

METROPOLITAN COUNCIL
390 North Robert Street, St. Paul, Minnesota 55101

REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE
Monday, March 3, 2008

Committee Members Present Chair, Natalie Steffen; Richard Aguilar; Georgeanne Hilker; Brian McDaniel, Tony Pistilli

No quorum being present, Chair Steffen presented Jan Gustafson, manager, housing and livable communities with a certificate recognizing her service to the Metropolitan Council. She congratulated Gustafson on her retirement, shared a few memories of her work experiences with Jan, and thanked her for her patience, expertise and professionalism over the years.

Guy Peterson, community development director, introduced and welcomed Libby Starling, newly hired manager in the Metropolitan Council research unit. Starling previously served as the director of research and evaluation at Minnesota Housing. She also spent a decade at DEED where the final six years of that time she served as the director of policy, planning and measures.

Next, Chair Steffen asked Phyllis Hanson, manager, local planning assistance, to introduce the information item for the Draft Hugo CPU Diversified Rural Policy Implementation presentation.

INFORMATION

Draft Hugo CPU Diversified Rural Policy Implementation Presentation and Discussion. Hanson indicated the first part of the presentation would be facilitated by the city of Hugo, and the second part will be followed up with a presentation and discussion by Bryce Pickart, environmental services staff. She explained that this is an outgrowth of the rural study group--one of the policy issues is how is the Council going to work with the communities that are part of the long-term service area that will have improvements post 2030, and what are these communities doing in terms of their planning. Hanson noted that the city of Hugo is being looked at as a case study; and that Hugo's draft comprehensive plan that will be going to a public hearing on March 6. Hanson then welcomed and introduced Bryan Bear, City of Hugo, in addition to Fran Miron, Mayor, and Chuck Haas, Council Member.

Bear presented an overview about the planning process for the draft 2008 comp plan in Hugo and identified issues that have arisen. He shared the city's goals (post 2030), talked about both long and short term planning in Eastern Hugo, and indicated the importance of sharing this information with the committee before the city of Hugo completely finalizes their plan. He pointed out the character differences in the city--agricultural vs. rural residential. Bear indicated the city is starting with long-term planning in Eastern Hugo because the long-term policy has short-term implications. He explained that, in the current policy, Eastern Hugo will be sewerred after the year 2030. He shared that very consistent messages have been received from the public, i.e., preserve open space, protect the natural resources, and preserve the rural and small town character of the city. Bear provided background about the open space ordinance and explained Hugo's lot size clusters, public streets, community wells, and community septic systems. He reported that a number of public hearings and open houses have been held during the comprehensive planning process and shared some of the public's mixed reactions on both sides of the issue. He further noted that there is a huge public aversion to future sewerred development in Eastern Hugo.

Bear noted that the draft 2008 comprehensive plan removes future sewers from Eastern Hugo and removes references to cluster development. He indicated that if future sewers are removed from Eastern Hugo, staff has told us that there is potential for an impact to the Metropolitan Council's sewer system. He reported that the Hugo city council and planning commission are unanimous in preparing the 2008 draft comprehensive plan in this manner for some of the following reasons: regional geography, natural resources, the fragmented subdivision pattern, and the regional context. Mayor Miron concluded the presentation with a few brief remarks and responded to the chair's comments.

Chair Steffen invited Bryce Pickart, environmental services staff, to explain the impact of the removal of future sewers in Hugo. Pickart complimented the city of Hugo on their presentation and planning work. He noted that finding a place for long-term sewer development continues to be a struggle and credited the city with accommodating what appears to be reasonable growth projections to 2040. To add some perspective, Pickart provided a brief history about the planning horizon and shared some future challenges including: generations and options/values that are not easy issues to resolve. He raised a question for Eastern Hugo--how is the preservation of natural resources and open space with long-term (post 2040) sewer development needs balanced? Pickart stated that both environmental and local planning staff will continue to meet with the communities in the long-term service area where this issue of holding land for future growth is a key concern in comprehensive plan updates. The diversified rural issues continued with a brief committee discussion regarding the city of Hugo's desire to not half the eastern portion of their city as a long-term sewered area.

CALL TO ORDER

A quorum being present, Committee Chair Steffen called the regular meeting of the Council's Community Development Committee to order at 4:15 p.m. on Monday, March 3, 2008. Steffen noted that the Natural Resource Digital Atlas Updates information item was being postponed until the March 17 CDC meeting.

