

CLAY COUNTY PLANNING COMMISSION MINUTES
7:00 PM TUESDAY, JANUARY 27TH, 2026
THIRD FLOOR BOARD ROOM, CLAY COUNTY COURTHOUSE

Members Present: Joel Hildebrandt, Laura Johnson, Jenny Mongeau, Kurt Skjerven, Ashley Heng, David Steichen, Josh Schroeder, Sebastian McDougall, Brad Eldred

Members Absent: None

Others Present: Erika Ward of Novel (by phone), Mahmoud Othman of Novel (by phone), Kent Severson (by phone), Ralph Addonizio of Novel (by phone), Chanyce Dahl, Brian Dahl, Wendy Affield, Eric Aakre, Summer Aakre, Debora McLaughlin, David McLaughlin, Nate Edwards, Scott Hall, Kathy Sogn, Justin Olson, Fritz Ezinger, Richard Donovan, Shane Thompson, Dawn Thompson, Brenda Bashor, Daryl Bashor, Karl Goehring, Randy Affield, Brent Maesse, Tammy Maesse, Jerald Butenhoff, Ray Bernard, Tom Bigwood, Sarah Bigwood

ROLL CALL:

Attendance was recorded by Chair Joel Hildebrandt and the meeting was called to order at 7:00 PM.

APPROVAL OF AGENDA:

On motion by Brad Eldred, seconded by Jenny Mongeau, and unanimously carried, the Agenda was approved.

APPROVAL OF MINUTES OF NOVEMBER 18TH, 2025:

On Motion by Sebastian McDougall, seconded by Brad Eldred, and unanimously carried, November 18th, 2025 Minutes were approved.

CITIZENS TO BE HEARD:

There were no citizens wanting to speak about any items not on the Agenda.

PUBLIC HEARINGS:

SCOTT DAHMS – PETITION FOR TEXT AMENDMENT

The petitioner is seeking amendments to the Clay County Land Development Ordinance and Subdivision Regulations to reduce the minimum lot size for all commercial uses and to reduce the adjacent residential setback for cannabis businesses. The geographic scope of the proposed amendments is countywide, including the petitioner's property at 11649 123rd Ave S, Sabin, MN 56580, on Parcel ID: 01.050.6011 on Outlot P-1, Townsite of Baker, Section 1, Township 137N, Range 47W, Alliance Township.

On motion by Ashley Heng, seconded by Laura Johnson, and unanimously carried, the Planning Commission opened the public hearing.

Matt Jacobson, Planning Director, stated that this request has two components: The first is to reduce cannabis business setback from an adjacent dwelling from 500 feet to 250 feet in the Agricultural Service Center (ASC) zoning district; the second is to reduce minimum commercial lot size in the ASC zoning district from 1-acre to 0.5-acre lot.

The Petitioner cites the following criteria as a basis for their request:

- Improve feasibility of locating cannabis business in ASC zoning districts
- Support reuse of existing or historically developed ASC parcels
- Align dimensional standards with historic ASC development patterns

The Planning Commission previously reviewed a text amendment allowing cannabis business as a conditional use in the Agricultural Service Center District and recommended denial. The Commission's findings cited concerns that included:

- Compatibility of cannabis businesses in ASC areas where residential uses are often in close proximity;
- Potential for nuisance impacts such as traffic, odor, lighting, and security;
- Limited operational experience with cannabis uses at the time;
- A high proportion of ASC parcels are rendered ineligible due to the setback requirements, increasing the likelihood of variance requests;
- Consistency with the Comprehensive Plan and the intended role of the ASC as a rural service district with significant residential presence.

Ultimately, the Board of Commissioners adopted the amendment to permit cannabis businesses as a conditional use in the ASC District. The Board's findings for adoption included:

- The use has the potential to revitalize and diversify Agricultural Service Center economies.
- The use could be considered similar to other conditional uses permitted in the ASC district (bar, restaurant, commercial entertainment) regarding business type, traffic generated, noise, lighting, parking.
- Adapted reuse of structures has the potential to stimulate economic activity, promote tourism and preserve structures that contributed to the rural character of Clay County.

