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# MINNESOTA

## STATE GOVERNMENT

# ISSUES

REPORT TO THE LEGISLATURE

DEFINING "SIGNIFICANT EFFECT ON THE  
ORDERLY AND ECONOMIC DEVELOPMENT OF  
THE METROPOLITAN AREA" AS IT RELATES  
TO THE ACTIVITIES OF THE  
METROPOLITAN AIRPORTS COMMISSION

Executive Branch Policy Development Program  
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ORDERLY AND ECONOMIC DEVELOPMENT OF  
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METROPOLITAN AIRPORTS COMMISSION

State Planning Agency  
March, 1985

## INTRODUCTION

This report has been prepared by the State Planning Agency in consultation with the Metropolitan Council and the Metropolitan Airports Commission. In accordance with Minnesota Laws 1984, Chapter 561, Section 5, this report is being submitted to the following committees of the Legislature: the Senate Committees on Governmental Operations, Local and Urban Government, and Transportation; and the House of Representatives Committees on Governmental Operations, Local and Urban Affairs, and Transportation.

## BACKGROUND

For some time there have been disagreements concerning interpretation of the laws outlining the relationship between the Metropolitan Council and the Metropolitan Airports Commission (MAC), particularly regarding the Council's authority to review the capital projects of MAC. These disagreements were highlighted during the 1984 legislative session when legislation was considered that changed and clarified some of the existing laws with respect to the relationship between the two agencies.

The Council and MAC disagreed about the effects of the legislation as it was originally introduced. However, negotiations while the legislation was being considered resulted in compromise language that was incorporated in the law that was finally passed amending Minnesota Statute 473.621. Minnesota Statute 473.621, Subdivision 6, provides that the capital projects of the Metropolitan Airports Commission requiring expenditures of more than \$5 million at the Minneapolis/St. Paul International Airport and more than \$2 million at the other airports must be submitted to the Metropolitan Council for review. The law further states that "no such project which has

a significant effect on the orderly and economic development of the metropolitan area may be commenced without the approval of the metropolitan council." The amendment as passed last session includes a definition of the term "significant effect on the orderly and economic development of the metropolitan area" as this term is used in the law relating to the activities of the Metropolitan Airports Commission. The new law (Chapter 561, Section 4) defines these capital projects as the following:

- (a) the location of a new airport,
- (b) a new runway at an existing airport,
- (c) a runway extension at an existing airport,
- (d) runway strengthening other than routine maintenance to determine compliance with federal air regulation 36,
- (e) construction or expansion of passenger handling or parking facilities which would permit a 25 percent or greater increase in passenger enplanement levels,
- (f) land acquisition associated with any of the above items or which would cause relocation of residential or business activities.

Because there were still some concerns and disagreement about the effects of this definition, Chapter 561 also included the following section:

Sec. 5. [State Planning Agency Report.]

The director of the state planning agency, in consultation with the metropolitan council and the metropolitan airports commission, shall prepare a report recommending specific definitions of the terms "metropolitan significance" and "significant effect on the orderly and economic development of the metropolitan area" as those terms are used in laws governing the operation of the metropolitan airports commission. The report shall be delivered to appropriate committees of the legislature, and shall become effective upon approval by law no later than June 1, 1985.

REVIEW OF THE DEFINITION IN CHAPTER 561

As instructed by the legislation the State Planning Agency has for several months been working with representatives of the Metropolitan Council and the Metropolitan Airports Commission to review and clarify the definition of the terms "metropolitan significance" and "significant effect on the orderly and economic development of the metropolitan area" as they relate to the activities of MAC.

In reviewing the legislation passed last session the State Planning Agency as well as the Council and MAC interpreted the charge from the legislature to refer only to the development of a definition of these terms as they relate to the capital projects of MAC. Consequently we have limited our review to an examination of the definition that was included on Chapter 561, Section 4. We did not extensively examine the other review authorities of the Metropolitan Council as they related to the other activities of the Metropolitan Airports Commission. It should be noted, however, that the Metropolitan Council does have the authority to review the activities of the Airports Commission under other statutes including the review of long range plans of MAC under M.S.473.611, the review of the long-range comprehensive plans of independent commissions under M.S. 473.165, and the review of applications for state and federal funds under M.S. 473.171.