APPROVAL OF AGENDA AND MINUTES

It was moved by Aguilar, seconded by Pistilli to approve the agenda. **The motion carried.**

It was moved by Pistilli, seconded by Aguilar to approve the minutes of the February 19, 2008 regular meeting of the Community Development Committee. **The motion carried.**

BUSINESS

2008-47 – Termination of 1985 Court-Approved Agreement Settling Litigation and Metropolitan Significance Review Matters – Homart Project. Dave Theisen, associate general counsel, stated that this is a technical, non-controversial matter and provided a brief history about this project. In November 1985, the City of Edina, the City of Bloomington, the Homart Development Company and the Metropolitan Council entered into an agreement that settled litigation involving comprehensive planning issues, traffic congestion concerns and environmental review matters related to a proposed project (the "Homart Project") in the northwest quadrant of the I-494 and France Avenue interchange. Although located north of I-494, the Homart Project site was within the City of Bloomington. The Council was asked to conduct a metropolitan significance review of the Homart Project to consider the project's effects on the City of Edina and metropolitan systems. The parties subsequently negotiated a settlement that was approved by the court. As part of the settlement the Council agreed to conduct a traffic study of the I-494 corridor and dismiss the pending metropolitan significance review of the Homart Project.

The settlement also required the cities to cooperate on certain road and other infrastructure improvements related to development at the Homart Project site, as well as certain zoning and/or land use ordinances affecting the project site. Edina and Bloomington have passed resolutions acknowledging the 1985 agreement no longer is necessary because its purposes have been fulfilled or otherwise addressed. The cities and the current owner of the development have agreed to terminate their rights under the 1985 agreement and have asked the Council to terminate its interests under the agreement. Because the 1985 settlement agreement and its 1987 amendment were approved by the court, the parties propose to file with the court a motion to terminate the settlement agreement. It was noted that Community Development and Transportation Planning staff concur that the planning and traffic congestion issues that were the subject of the 1985 agreement were resolved by the agreement or otherwise addressed. There were no questions from the committee.

Pistilli moved, seconded by Aguilar, that the Metropolitan Council:

Authorize its attorneys and Regional Administrator to execute on behalf of the Council any agreements necessary to terminate the 1985 Homart Project agreement (as amended) and file the appropriate documents and motion papers with the district court.

The motion carried.

2008-5 – City of Bloomington CPA – 5100 West 82nd Street Review No. 18103-19. Jim Uttley, planning analyst, stated that the proposed CPA reguides 9.6 acres of land located in the southeast quadrant of Normandale Boulevard and 494 from “Office” to “High Density Residential” to permit the development of 418 apartment units, is in conformity with Regional System Plans, consistent with Council policies, and compatible with the plans of other local communities and school districts.

There was no discussion before the Committee acted to approve the proposed action. Following Committee action, Committee Chair Steffen reported, and Jim Uttley confirmed, that city staff had proposed a revised plan amendment which Council staff found was unacceptable because it had not been acted on by the City’s planning commission or city council as required by state law. Absent a legally acceptable revised amendment or a request to withdraw the original plan amendment, the Land Planning Act requires Council action on the original submittal.

Hilker moved, seconded by Aguilar, that the Metropolitan Council:

1. Authorizes the City of Bloomington to put the comprehensive plan amendment (CPA) for 5100 West 82nd Street into effect without any plan modifications;
2. Advises the City of Bloomington to make sure that the households and employment allocated to this TAZ reflect the increase in housing units and decrease in jobs attributable to this plan amendment in its Comprehensive Plan Update; and,
3. Requires the City of Bloomington to submit final plans for the Stanley Road extension to the Council prior to initiating the project so that staff can ascertain the potential impact on the Council’s existing forcemain (3-BN-499).

The motion carried.

2008-59 – Request for Easement Approval at Battle Creek Regional Park, Ramsey County. Arne Stefferud, planning analyst presented this business item on behalf of Jan Youngquist, senior planner-parks, due to a family matter. Stefferud reported that Ramsey County Public Works and Parks and Recreation Departments have worked with the Cities of Maplewood, Woodbury, Washington County and the Minnesota Department of Transportation to develop plans for the reconstruction of Century Avenue south of Interstate 94 between Brookview Road and Lake Road. As part of the project, Ramsey County Public Works is seeking to purchase a .81 acre drainage easement and a .13 acre right-of-way easement within the boundaries of Battle Creek Regional Park. The easements will allow for the construction of a .63 acre stormwater retention pond and a sidewalk along the newly constructed Century Avenue. A temporary construction easement will also be necessary. The temporary easement will not be recorded, but will have a termination date. Stefferud shared significant benefits to the Battle Creek Regional Park from this project as identified by the Ramsey County Parks Department. He also noted that a restrictive covenant which is recorded on the property states that no easement shall be recorded without written approval of the Metropolitan Council.