Director Jacobson shared the following information regarding the Agricultural Service Center Zoning District:

- Comprised of small unincorporated communities.
- District purpose: Support rural residential, commercial, industrial, and agricultural industry to supplement the agricultural economy of the County.
- Ordinance states that commercial and industrial uses in ASC must be located and designed so they do not create nuisance or trespass concerns for nearby residential uses.

Cannabis Use Standards include:

- Cannabis businesses are subject to specific use standards intended to mitigate land use conflicts and off-site impacts.
- Current standards require a 500-foot setback from a dwelling on an adjacent property.
- The County Board of Commissioners adopted the 500-foot residential setback to limit impacts to nearby residential uses.
- The setback is consistent with separation distances for similar sensitive uses (such as schools and daycares) established in Minnesota Statutes Chapter 342 and other provisions of the Clay County Land Development Ordinance.
- The consideration is particularly relevant due to the presence of at-home daycares throughout Clay County.

The purpose of minimum lot size for commercial uses:

- Regulate development intensity and overall scale of commercial uses.
- Ensure compatibility with surrounding land uses.
- Support safe, functional, long-term site design.
- Provide adequate area for: Building separation and buffering, noise mitigation, lighting and traffic impacts.

Director Jacobson provided the functionality reasons for minimum lot sizes for commercial uses:

Ensure space for essential on-site functions:

- Access and internal circulation
- Parking and loading areas
- Emergency vehicle access
- Drainage and stormwater management
- Utility placement
- Snow storage
- Onsite accommodation reduces spillover impacts to adjacent properties and public rights-of-way.

If approved, a 0.5-acre lot would be the smallest minimum lot size standard allowed in Clay County. Properties in unincorporated areas rely on private wells and onsite sewage treatment systems (SSTS) and these systems require adequate space and separation distances, particularly between wells and septic systems. The SSTS rules and ordinance for Clay County require two soil treatment and dispersal areas for lots created after January 23, 1996 to support initial system placement and ensure long-term replacement capacity in the event of some type of failure. Director Jacobson shared that, on smaller lots, site functions may compete with building footprint and SSTS placement which increases risks of parking or loading spillover, impacts to adjacent properties or public rights-of-way. The Planning Commission previously cited these concerns, particularly in the ASC areas near residential properties.

The Board of Adjustment did deny a variance to reduce cannabis business setback from adjacent residence from 500-feet to 250-feet. This decision is currently under appeal in District Court. The Petitioner's lot at 0.43 acres is under the 0.5-acre minimum lot size request and would be nonconforming if approved.

Comments have been received from Alliance Township opposing the proposed amendments, and also Goose Prairie Township and Elkton Township have submitted letters opposing the request. A letter of opposition was also received from a Clay County citizen.

Goals and Objectives reviewed from the 2045 Comprehensive and Transportation Plan include:

Land Use: Commercial and Industrial

1. Encourage commercial and industrial development that is in harmony with the agricultural and rural Character of Clay County.
 - c. Avoid or mitigate against commercial and industrial development that increases the potential for land use conflicts with rural residential or agricultural uses.

Director Jacobson advised that the reduced residential setback for cannabis businesses in the ASC District, together with the smaller lot size decreased to 0.5 acres, would generally increase the number of ASC parcels eligible for commercial cannabis development and allow uses to locate closer to existing rural residences. From a policy perspective, reduced setbacks and smaller lot size may improve development feasibility on constrained or historically platted parcels and may support reinvestment in existing structures. However, the prior Planning Commission findings did emphasize that many ASC areas function as predominantly residential in character, with service or commercial uses interspersed among dwellings. In this context, reduced separation distances and smaller lot areas could increase the proximity of commercial activity to rural

residential uses, thus significantly increasing the potential for land use conflicts.

The 2045 Comprehensive and Transportation Plan objective specifically calls for avoiding or mitigating development patterns that increase land use conflicts with rural residential or agricultural uses. Reducing setbacks and lot sizes may shift the balance away from avoidance and toward reliance on site-specific mitigation measures (such as CUP conditions, buffering, lighting controls, traffic management, or operational limits). Director Jacobson pointed out that the Commission may wish to consider whether such mitigation tools are sufficient to maintain harmony with rural character on a county-wide basis, or whether the existing standards provide a clearer and more predictable method of minimizing potential conflicts.

