CASS COUNTY

PLANNING ADVISORY COMMISSION

WALKER, MINNESOTA 56484

Resolution No. 96-001
Resolution Establishing Findings Of Fact and
Issuing a Negative Declaration for an Environmental Impact Statement
On the Development Known as the Holiday Inn Sunspree Resort

WHEREAS, Cass County, as a political subdivision, organized and existing under the laws of the state of Minnesota; and;

WHEREAS, the Cass County Planning Advisory Commission (PAC) has adopted zoning and subdivision regulations, Ordinance for the Management of Shoreland Areas, Subdivision Platting Ordinance for Cass County, the Comprehensive Land Use Plan for Cass County, including subsequent amendments, to promote the orderly, economic and safe development and utilization of land within the county; and;

WHEREAS, D.W. Jones Incorporated, here and after known as the developer, made a project proposal to build an 80 unit motel, restaurant bar and conference center in Part of Gov't Lots 3 & 4 - Sec. 2 and Part of Gov't Lot 8 Sec. 1 E 1/2 NE 1/4 Section 1 & 2 Township 141 Range 31 County of Cass, South Shingobee Township, Minnesota; and;

WHEREAS, on July 5,1995 Skip Duchesneau, representing D.W. Jones Inc., requested approval from the PAC to proceed with the processing of a voluntary Environmental Assessment Worksheet (EAW), which was unanimously approved by the Commission, which then directed the Cass County Enviromental Service Department to prepare and forward ,to the proper agencies, a completed EAW; and;

WHEREAS, the PAC has reviewed the EAW and all public comments, and have made the following findings of fact:

1. The developer submitted the EAW to the Environmental Service Department on December 1, 1995.
2. On January 3, 1996 the completed EAW was submitted to the Minnesota Environmental Quality Board (EQB) for publication in *The EQB Monitor* of January 15, 1996.
3. Copies of the EAW were distributed and made available to interested persons for comment.
4. Written public comments were received until February 14, 1996.
5. The PAC held a public hearing on March 13, 1996 to solicit comments from local parties of interest. The hearing date was published in Cass County's official newspapers. After receiving public input, the PAC reviewed the EAW document, item by item, to decide whether need for an Environmental Impact Statement (EIS) existed. The review resulted in a recommended "negative declaration" concerning the need to complete an EIS.
6. The PAC reviewed and discussed the EAW and public comments at its meeting on March 13, 1996. In accordance with Minnesota rules, part 4410.1700. The PAC determined the proposed project did not have the potential for significant environmental effects and found an EIS is not required based upon the following Findings of Fact:

   A. **Type, Extent and reversibility of environmental effects**
      1) Cass County Zoning Ordinances and Comprehensive Land Use Plan permit and support use of this type site for a commercial resort project. Redevelopment of the

abandoned railroad grade and using the Planned Unit Development (PUD) Tier System to restrict construction of buildings to a 200 foot setback alleviates the potential for significant environmental effects.

2) A thorough study of the proposed development site by a recognized biologist revealed, that in his opinion, no endangered species or critical habitat were found in the project area. This opinion was also expressed by the United States Department of Interior Fish and Wildlife Service (FWS). In their comment letter they stated, "We do not object to the project described in your [EAW] transmittal."

3) Thomas W. Balcome, Supervisor of the Minnesota Department of Natural Resources Environmental Review Section Office of Planning, suggested remedial measures which would assist in controlling potential soil erosion into the lake. He recommended the developer file a site specific storm water plan, rather than a generic one, with the Minnesota Pollution Control Agency (MPCA). The DNR stated an EIS was not required for this project. This precaution would be incorporated into the development project by means of a condition placed on a Conditional Use Permit.

4) The effect of the surface water runoff from the site will not pose a significant threat to the water quality of the watershed. Given the parcel size (15.56 acres) and the restrictions of no more than 25% impervious surface coverage, which is allowed under the PUD process. This leaves large expanses of permeable surfaces for storm water filtration prior to discharge into the wetlands or the lake. The small size of the site in relation to the total area of the watershed will not be large enough to impact the areas water quality.

5) A Phase I Cultural Resource Reconnaissance Survey was completed by Dr. Christy Hohman-Cain and Grant E. Goltz. Their on site study led them to make the recommendation that a Phase II Evaluation should be conducted to further characterize the site. In August of 1995, the project developer enlisted the services of Christina Harrison, of Archaeological Resource Services, to complete the Phase II Cultural Resource Investigation. In their comment letter on the EAW study, the Minnesota Historical Society referred to the report, SHPO#: 94-3849, acknowledges the presence of a significant archaeological site in the project area. The Historical Society also stated they were pleased to note the efforts of the developer in identifying and evaluating this site and in taking measures to assure the site is protected.