The Committee amended the third recommendation by requesting Ramsey County to apply the \$140,000 compensation it receives for the easements to acquire Parcel #6 in Battle Creek Regional Park. This insures that the amount the County would be eligible to request for reimbursement consideration for the remaining cost of the land is reduced to \$34,913.

Hilker, seconded by Pistilli, that the Metropolitan Council:

1. Approve the request to allow permanent drainage and right-of-way easements as shown on Figure 2 of this staff report to be recorded on the property adjacent to Century Avenue at Battle Creek Regional Park.
2. Authorize the Regional Administrator, on behalf of the Metropolitan Council, to execute an approval designating the nature, extent and duration of the use to be duly filed and recorded at the time of the filing and recording of the easement.

3. Request Ramsey County to apply the compensation of \$140,000 it receives for the easements toward the amount it can request for reimbursement in a future regional park CIP for the acquisition of inholding Parcel #6 at Battle Creek Regional Park. This would reduce the reimbursement consideration to \$34,913 (Council Item 2007-372). However, the Council does not under any circumstances represent or guarantee that reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.

The motion carried.

INFORMATION (Con't.)

Update on Metropolitan Housing Implementation Group Grant Award Selection Process. Linda Milashius, senior planner, presented an update on the LHIA grant award selection process and upcoming Fund Distribution Plan that will be presented to CDC on March 17 spelling out the changes in the 2008 LCA programs and criteria, then in April for adoption by the CDC and the Council. Milashius provided an overview about the Metropolitan Housing Implementation Group, identified the funding partners from 1995 to 2008, and reported background information about the collaborating partners. In response to a committee question, Milashius revisited how the selection criteria was developed, explained the streamlined application process, and reviewed the shared evaluation criteria that all applicants need to meet in order to move forward. Milashius noted that changes and additions, including green criteria, strategic land acquisition, and foreclosure remediation would be reviewed during the application selection process.

The green development criteria that will be applied in the evaluation process was developed by Minnesota Green Communities, which is a collaboration of the Greater Minnesota Housing Fund, the Family Housing Fund, and Enterprise. The purpose of the criteria is to promote cost-effective energy conservation measures, healthy environments, and efficient land use. The criteria being applied is the Minnesota Overlay to the Green Communities Criteria that was produced collaboratively by the Minnesota Green Communities partners and the Minnesota Housing Finance Agency (MHFA), and has been adopted by the MHFA Board of Commissioners. Peterson pointed out that the green criteria used by MN Housing are “defacto” criteria already used in the LHIA Program because the Council only funds projects also being funded by MN Housing. Milashius provided a brief overview about LHIA specific criteria in addition to both threshold and competitive criteria. It was noted that a joint selection process meeting is conducted where evaluation and ranking occurs, project selection is made, and funding awarded. A brief discussion followed.

Pistilli expressed that diligence on the design of what affordable means should be reviewed because the Metropolitan Council could provide more housing if the criteria addressed amenities, square footage and other issues while remaining within requirements. Peterson stated the reality is dollars from the LHIA for homeownership are typically only going into the land trusts where the trusts are buying existing modest homes and not into new construction.

Update on LCDA Implementation. Joanne Barron, planning analyst, provided an update about the progress of incorporating changes to the 2008 Livable Communities Demonstration Account Program that resulted from the recommendations of the LCDA Work Group. She provided an overview about three specific objectives which are: 1) More deeply integrate applicable state policies into the LCDA process; 2) Give bonus points to projects located on transitways identified in the *2030 Transitway System*; and 3) Incorporate the Minnesota Sustainable Building Guidelines to encourage more sustainable development practices, using bonus points or some other method. Barron also reviewed proposed ways being suggested to incorporate these changes for each objective and stated that some questions yet to be resolved remain. Barron concluded her update by stating that a few technical changes may be made and presented to the committee on March 17; however, all substantive changes were highlighted today. Discussion followed.

Chair Steffen expressed her concern about the idea of bonus points for projects along Tier 1 transitways—does this mean all the LCDA funds will go to the central cities? It was explained that the 60/40 suburb-city for funding is still in place. Steffen also requested staff to revisit the results of a transportation study that Carl Ohrn presented to the Transportation Committee regarding turn-back that MnDOT is currently doing with respect to thoroughfare requirements that removed accesses and developed service roads. Steffen expressed that perhaps they should get some kind of recognition for doing that. Barron indicated she would follow-up with respect to that matter. She concluded by expressing that any committee thoughts or reactions would be helpful as these objectives are moved forward.

ADJOURNMENT

The next meeting of the Community Development Committee is Monday, March 17, 2008 at 4:00 p.m. in Chambers.

Business completed, the meeting adjourned at 6:20 p.m.

Respectfully submitted,

Diane Jadwinski
Recording Secretary