Environmental Health:

1. Ensure affordable, efficient, safe and environmentally sound individual and community wastewater management for the benefit of Clay County property owners.

Director Jacobson advised that in the unsewered areas of Clay County, minimum lot size standards help ensure adequate space for compliance Subsurface Sewage Treatment Systems (SSTS), including required replacement areas. Reducing the minimum commercial lot size in the ASC District to 0.5 acres may limit system design flexibility on some parcels, depending on the soils, building footprint, and site constraints. From a Comprehensive Plan perspective, larger minimum lot sizes function as a preventative measure to support long-term, environmentally sound wastewater management. The Commission may consider whether the proposed reduction introduces increased uncertainty in meeting wastewater management objectives for commercial development in the ASC District.

Sebastian McDougall asked if the residential setbacks were state-wide. Director Jacobson advised that the residential setback is not in State statute. However, daycares, residential treatment centers, features in playgrounds where there is a frequency of minors attracted are included. The Commission wanted to add residences due to the prevalence of in-home daycares and to keep cannabis businesses within commercial and industrial districts.

Applicant Scott Dahms pointed out that the Agricultural Service Centers were designed with smaller lots in close proximity. He also shared that recent federal rescheduling of cannabis has opened up more opportunity for cannabis businesses. He feels that the lot size standards are in place to prevent operating a business that the County has already decided to allow. He feels that the current standards are being applied to districts in areas that were never created to accommodate them. He pointed out that cannabis businesses are highly regulated, secured and monitored. He pointed out that the Federal government recently made many changes to the cannabis business which makes them more stable and more predictable as a business entity. Mr. Dahms shared that other nearby counties do not have residential setbacks for cannabis businesses and there are no lot size restrictions.

Chair Joel Hildebrandt asked if Applicant knows where his property lines are; Applicant knows approximately where the property lines are but agrees he does have less than one-half acre parcel at this property.

David McLaughlin and his wife Debbie states that their property is within the 500-foot setback. He feels back in 2017 he and Mr. Dahms had a good neighborly relationship. Once the Air B-n-B was opened, they began to experience some issues with the guests: noise concerns, fireworks, loose dogs. He advised Mr. Dahms has been responsive to those issues. Mr. McLaughlin does request a denial for this request. He states that to change the entire county ordinance for one individual property would be a bad precedence. He states that the Applicant has the property on the market for \$300,000 as a fully turn-key business and the ad states that the past 3 years have produced \$50,000 per year, in spite of him giving testimony at the last hearing that his elevator was losing \$15,000-\$20,000 per year. He feels that Mr. Dahms is trying to change the rules one bit at a time to reach his ultimate result. Mr. McLaughlin provided pictures taken on Monday, January 26th, 2026

showing the debris, vehicles, trash and garbage, the missing roof, and general disrepair of the property.

Jerald Butenhoff 10449 140th Ave S, Barnesville, is an Alliance Township Supervisor. The Township road runs right up along the property and he questioned parking ability. He and the Township ask the request be denied.

Rick Donovan advised when he purchased a parcel in Baker he was told that he could not put up a storage building without having a house on the property first. He feels if the rules wouldn't change for him they also shouldn't change for Mr. Dahms' request. He feels this is a tight-knit community but does not feel Mr. Dahms is like the rest of the community. Mr. Donovan advised that Mr. Dahms had earlier stated that everyone in Baker was in agreement of his requested cannabis business but, in fact, there was nobody in agreement. Mr. Donovan feels stating that everyone was in agreement was a bold lie and questioned what else there would be lies about.

Kristi Donovan of 12219 119th Str S, Baker, advised that she discovered the proposed cannabis business on the radio the day after Mr. Dahms made his initial request. There is a new daycare in the vicinity and also Little League ball fields. She feels a cannabis dispensary would alter the character of the town and the safety of the residents. She wonders where all these people coming to the dispensary would park as there is not much available area for parking. She is concerned about the impact on the community as well as the additional work load on local law enforcement, and feels that the risks outweigh any potential benefits. She presented a petition signed by the area residents who are opposing this request.