6) The Minnesota Pollution Control Agency (MPCA) stated in their comment letter that Cass County should give serious consideration to the preparation of an EIS to evaluate the potential for significant cumulative impacts on the area. MPCA, in their comment letter, demanded that Cass County provide specific responses to their comments as Minnesota Rule 4410.1700, subp. 4 requires. They also stated that the responses must be received prior to the issuance of necessary MPCA permits or approvals for the project. Cass County attempted to sufficiently answer their comment regarding waste water flows and gallons per day (GPD) figure. However, the Cass County Enviromental Service Department is still waiting for MPCA to supply the criteria for their definition of a "luxury" motel or hotel. The water usage of a normal hotel/motel is 40% less than that of a "luxury" hotel/motel. The lack of definition in their *Individual System Treatment Manual* makes it a difficult task to determine the projected wastewater flow of this project. MPCA's other concerns were the following: 1. Will the project have on site laundry? 2. Will the conference center serve meals? 3. How will the proposed pool and spa discharge be handled? 4. Will the on site septic system need a SDS Permit? The Cass County Planning Commission felt these questions would be best answered by placing a condition on the Conditional Use

Permit. This condition would require the developer to either have a SDS permit, issued by the MPCA, or a letter from the MPCA stating no State Disposal Systems Permit (SDS) is needed for the project. The proposed project will not have an on site laundry service; this also can be a condition on the Conditional Use Permit. The developer has also stated they will use new technology in their pool and spa water treatment process which will eliminate the need for a chlorine system; this can be another condition on the permit. The MPCA has concerns about significant cumulative impacts resulting from incremental effects of the project combined with the past development in the area and development likely to occur in the near future. The PAC addressed this concern by citing the long term trend of small resorts closing and the land use being converted to seasonal residential use. This resort conversion trend is illustrated in the Cass County Comprehensive Land Use Plan. If this were to happen in the area around the development it would likely produce a reduction in on site septic discharge in the general area. The area at the junction of HWY #371 and HWY #200 is a top priority for a municipal waste water treatment facility. The PAC felt with proper planning and a SDS permit, if determined necessary by the MPCA, the project could proceed with no significant environmental effects. The MPCA, in the past, has issued several of these SDS permits around the state, many being in Cass County. Some of these permitted systems have wastewater flow rates at least three times greater than the rate this project would have.

7) The comment letter from the Minnesota Department of Transportation (MN/DOT) states this project would need permits, from MN/DOT, for entrance and right turn and/or bypass lane. MN/DOT also had concerns about the need for storm water run-off plans and the possible need for a NPDES Permit. The Cass County Planning Advisory Commission said they would make the project approval contingent on the obtaining of required permits before a Conditional Use Permit would be issued.

8) The comment letter from the Minnesota Department of Health (MDH) stated its main concerns were about the water supply. The MDH brought to the attention of the PAC that the water supply must comply with Minnesota Rules Chapter 4720 and 4725. Freeman Well Drilling stated the project would need two six inch cased deep wells to serve this project. There would not be a significant impact on the aquifer as long as the level of Leech Lake remains constant.

B. Cumulative potential effects of related or anticipated future projects

1) The surrounding area presently does not have any parcels, 15 acres or more, which adjoin Leech Lake, that would be available for this type of development. The Cass County PAC believes with future plans for municipal waste treatment plants and ongoing solid waste programs, coupled with zoning ordinances and the Comprehensive Land Use Plan, it can guide future development and restrict projects which could cause significant threats to the environment. By using the above mentioned ordinances and plans, Cass County feels it can prevent any negative cumulative effects to the environment.

C. The extent to which the environmental effects are subject to mitigation by ongoing public regulatory authority

1) Cass County Planning Advisory Commission examined the permits this proposed project would need before construction could proceed. The permits include, but are not limited to, the following:

a. SDS permit issued by MPCA

b. NPDES permit
c. Storm water (site specific) permit issued by MPCA
d. Water Appropriation permit issued by DNR
e. Entrance permits and Turn/Passing Lane permits issued by MN/DOT
f. Conditional Use permits issued by Cass County PAC
g. Cass County Land Use permit issued by Cass County Enviromental Service Department

2) The Cass County PAC, with the Shoreland Ordinance Section 4.41 and 4.42 (Conditional Use) and with Section 9.52, 9.61, 9.62 and 9.63 (Planned Unit Development) along with agency permits, believes this project be completed with no potential for significant environmental effects.

D. The extent to which environmental effects can be anticipated and controlled as a result of other environmental studies undertaken by public agencies or the project proposer, or of EIS's previously prepared on similar projects

1) Cass County Enviromental Service Department is currently in the process of updating its Comprehensive Water Plan and also, within the next year, will be reviewing its Comprehensive Land Use plan to identify, prevent, and mitigate or reduce the potential for environmental effects possibly caused by increased growth and development.

NOW, THEREFORE, BE IT RESOLVED, by the Planning Advisory Commission of Cass County, Minnesota, as follows:

1. The Environmental Assessment Worksheet as prepared and presented by the developer of Holiday Inn Sunspree Resort, responses to public comments, and Findings of Fact are hereby approved.
2. The Holiday Inn Sunspree Resort as described in the Environmental Assessment Worksheet does not have the potential for significant environmental impact, as long as:
   Prior to a Conditional Use for a Planned Unit Development hearing, all necessary permits, as dictated by the Cass County Planning Advisory Commission, must be obtained by the developer.
3. An Environmental Impact Statement will not be required for the Holiday Inn Sunspree Resort project as defined in the Environmental Assessment Worksheet submitted by Skip Duchesneau of the D.W. Jones Inc.

This resolution was adopted, along with the public hearing minutes of the March 13, 1996 meeting, by the Cass County Planning Advisory Commission with a vote of 11 Ayes and 0 Nays

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Mike Wetzel, Chair
The Cass County Planning Advisory Commission

ATTEST:

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Susan Sundberg
Secretary, of the Cass County Planning Advisory Commission