Sources: U. S. Census; Metropolitan Council

As with the housing market in general, East Bethel's housing market values have been increasing. Comparing the 1990 and 2000 Census data in Table III-3 shows the increasing value of owner occupied housing units. Table III-4 indicates measures of housing affordability from the 2000 U.S. Census. In the past ten years, the median home value has surpassed the county median value and now is five percent higher. Eighty-nine percent of East Bethel's homeowners spend less than 35 percent of the household income for housing. Table III-4 also reflects that 49 percent of renters are spending 35 percent or more of household income for housing, versus 29 percent for the County as a whole. This difference may be skewed by the fact that only 1.3 percent of the housing in the City is rental property, compared with 16.6 percent in the County.

High homeownership rates are often cited as an indication of regional economic prosperity. For the seven metro counties the rate is 71.4 percent -- one of the highest in the nation. In fact, compared with the Census results of the 25 most populous metro areas in the nation, the Twin Cities 13-County MSA ranks first in ownership rates.

Table III-3. Owner Occupied Housing Values, 1990 and 2000

Cost	1990		2000	
	Units	Percent	Units	Percent
Less than \$20,000	10	0.6	166	4.7
\$20,000 to \$34,999	18	1.0	86	2.5
\$35,000 to \$49,999	53	3.0	86	2.5
\$50,000 to \$79,999	678	38.7	175	4.9
\$80,000 to \$99,999	714	40.7	408	11.5
\$100,000 to \$149,999	243	13.9	1,306	36.6
\$150,000 or more	<u>38</u>	<u>2.2</u>	<u>1,333</u>	<u>37.5</u>
Total	1,754	100.0	1,754	100.0
STF 1-23B: Median Value (1990)	79,100			
STF 1-24: Average Value (1990)	82,221			

Source: U.S. Census

Table III-4. Housing Affordability Indicators

	East Bethel		Anoka Co.	
	Units	Percent	Units	Percent
2000 Median Home Value	\$138,300	---	\$131,300	---
2000 Median Rent (monthly)	\$ 683	---	\$ 649	---
Homeowners paying 35% or more of household income for housing	382	11	7,952	10
Renters paying 35% or more of household income for housing	23	49	5,067	29

Source: U.S. Census

In spite of the rural nature of the City and the predominance of single-family homes, the City had a relatively affordable median home value of \$138,300 based on 2000 Census data, up from \$79,200 at the time of the 1990 Census.

Based on building permits granted for new residential construction in the City of East Bethel, new home valuations averaged approximately \$195,000 in 2004; as of November 8, 2005, new home valuations for 2005 averaged \$205,000. The increase in housing costs is influenced by the costs of land and construction materials.

A small portion of occupied housing units are renter occupied. Table III-5 identifies that 2.1 percent of the occupied housing units in East Bethel are renter occupied. Since the City of East Bethel does not have multi-family complexes, 100 percent of the rental units are single-family homes. In the future the City may need to conduct a study to determine future needs of higher density, multi-family complexes.

Table III-5. Occupied Housing Units

<u>Status</u>	<u>Units</u>	<u>Percent</u>
Owned	3,532	97.9
Rented	75	2.1
Total	3,607	100.0

Source: U.S. Census

Rents are influenced by location, age, size, and available amenities. Table III-6 indicates that the average median rent in East Bethel is \$683.

Table III-6. 2000 Gross Rent

	<u>Data</u>	<u>Percent</u>
Total:	47	100.0
With cash rent:	44	93.6
Less than \$100	0	0
\$100 to \$149	0	0
\$150 to \$199	0	0
\$200 to \$249	0	0
\$250 to \$299	0	0
\$300 to \$349	0	0
\$350 to \$399	7	14.9
\$400 to \$449	0	0
\$450 to \$499	9	19.1
\$500 to \$549	0	0
\$550 to \$599	0	0
\$600 to \$649	0	0
\$650 to \$699	9	19.1
\$700 to \$749	3	6.4
\$750 to \$799	0	0
\$800 to \$899	9	19.1
\$900 to \$999	0	0
\$1,000 to \$1,249	7	14.9
\$1,250 to \$1,499	0	0
\$1,500 to \$1,999	0	0
\$2,000 or more	0	0
No cash rent	3	6.4

Source: U.S. Census

Residential development will continue to be the predominant type of growth in the future. The community’s significant amount of natural amenities, close location to the metropolitan area, and lower land costs makes East Bethel an attractive location for residential developments. As Table III-7 indicates, East Bethel is projecting to add 3,193 housing units between 2010 and 2020.