It should be further noted that we did not deal with the definition of the specific term "metropolitan significance" because in the statutory language this term does not specifically relate to the capital projects of the Metropolitan Airports Commission. In the statutes "metropolitan significance" has specific meaning regarding planning and land use planning of local governmental units. Because of this statutory and regulatory meaning, the term does not relate to

the capital projects of the Airports Commission. Therefore, in order to avoid confusion and misinterpretation we dealt only with the definition of the term "significant effect on the orderly and economic development of the metropolitan area".

After examining the definition that was included in Chapter 561, Section 4 we found that it did in fact include those types of projects that are likely to affect the orderly and economic development of the region and therefore activities appropriate for review and approval by the Metropolitan Council. We did not identify any additional specific types of capital projects that would have a significant effect on the orderly and economic development of the metropolitan area in the near future.

#### RECOMMENDATION

The Metropolitan Airports Commission feels that the compromise language included in the legislation passed in the 1984 session is sufficient to allow the Council to review and approve the major capital projects of MAC that are likely to have a significant effect on the orderly and economic development of the metropolitan area. The Metropolitan Council agrees that at the present time the compromise language is sufficient to allow them to review and approve the major capital projects. However, the Council did state that this should not be construed to mean that some changes may not be recommended in the future if warranted by future policy plan revisions.

Based on our review and the positions expressed by the Metropolitan Council and the Metropolitan Airports Commission, the State Planning Agency feels that there is no need to amend the existing law which defines the term "significant effect on the orderly and economic development of the metropolitan area." as it relates to the activities of the Metropolitan Airports Commission.

FURTHER EFFORTS TO CLARIFY THE RELATIONSHIP  
BETWEEN THE COUNCIL AND MAC

During our examination of the Metropolitan Council's authority to review the capital projects of the Metropolitan Airports Commission the Council indicated that they have some concerns regarding their ability to review other activities of the Airports Commission. While they felt that their ability to review the capital projects of the Airports Commission is preserved for the most part in the legislation as it presently exists, there are other activities of the Commission for which their authority is not clear. Specifically mentioned was the role of the master planning process as it relates to the definition of long-term comprehensive plan. In addition the Council indicated a need to develop a more comprehensive approach to its relationship with the Airports Commission in its Aviation Policy Plan revisions that would address aspects of the Council/Airports Commission relationships other than capital project reviews. Revisions to the aviation policy plan are being developed by an Aviation Policy Planning Advisory Task Force which will make recommendations for changes to the policy plan followed by review and adoption by the Council. This task force includes representatives from industry, aviation users, state and local governments, as well as, the Metropolitan Airports Commission. It is anticipated that these revisions to the aviation policy plan will be completed by the Metropolitan Council in late 1985. It is the Council's intent to periodically review their relationship with the Airports Commission in terms of what is needed to effectively implement its aviation policy plan. For example, they feel that it may be appropriate to evaluate the ability of the existing structural relationship between the Council and MAC to plan for and respond to the fundamental changes de-regulation of the airline industry brings to airport system planning. The Council feels that such comprehensive approaches to its relationship with MAC are best addressed through the established policy plan revision process.

The Metropolitan Airports Commission in reacting to the Council's statement indicated that these concerns, other than the review of capital projects, revolve around the Council's perceived inability to have an intermediate review check point between the Aviation Plan and the capital project review. MAC feels that the airport master plan serves as this vehicle. At the present time, the Metropolitan Council has the authority to review and approve MAC Airport Master Plans. In addition Master Plans must be developed in a manner consistent with relevant portions of the Metropolitan Development Guide. In the opinion of MAC, given these two factors, the Council at the present time has adequate review authority over MAC airport planning activities. MAC also has concerns regarding the Council's proposal to develop a more comprehensive approach to its relationship with the Commission in its Aviation Policy Plan revisions. It is their feeling that the relationship between the two agencies has been defined in the Statutes by the Minnesota Legislature, and that these legislatively defined inter-relationships should form the basis for activities of each agency. They question whether such issues should be dealt with in the forum of the Metropolitan Development Guide rather than the Minnesota Legislature.

It is State Planning Agency's feeling that continued discussion between the Council and the Airports Commission is healthy and necessary to address the remaining issues and concerns, as well as, new ones that may emerge. The appropriate forum for this review and discussion of these additional items should be the Local and Regional Subcabinet which includes the chairs of each of the metropolitan agencies. The State Planning Agency staff will continue to be available to assist in resolving these remaining issues if requested to do so by the subcabinet or the two agencies.