Nate Edwards of 12225 118th Street South, Baker, feels the rules were put in place to keep this type of activity out of areas like Baker.

Shane Thompson advised that his great-great grandfather homesteaded about a mile from the elevator in 1887. He is not in favor of this request. He emphasized that the community takes care of each other. His dad is currently 92 years old and also is not in favor of this request.

On motion by Josh Schroeder, seconded by Kurt Skjerven, and unanimously carried, the Planning Commission closed the public hearing.

Jenny Mongeau expressed concerns about parking accommodations, snow removal and other factors from having a commercial business on a lot of such a small size. Chair Hildebrandt pointed out that there are so many issues with this request: a nearby home daycare, a ball field, and also including that Mr. Dahms had earlier stated that he had spoken with Environmental Health and now says he has not. David Steichen shared that there are two nearby Counties that also have the 500-foot residential setback.

The Findings of Fact and Order were addressed and discussed by the Planning Commissioners as they pertain to the request.

On motion by David Steichen, seconded by Ashley Heng, and Commissioner Mongeau abstaining her vote, the Planning Commission recommended a denial of this request to the Clay County Board of Commissioners based on the Findings of Fact.

ERIC AAKRE – REQUEST FOR INTERIM USE – HOME OCCUPATION PERMIT

The applicant is requesting an after-the-fact interim use home occupation permit for an existing service business at 27655 102nd Ave S, Hawley, MN 56549, on Parcel ID: 24.027.1301, in part of Government Lot 2, Section 27, Township 138N, Range 44W, Parke Township.

On motion by Jenny Mongeau, seconded by Sebastian McDougall, and unanimously carried, the Planning Commission opened the public hearing.

Matt Jacobson, Planning Director, advised the Applicant is requesting an Interim Use-Home Occupation Permit for their business Lakes Area Jetting. The subject property is zoned Agricultural General (AG) and Shoreland (SH) and is located directly south of the Minnesota Steam Threshers Reunion property. There is currently a residence and an outbuilding on the property. The property and surrounding properties are zoned Agricultural General (AG) and Shoreland: Special Protection (SH).

The Interim Use Home Occupation Permit application states the property will be used to park 2 semis and 2 vans, as well as a small office within the shop for day-to-day paperwork and employee check in. There will be 2,912 square feet of the shop utilized for the business. The business employs 4 additional employees and parking is provided for them on the south side of the shop building. Business operating hours are Monday through Friday, 8:00 AM to 5:00 PM year round. The Applicant appears to meet all of the standards for an Interim Use Home Occupation Permit. The nearest residence is 260 feet to the east and is buffered by trees. There have not been any public comments received regarding this request; the Township has not offered any comments.

The following Goals and Objectives were reviewed from the 2045 Comprehensive and Transportation Plan:

General Goal #1: Maximize the potential of Clay County as a thriving center for agriculture, business, and recreation while maintaining and enhancing its livability.

Land Use Goal #1: Establish a comprehensive growth management strategy for Clay County that promotes orderly and efficient growth of residential, commercial and industrial development while preserving the County's rural character.

Land Use Goal #5: Plan land uses and implement standards to minimize land use conflicts.

The property is in Shoreland zoning and appears to meet all Shoreland standards.

Applicant Eric Aakre of 27655 102nd Ave S, Hawley spoke. He was accompanied by his wife Summer. He stated he did not know they were required to have a permit. They are in their 3rd year of operation and all is going well. He is looking to build a shed to "get the business out of his wife's yard". There was also a plumbing business – County Line Plumbing – operating out of the same location. Mr. Aakre advised they are focusing more on their jetting business and less on the County Line Plumbing business. Director Jacobson advised that there have been no complaints about the property or the business. This is their home where they are raising their family. His wife will work out of the office in the new building. The jetting business is for inspections and unclogging sanitary sewers, storm drains, etc, doing mostly commercial and industrial sites. He does not foresee a business expansion.

