

Minutes of the

REGULAR MEETING OF THE COMMITTEE OF THE WHOLE

Wednesday, June 1, 2016

Committee Members Present:

Melander, Chávez, Rodriguez, Barber, Schreiber, Commers, Elkins, Dorfman, Kramer, Letofsky, Reynoso, Cunningham

CALL TO ORDER

A quorum being present, Vice Chair Melander called the regular meeting of the Council's Committee of the Whole to order at 4:00PM on Wednesday, June 1, 2016.

APPROVAL OF AGENDA AND MINUTES

It was moved by Schreiber, seconded by Letofsky to approve the agenda. Motion carried.

It was moved by Chávez, seconded by Barber to approve the minutes of the March 2, 2016 regular meeting of the Committee of the Whole. Motion carried.

INFORMATION

Oak Grove 2015 System Statement Challenge

Lisa Barajas and Ann Bloodhart provided an overview of the Oak Grove 2015 System Statement Challenge. After the adoption of the Regional Development Guide (Thrive MSP 2040) and the Council's System and Policy Plans, the Council developed and issued System Statements in September 2015. The issuance of System Statements initiates the local government's obligation to review, amend, and update their comprehensive plans, which are due in 2018. Barajas explained that the purpose of a System Statement is to take all of those System and Policy Plans and Thrive, and individualize them for local units of government so they understand what the region is expecting for their communities. The System Statement explains the implications of capital budgets in that community, and includes forecasted growth and general development expectations. Oak Grove was designated as part of the rural service area in both the 1988 Metropolitan Development Investment Framework (MDIF) and the 1996 Regional Blueprint. Oak Grove's plan, in 1993, contained a limited area of development with 2.5 acre lots. The Council found those areas to be inconsistent with the Council's development density policy. The City's 2020 Comprehensive Plan retained and expanded that slightly, and was allowed to be placed into effect in the year 2000. From 2000 to 2005, the City submitted 14 Comprehensive Plan amendments. Half of the amendments were found to be consistent with the Council's development density policy, and the other 7 were found to be inconsistent with the Council's rural area development policy, however, the Council found that they did not constitute a substantial departure from regional system plans so the Council could not require a plan modification. A substantial departure from a metropolitan system plan indicates that the local plan represents an underutilization of a metropolitan system, in this case wastewater. The amendments individually were small in area and, considered on their own, did not rise to the level of a substantial departure from a metropolitan system plan. This was a time before the Council had formally designated the City as a long-term wastewater service area. The Council, however, did find that the City was "beginning to change its rural character to a more suburban atmosphere...without regional wastewater services." Oak Grove was classified as Diversified Rural in the Council's 2030 Regional Development Framework. The 2030 Water Resources Management Policy Plan (WRMPP) identified Oak Grove as within the Long Term Service Area, specifically as a Study Area for Potential Sewered Development with Rapid Infiltration. In May 2005, the City submitted its last (14th) amendment before the 2005 System Statements were issued. The Council found that amendment to be inconsistent with Council

policies and put the City on notice regarding recently adopted 2030 plans and the policies that would effect their community. In September 2005, the System Statements were issued, triggering the City's obligation to update its plan through the 2030 planning horizon. From there on, remaining amendments that were reviewed were all inconsistent with the Council's density policy of 1 unit per 10 acres, but none were found to be substantial departures from the system plan (individually, these amendments were small in nature). The City's 22nd amendment (the Swan Lake Amendment) was submitted in June 2007, and changed 172 acres from 1 unit per 10 acres to 2.5-acre lots. The Council found that this amendment substantially departed from the Council's 2030 WRMPP, and passed an accompanying resolution indicating that since 2000, the City had reclassified approximately 900 acres of agricultural land use to single family residential land use at an average density of 1 unit per 2.5 acres. The Council required a plan modification on the amendment, and the City ultimately withdrew the amendment and denied the land developer's development proposal. In July 2007, after meeting with Council staff to discuss planning in Oak Grove, the Mayor and 3 Council members submitted a letter proposing a refined Long Term Service Area. In August 2007, the Council amended its 2030 WRMPP to reflect the revised Long Term Service Area proposed in the City's letter. The City later completed its update of its 2030 comprehensive plan by December 2008. The Council reviewed and authorized the City to place its 2030 plan into effect. The Council also upheld its end of the compromise and revised the City's designation from Diversified Rural to Rural Residential for those areas outside of the identified Long Term Service Area. The designation of southeastern Oak Grove as a long term wastewater service area was made to recognize the potential for regional wastewater services via the East Bethel Reclamation Facility. After approval of this designation, regional investments were made in East Bethel, including interceptor capacity for Oak Grove.

Another System Statement was issued to communities on September 17, 2015. The Community Designation for Oak Grove was split between Rural Residential and Diversified Rural, with the Diversified Rural area also identified as part of the Regional Wastewater Long Term Service Area. Oak Grove requested System Statement amendments to change the Diversified Rural community designation to Rural Residential, and to remove the long term wastewater service area designation.

The vast majority of issues are resolved among Council and City staff. In this case, the staff could not come to a resolution regarding the amendments. The City has the ability to request a hearing under state statute. Oak Grove chose to schedule a hearing with the Office of Administrative Hearings (OAH). The hearing was held on March 15, 2016. Ann Bloodhart represented the Council. State statute 473.857, subd. 2 clarifies limitations on a System Statement hearing: "The hearing shall not consider the need for or reasonableness of the metropolitan system plans or parts thereof." The Administrative Law Judge's recommendation was as follows: "The City's request to amend its 2015 System Statement by changing the designation of the southeast corner of the City from Diversified Rural to Rural Residential and removing references to that portion of the City being included in the regional wastewater service area be DENIED, pursuant to Minn. Stat. 473.857, as an impermissible challenge to the need for or reasonableness of a part of a metropolitan system plan."

The City of Oak Grove declined the invitation to attend and participate in this meeting. The Council is required to make a resolution in this matter. The proposed resolution, which will be brought to the Council at its next regular business meeting, is to adopt the ALJ's findings, conclusions, and recommendation as the Council's own, and to deny the system statement amendments proposed by Oak Grove.

ADJOURNMENT

Business completed, the meeting adjourned at 4:35PM.

Emily Getty
Recording Secretary