In Oak Grove, a fight over sprawling development illustrates Met Council tensions

Oak Grove envisions large rural lots while agency pushes controlled growth.

By Eric Roper Star Tribune

MARCH 25, 2017 — 8:01PM



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Dory Smith, a farmer, looked over the land at the center of the Metropolitan Council dispute, Thursday, March 16, 2017 in Oak Grove, MN. The Met Council's attempt to reign in sprawling residential development in Oak Grove, to save land for future growth there, has run into fierce resistance from the city and won the attention of its state representatives, including Speaker Kurt Daudt, who are pushing a bill through the Capitol.

In Oak Grove, residents can have a slice of the country — acres of land between houses, room for horses and riding ATVs — just 30 miles from Minneapolis.

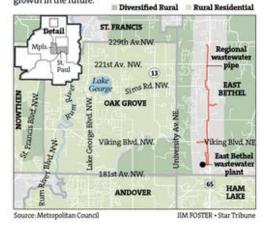
That peaceful Anoka County setting is at the center of a battle over exurban sprawl and the power of the Metropolitan Council, a fight spilling into the State Capitol where lawmakers are pushing to roll back the regional planning agency's authority. City leaders want more land made available for developing homes on $2\frac{1}{2}$ -acre lots, but the Met Council is enforcing a decade-old compromise that preserves rural land in a corner of the city until there's demand for traditional suburban subdivisions.

"It's like a cartel," said Oak Grove Mayor Mark Korin. "They're dictating ... with the belief that they know what's best for growth patterns."

The battle pits the city's vision of houses on large lots against regional planners' desire to limit "unsustainable growth patterns." The impassioned debate illustrates the Met Council's daunting task of protecting rural land from sprawling development in a way that still gives cities enough flexibility to grow as they wish. And it comes amid renewed criticism, particularly among Republicans, that the appointed board has grown too powerful with too little accountability.

THE FUTURE OF FARMLAND

Housing built on large 2.5-acre lots in Oak Grove, in northern Anoka County, is discouraged in the southeast corner of the city to leave room for denser, more traditional suburban growth in the future.



But Met Council Chairman Adam Duininck said Oak Grove exemplifies how closely the council works with cities to let them shape local plans.

"Ultimately, we are trying to have a cost-effective means for providing wastewater services and transportation access for everyone in the region," Duininck said. "That's why we have a regional plan."

The city has an influential ally at the Capitol in House Speaker Kurt Daudt, who represents part of Oak Grove and co-authored an unusual measure to override the Met Council's plans for 2,600 acres at the center of the dispute.

"This is an example of they're a little out of control and we need to reel them back in," said Daudt, R-Crown. If the Met Council doesn't

change the land's designation or justify its preservation, he said, the bill's passage could open a Pandora's box of other cities requesting similar changes.

"I'm the speaker of the House. I can put it in a bill that makes it very difficult for the governor not to sign it — which is going to cause problems for the Met Council in other areas," Daudt said.

DEBATE OVER DENSITY

The Oak Grove dispute centers on what kind of exurban housing development is appropriate for the region's long-term growth. The Metropolitan Council believes developing four homes per 40 acres preserves rural land for future suburban-style development. Oak Grove prefers a middle ground.



Metropolitan Council plans have long aimed to preserve rural areas ringing the Twin Cities until there's demand for development dense enough to cover a fair share of related regional infrastructure costs, from roads to sewer service. Sprawling development there could impede that growth in the future, the agency says. So the council works with cities on plans guiding the number of houses allowed per acre.

Met Council officials say housing policies are part of the reason wastewater treatment rates paid by metro residents are below the national average.

But housing built on 1- to $2\frac{1}{2}$ -acre lots has nonetheless chewed up land in Oak Grove and other Anoka County cities like Andover and Ham Lake. Undeveloped and agricultural land fell from 83 percent of Oak Grove's total acreage in 1990 to 68 percent in 2010.

"It's inefficient and it throws costs onto the rest of the region that we all have to bear," said Jim Erkel of the Minnesota Center for Environmental Advocacy, noting the need to redesign roads for more traffic and bring sewer pipes to areas with failing septic tanks. "It almost always results in a demand for regional investments, but its density is too low to support them."

It still feels like the country, though, amid the rolling cropland owned by Dory Smith, who has about 100 acres in the corner of Oak Grove with the special designation to remain more rural — no more than four homes per 40 acres. She's interested in developing some housing, but she wouldn't recoup enough with 10-acre lots.

"This is sugar sand out here," said Smith, a Realtor. "I need to put in a ton of money to get anything out of it. And I'm done doing that."

Nearby, 72-year-old Everett Kalbow is the youngest of six siblings who own what was once the family farm. They're trying to sell the land, but interested developers say the rural designation is a problem.

"They couldn't get enough parcels out of it to pay for all of the cost of putting in streets and so on," Kalbow said.

The conflict is yet another headache for the Met Council related to its \$26 million East Bethel wastewater plant that went online just east of Oak Grove in 2014 — growth intended to help pay for it hasn't yet materialized. Before plans for the plant took shape in the mid-2000s, the Met Council had approved Oak Grove's requests to carve up farmland and build houses on 2-acre lots. Once the city was earmarked for potential sewer service, however, the Met Council stopped granting the requests for large-lot housing because such development conflicted with long-term sewer system plans, including the plant, the agency said.

A 2007 compromise between Oak Grove and the Met Council allowed most of the city to continue growing with large lots, but preserved rural land in the southeast corner — an area with poor soils for septic systems.

The Met Council says it spent money based on that agreement, investing \$3.5 million to make the sewer pipe larger for Oak Grove. But local leaders say the compromise didn't feel like a choice — they needed Met Council approval of their plan for other development to continue — and the land shouldn't be held back for growth decades from now.

"They have these delusional plans of maybe, possibly, in 2050 or 2060 or 2080 that there might be a need for three homes per acre? In the middle of nowhere? Does that make sense to you?" Korin asked.

Council staff said current plans don't include sewer service in the area before 2040, but that can change with the housing market.

"If that development pattern takes 30 or 40 years to show some resurgence, there's still an actual strong environmental argument for why we shouldn't have wells and septic systems in that part of the region," Duininck said.

An administrative law judge <u>ruled against Oak Grove</u> when the city challenged the Met Council's plan last year. Korin said the city will submit plans reclassifying the land to the Met Council and is prepared to take the issue into district court if necessary. Lake Elmo took the Met Council all the way to the <u>Minnesota Supreme Court</u> in the early 2000s in an unsuccessful fight over regional development plans.

The legislative measure's chief author is freshman Rep. Cal Bahr, R-East Bethel, who made Met Council reform a key issue in his 2016 campaign.

"They want to tell everybody how to live their life or how they think people should live their lives," Bahr said. "But not everybody fits into that mold. Some of us like to have a little more elbow room."

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