

# Sewer Infrastructure Investments for Housing Opportunities (Bonding)

## Project Overview

In order to increase the available land for housing of all types, an increase of sewer pipe capacity is needed. If we can increase land/lot availability for housing (and decrease lot cost with additional supply), it helps with housing supply and affordability. This project will promote infill development opportunities.

The East Zumbro Sewer Investment Project would be primarily focused near Silver Lake connection with impacts to the entire SE part of the city, directly creating approximately 1,000 developable acres of land. This could eventually include industrial users at the Rochester International Airport and other potential opportunities.

## Project Funding Details

State request: \$17.25M  
(50% of total project cost)

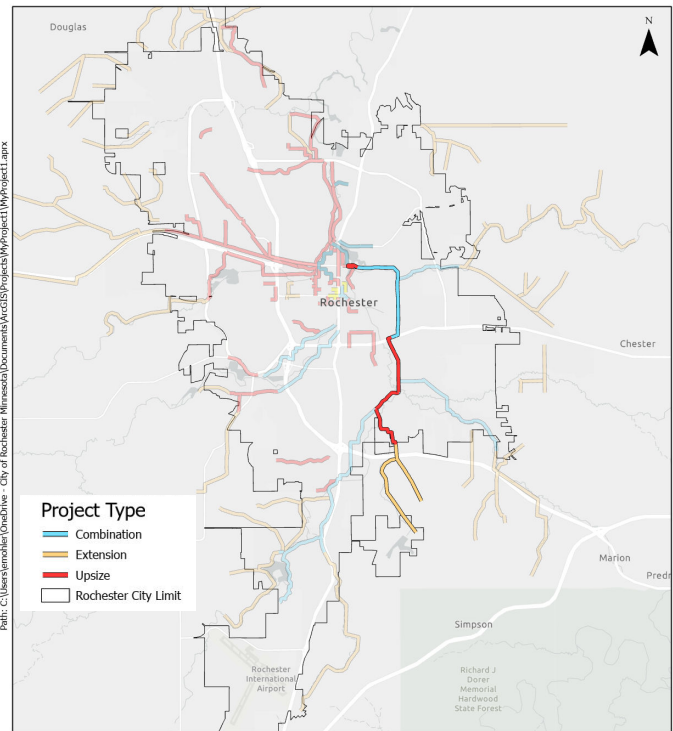
Total Project Cost: \$34.5M  
(modeling, design, construction)

This project is phaseable and can be staged  
(planning, construction).

This investment would directly create approximately 1,000 developable acres of land for housing/industrial/commercial uses.

## Background

Our current water reclamation plant (wastewater processing facility) has capacity for additional users; our pipes in the city need to be upsized for additional housing and industrial users in the city. They were originally built for a community of 120,000 population—we now exceed this and are expected to greatly exceed this population in the coming years. This infrastructure is typically funded



## Sewer Master Plan

via rates from sewer users. Current sewer rates are high comparatively to surrounding areas. State support for this project would allow it to happen much sooner than it would otherwise.

Currently, additional housing lots at scale are only available in the NW part of the city. This would allow for additional housing and industrial uses in the SE portion of the city.

It would be very challenging for Rochester to compete successfully with the current public facilities authority (PFA) requests along with other communities in greater Minnesota. As the third largest city, it makes more sense to compare funding of this arena (sewer) with requests and funding awarded to the metropolitan area.