Table III-7. Growth Projections, 2010 – 2030

	Actual 2000	2010	2020	2030
Population	10,941	12,600	18,400	23,500
Households	3,607	4,500	6,800	9,000
Employment	1,211	2,000	3,300	4,500

Source: City of East Bethel (assumes implementation of municipal services)

Goals and Policies

The City strives to provide safe, attractive, and diverse housing with a range of values to accommodate the present and future needs of all residents. To achieve the City’s goals, existing neighborhoods and current housing stock will need to be maintained. Older units, especially in areas surrounding Coon Lake, will need to be rehabilitated, or some areas may need to be redeveloped. The City will need to ensure that new developments meet the housing needs of the residents.

The City has formulated goals and policies in order to achieve the City’s housing goals.

Goal 1: *Provide for a variety of high quality, affordable housing.*

Policy:

1. Ordinances relating to the development, redevelopment, and the maintenance of housing shall be adopted and/or amended to ensure affordable, high quality housing.
2. Develop and maintain development standards and housing policies that allow for low and moderate cost housing.
3. Develop and maintain regulations that permit a mix of housing types, sizes, and price ranges to be provided throughout the City.
4. Continue code enforcement program for existing housing.
5. Review annually programs through Anoka County Redevelopment Authority and explore public and private partnerships that could potentially aid in the development of mixed-use housing/commercial developments.

6. Participate in the Livable Communities Act. The City of East Bethel would be required to pass a resolution to participate in the Local Housing Incentives Program (LHIA). The Metropolitan Council and the City would then work together to negotiate affordability and life-cycle housing goals for the community.
7. Prepare a Housing Action Plan identifying how the City will address housing goals, as required as part of the LHIA.
8. Provide and maintain a variety of residential densities (dwelling units per acre).

Goal 2: Provide for safe and attractive residential developments.

Policy:

1. Ensure public improvements and on-site improvements are completed at the time of the final inspection of residential development.
2. Create and enhance neighborhoods to provide parks, trails, and open space. Neighborhoods should be linked by trails and open space when appropriate.
3. Link new and existing parks, open space, and schools by a trail system.
4. Ensure new development includes design features such as boulevard trees, sidewalks, and open space, and are separated by buffers from collector and arterial streets.
5. Parking lots shall be screened from neighboring residential properties to minimize visual impact.
6. Avoid direct private drive access from and to major collector and arterial streets.
7. Promote innovative subdivision design in the Mixed-Use/City Center district.
8. Development shall occur in a manner that provides protection to the many high quality natural habitats and habitats for rare species and high diversity of plants and animals throughout the City.
9. Development shall be planned in accordance with the Comprehensive Land Use Plan.
10. Proposed amendments to the Land Use Plan and requests for major extensions of public services or utilities to accommodate the proposed development and land uses shall be considered only after a thorough review and analysis of the City public facilities plan and potential environmental impacts.
11. Preserve and incorporate historical and natural features to the maximum extent.
12. Continue code enforcement program to eliminate illegal uses and deterioration from neighborhoods.

Implementation

The implementation of a housing plan requires action by many entities. As a result of this, some goals may be achieved in a short period of time while other goals may take longer.

Goal: *Provide for a variety of high quality, affordable housing.*

Action Steps:

To meet this goal, the City is in the process of updating its Zoning Ordinance and its Subdivision Ordinance. The City continues to review and update ordinances to ensure high development standards are required throughout the community. The 2008 Comprehensive Plan land use allows for a higher density of housing units than it has in the past. For example, the Mixed Use Land Use allows for a variety of housing types and up to ten housing units per acre.

Although the City currently does not participate in the Livable Communities Program, this is an area that will be considered in the future. Also, the City will review annual programs through Anoka County Redevelopment Authority and explore other public and private partnerships that could possibly aid in mixed-use/commercial developments.

Goal: *Provide for safe and attractive residential developments.*

Action Steps:

The 2008 Comprehensive Plan includes medium residential densities at four to six units per acre. To provide densities in this range, the updated Zoning Ordinance will provide mixed uses in the City Center and Planned Business District and densities at four to six units per acre in the R-2 , Single-Family, and Townhome District. The medium residential density will ensure the City provides 181 new units between the years 2011-2020 for low to moderate income housing.

The City will require that adequate utilities are in place prior to the issuance of building permits or certificates of compliance. This will be regulated by the Subdivision Ordinance. The City will continue to review the Subdivision Ordinance to ensure regulations are up-to-date.

Residential developments will be protected from the encroachment and impact of commercial and industrial development. The Zoning Ordinance will include requirements for screening and buffering between residential and non-residential land uses. Also, the Subdivision Ordinance will include requirements of buffering between new developments of higher density residential areas abutting rural residential areas.

The Comprehensive Plan identifies large areas of new residential developments. Plan policies encourage the connection of neighborhoods and the connection of all parks and open space via trails. New developments will be required to connect to existing streets where applicable.