

7.01: Consider Approvals Related to Connexus Energy Solar Array (Project No. 17-135); Case of Connexus Energy

- 1. Ordinance Amending Official Zoning Map to Guide the Property as Public/Quasi-Public to Guide Future Uses**
- 2. Ordinance Amendment Zoning Code Amending Allowable Uses in the Public/Quasi-Public District Allowing Solar Energy Systems as a Conditional Use Permit**
- 3. Resolution #17-11-289 Approving Conditional Use Permit**

Community Development Director Gladhill reviewed the staff report and recommendation to approve the project with the necessary actions. He noted that both private and municipal substations are already permitted uses within the Public/Quasi-Public District. He stated that it seems reasonable to also consider solar energy systems as a principal use of property in this district as a conditional use. He noted that this would not only encourage development of this renewable energy source but would also still afford the City to address requests on a case by case basis and apply reasonable conditions to an approval. He reviewed and addressed some of the issues that were raised at the public hearing, and since the public hearing, including concern regarding aesthetics, property values, financial surety, landscape buffering, whether this would deter future development, whether this is the best location, and the timing of the approval.

Brian Burandt, Connexus Energy, stated that this project is one of three sites being brought forward in Anoka County. He stated that they began the search for a site in Ramsey to be a showcase for the project. He noted that this would be the largest solar storage project in the state of Minnesota and also between Indiana and California. He stated that these projects have to be built and online by 2019 in order to monetize the credits available.

Councilmember Kuzma asked for information on the decommissioning plan.

Mr. Burandt noted that the site would be returned to its existing state following the 25-year lease period.

Mayor Strommen invited members of the public to provide input, noting that the Council does have the minutes from the Planning Commission meetings.

Jeff Nobe, 8390 Highway 10 NW, Shorewood RV Center, thanked staff for identifying the concerns of the residents that were brought up at the Planning Commission. He stated that the Planning Commission meeting was very confusing. He stated that this is a discussion about a conditional use of a property that will be put on the property for 25 years and would affect the adjacent properties for the next 25 years. He stated that Connexus has property already available to them that could be used for this purpose. He stated that if the City were looking at the decommissioning and setup, those figures would have been set in on the same 17 acres Connexus already owns. He stated that this would change the zoning of the property to fit another purpose that is not by ownership but lease, which will affect the other landowners and business owners for the next 25 years. He did not believe that due diligence was done to continue to move this forward.

He stated that he is not against renewable energy but if this does not work, Connexus will move to another area outside the City. He stated that while publicity is great, protecting the environment is better. He asked the Council to go back to the beginning to collect all the necessary information. He stated that this will affect his business. He stated that plans change, and this will be a 25-year commitment.

Jeff Angra, 8390 Highway 10, Shorewood RV, stated that his concern is on the environmental impact. He stated that there is no method as to how this product is disposed of when the 25-year period expires. He asked if money would be put into a bond to ensure that the City would not be left with the clean-up costs.

Dave Nathe, 14453 Llama Street, stated that he owns the 174 acres of land that was originally purchased by Anoka County for the bridge site. He asked that the Council leave the zoning the same as that will help the adjacent land owners develop their land in the future.

John Dobbs, Woodbury resident, stated that he helps the Pearsons with some real estate planning. He stated that this is the last large undeveloped track of land guided for sewer and water. He stated that the 40 acres that Anoka County owns is the key to the land in the west and south. He stated that generally when you split a 40-acre tract of land and take half of that out of play for 25 years, it makes it challenging to develop the remnant parcel.

Mr. Burandt provided information on the disposal of the solar panels, noting that they are classified as e-waste. He referenced the large solar farm in North Branch noting that there have not been any negative impacts to property values because of that project. He stated that there have also been no negative property values near the Ramsey Connexus site.

Community Development Director Gladhill took credit for the confusion on the vote at the Planning Commission. He stated that the Planning Commission is supportive of the project, although they potentially would have liked a different location. He recognized that the plans for infrastructure in this area have changed and may continue to change. He stated that as he looks at what is allowed, the surrounding area would still be developable. He stated that trunk fees would be used to finance the extension of the sewer and water services.

Councilmember Kuzma stated that this parcel is the plan that Connexus has decided on and confirmed that the Connexus owned site has been ruled out as a possibility.

Mr. Angra asked why staff cannot provide an estimate of the impact to property values, similar to what is done with street projects.

Community Development Director Gladhill stated that staff could follow up with Anoka County, that completes the assessing. He noted that there are other projects that have not had negative impacts on property values.

Mr. Angra asked the vote from the Planning Commission.

Community Development Director Gladhill noted that he could verify the minutes from the meeting but advised that the Planning Commission is a recommending body, and the ultimate decision is made by the City Council.

