



# Project Information for Capital Request

## Country Court Sewer and Water Extension Project

### Project Summary

The City of Credit River seeks state capital assistance to extend municipal sanitary sewer and drinking water service to ninety-nine (99) existing homes in the Country Court neighborhood, located in northern Credit River. The need for this project is supported by the following considerations:

- The neighborhood was originally developed in the 1960s and 1970s with substandard lots averaging one-third acre, each served by private wells and individual septic systems. Most septic systems in the Country Court neighborhood are over 30 years old, with many already failing or likely to fail soon.
- The high density of wells and aging septic systems in close proximity presents a growing risk to groundwater quality and public health.
- Extending municipal water and sewer service is the most cost-effective, long-term solution to protect residents, the environment, and the community's water resources.

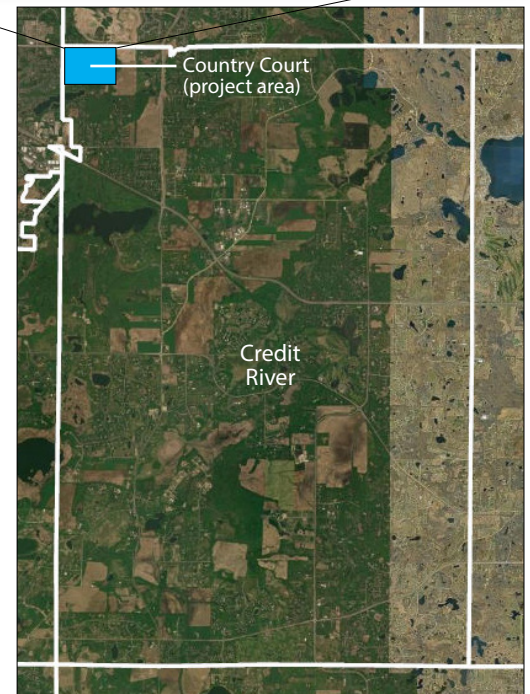
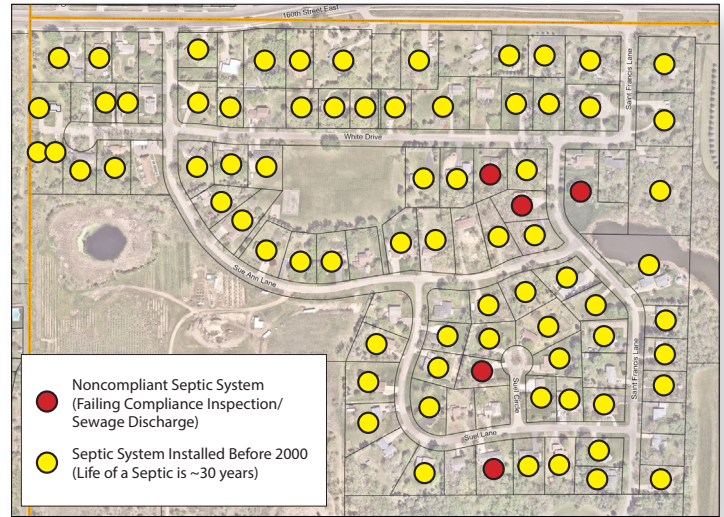
### Public Purpose and Regional Benefit

This project advances state and regional priorities by:

- Protecting public health and the environment through replacement of failing septic systems and safe drinking water provision;
- Preserving and expanding affordable workforce housing in a designated Urban Service Area; and
- Supporting orderly, cost-effective infrastructure investment consistent with the Metropolitan Council's regional plans.

By funding this project, the State of Minnesota will help safeguard public health, sustain affordable housing, and promote equitable growth within the Twin Cities metropolitan region.

Septic Compliance in Country Court Neighborhood (Source: Scott County)



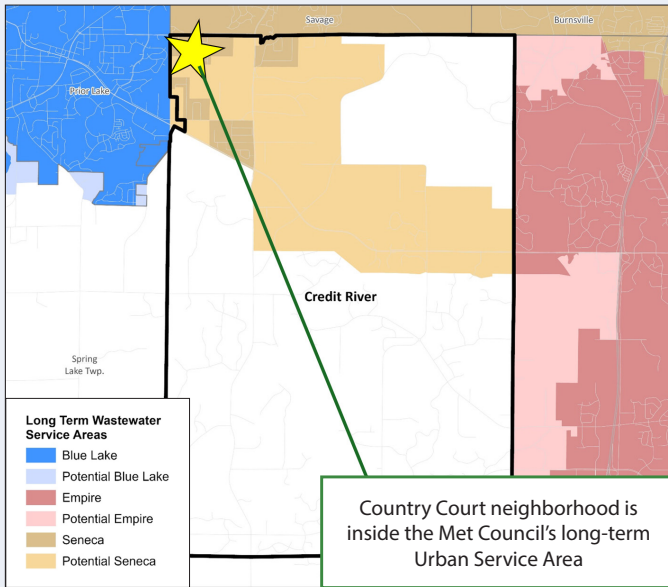
### Funding Assistance Necessary

The estimated total project cost is **\$13 million**. While the City can specially assess the 99 benefiting properties for a portion of the project cost, the expected assessments will not cover the total cost due to the modest home values in the area (average value in the mid-\$300,000s). State capital investment is essential to close this funding gap and ensure equitable access to safe, reliable infrastructure.

## Sanitary Sewer and Drinking Water Expansion in Support of Workforce Housing

The Metropolitan Council has identified a regional need for additional housing – particularly affordable options for working families. The Country Court neighborhood and surrounding developable land lie within the Council’s designated Urban Service Area, as shown in the map to the left.

Extending sewer and water into this area directly supports the Metropolitan Council’s Housing Policy Plan and regional growth framework by enabling efficient, higher-density, mixed-income housing development where full infrastructure is available. This project will also strengthen the City’s eligibility for Metropolitan Council Livable Communities and housing funding programs.



LongTermWastewaterServiceAreas(Source:MetropolitanCouncil)

## Preserve Naturally-Occurring Workforce Housing

- The Country Court neighborhood reflects a more suburban character than other unsewered parts of Credit River, with housing density and design comparable to adjacent neighborhoods in Savage and Prior Lake that are already served by municipal utilities.
- These existing homes provide naturally-occurring workforce housing – homes affordable to households with median incomes that are critical to supporting the local and regional workforce.
- Extending sewer and water service will help preserve the long-term affordability of these homes and maintain opportunities for working families to remain in the region.

## Support Additional Workforce Housing

- Credit River has been tasked by the Metropolitan Council to add at least 66 affordable units between 2031 and 2040.
- Beyond addressing failing infrastructure for existing residents, this project would “unlock” roughly 100 acres of adjacent developable land within the Urban Service Area, enabling the creation of more than 400 additional affordable housing units for working families.
- Providing sewer and water service to Country Court and nearby areas would allow the City to exceed this affordability target and meaningfully contribute to regional housing needs.
- Without state funding assistance, the City would face a significant financial gap that could only be bridged through increased assessments or utility rates – measures that would undermine housing affordability for both current and future residents.