Mayor Strommen stated that she read the minutes from the Planning Commission meeting and watched the video. She acknowledged that it was confusing which reflects the challenge the Commission had with the issue. She stated that she has struggled with the discussion regarding location, but the application tonight is for this site and therefore the Council needs to act on this proposal.

Community Development Director Gladhill noted that there were five votes in favor and two against on this topic at the Planning Commission.

Councilmember LeTourneau stated that he has been trying to come to a position on this issue, attempting to use his philosophy to be open to the idea that there might be an opinion that may sway his decision. He stated that he attempts to gather as much information as possible but acknowledged that this is a complex issue. He stated that he considers the opinions of his colleagues on the Council but also those on other Boards and Commissions within the City and their opinions. He stated that he also considers the input received from the public with an eye to be objective rather than subjective. He stated that he has been struggling with how to make a choice. He stated that there is a philosophy on the Council that the market will dictate the type of development that occurs, and the City needs to be open to what the market will bring. He stated that this is a viable use for that property that passes the test of all the other Commissions but also leaves open some questions as to what will happen. He stated that if the City were to say they do not want one thing and wait for something else, that day may never come and therefore the City needs to be organic. He stated that he wants to move forward with the project, as it meets the need of the Connexus user, fits the needs of the community and because he cannot come up with enough objective information to prove that this is not a good idea and therefore he will support this project.

Councilmember Shryock asked for clarification on the rezoning and whether that would occur for the entire County lot or just the solar farm portion.

City Planner Anderson replied that the proposal would impact the 19-acre parcel and not the second parcel that is owned by the County.

Councilmember Shryock stated that this site is central to whatever may be developed in the far future. She stated that the parcel could be used for this for now and the spot would then be saved for possible park space in the future. She believed that development could still occur around this site and this is another opportunity that is appropriate for this space at this time. She did not see any objective reasoning to not approve this at this time.

Mayor Strommen stated that as she has reviewed this request, there is a mismatch between the zoning and the Comprehensive Plan. She stated that the rezoning would match the zoning of the parcel to that identified in the Comprehensive Plan. She stated that the parcel was purchase for the bridge crossing that did not happen and the intent for the property was never residential. She stated that the zoning change would put this use back in line with the original intent of the parcel.

She stated that the Conditional Use Permit would provide the community with protection. She stated that the project developer and owner is a utility provider and the property owner is Anoka County. She asked for details on the decommissioning plan to cover what would happen should the lease be broken by either party or if there are violations of the Conditional Use Permit. She stated that you cannot play the what if game because that other use may never come forward. She stated that she does not see a reason for this to not move forward and is excited for Ramsey to be a showcase for this project.

Community Development Director Gladhill noted that the lease is between Connexus and the County and if there is a default there, Anoka County can remove the use from the property regardless of the terms of the Conditional Use Permit. He noted that if the terms of the Conditional Use Permit are violated, the City can revoke the permit and therefore remove the use.

Councilmember Shryock stated that the Council does not make these decisions lightly and listen to the concerns that arise during discussions. She stated that the Council attempts to weigh the decisions as best as possible to provide the best outcome for the community.

Motion by Councilmember LeTourneau, seconded by Councilmember Shryock, to introduce Ordinance #17-13 to amend the City's Official Zoning Map to Public/Quasi-Public to guide future land uses on the property.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers LeTourneau, Shryock, Johns, and Kuzma. Voting No: None. Absent: Councilmember Riley.

Motion by Councilmember LeTourneau, seconded by Councilmember Johns, to introduce Ordinance #17-14 to amend Section 177-122 (Public/Quasi-Public) to identify solar energy systems as a Conditional Use Permit to guide the approval process for these types of systems.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers LeTourneau, Johns, Kuzma, and Shryock. Voting No: None. Absent: Councilmember Riley.

Motion by Councilmember LeTourneau, seconded by Councilmember Johns, to Adopt Resolution #17-11-289 Approving the Issuance of a Conditional Use Permit to Connexus Energy to Allow the Installation and Maintenance of a Solar Energy System as a Principal Use in the Public/Quasi-Public District and Declaring Terms of Same, contingent upon review and approval of the Final Site Plan and Landscape Plan by the City Council and subject to review by the City Attorney to ensure decommissioning costs are the responsibility of the applicant.

Further discussion: Councilmember Kuzma stated that while he thinks that this could be a good project for the community, he has not heard compelling arguments that there could be some issues. He stated that this project could raise the value of the adjacent property. He stated that the County owns the property and is a willing participant in this lease. He stated that this is a positive project that he will support. Councilmember LeTourneau appreciated the comments from the community and thanked Connexus for bringing forward an innovative project like this and for considering Ramsey to be their home.

Motion carried. Voting Yes: Mayor Strommen, Councilmembers LeTourneau, Johns, Kuzma, and Shryock. Voting No: None. Absent: Councilmember Riley.