On motion by Brad Eldred, seconded by Ashley Heng, and unanimously carried, the Planning Commission closed the public hearing.

The Findings of Fact and Order were addressed and discussed by the Planning Commissioners as they pertain to the requested Interim Use Permit. Any issues or concerns may be addressed with conditions.

Staff recommends the following minimum Conditions:

1. Home Occupation shall comply with the Clay County Development Code Home Occupation Standards;
2. Permit ceases upon ownership change.
3. Employees shall be limited to members of the house and ten (10) additional non-family employees unless a plan for additional employee parking and mitigation of potential impacts are provided to the Planning Office.
4. Any additional conditions as the Planning Commission sees fit.

On motion by Brad Eldred, seconded by Kurt Skjerven, and unanimously carried, the Planning Commission *GRANTED* the Interim Use Home Occupation Permit with the following conditions:

1. Home Occupation shall comply with the Clay County Development Code Home Occupation Standards.

2. **Permit ceases upon ownership change.**
3. **Employees shall be limited to members of the house and ten (10) additional non-family employees unless a plan for additional employee parking and mitigation or potential impacts are provided to the Planning Office.**

NOVEL ENERGY SOLUTIONS – REQUEST FOR CONDITIONAL USE PERMIT AMENDMENT

The applicant is requesting to amend a previously granted Conditional Use Permit #831742 for a 1 mega-watt Community Solar Garden on Parcel ID: 07.034.4600, part of the W1/2 of the SE1/4, S1/2 of the SW1/4, NE1/4 of the SW1/4 Section 34, Township 142N, Range 46W, Felton Township.

On motion by Jenny Mongeau, seconded by , and unanimously carried, the Planning Commission opened the public hearing.

Matt Jacobson, Planning Director, advised that the Planning Commission granted a CUP in 2021 and there was an amendment to the permit in 2022 that granted another 3 years to establish the use. That deadline has passed and the Applicant is now coming for a new Conditional Use Permit. The request is for a 1-Megawatt solar garden on 10 acres of farmland. Zoning is Agricultural General (AG).

This site selection included its level terrain, amount of sunlight, proximity to electrical infrastructure, and landowner participation. Interconnection will be through Xcel Energy.

The construction will begin in 2026. There will be 2,400 solar panels at maximum height of 12 feet. There is an anticipated 30-year project lifespan. The project area will include establishing beneficial habitat/pollinator vegetation. The project will be fully enclosed by fencing. Gate access will be keyless entry and there will be signage with 24-hour contact information provided. Full removal for decommissioning is estimated at just over \$35,000. This is on prime farmland, if drained, and would take 10 acres out of production. The site plan has a few modifications from the original request. They will need an access agreement with the Highway Department to access via Trunk Highway 9. It is directly east of the Felton Cemetery.

2045 Comprehensive and Transportation Plan Goals and Objectives reviewed:

Agriculture:

1. Support the long-term protection of the County's strong and diverse agricultural economy.
 - c. Ensure that all new development is compatible with the character and quality of the County's agricultural areas.
1. Recognize and Protect the agricultural character of Clay County.
 - b. Protect prime agricultural soils from commercial, industrial, and residential development.

Land Use – Commercial and Industrial:

1. Encourage commercial and industrial development that is in harmony with the agricultural and rural Character of Clay County.
 - b. Avoid or mitigate against commercial and industrial development in and near environmentally sensitive areas.
 - c. Avoid or mitigate against commercial and industrial development that increases the potential for land use conflicts with rural residential or agricultural uses.

Natural Resources and the Environment – Prairies and Woodlands:

2. Grow and restore prairie and woodland areas in Clay County for the benefit and enjoyment of Clay County businesses, residents, and visitors.
 - a. Encourage agricultural, commercial, industrial, and residential development to establish prairie and/or woodland areas on properties to provide ecosystem services such as erosion and flood control, through assessment, permitting, tax, and zoning programs and incentives.

Director Jacobson advised that the only change from previous applications is the access. Applicant has done a wetland delineation study.

Mahmoud Othman of Novel Energy Solutions appeared via computer, together with his colleagues Erika Ward and Ralph Addonizio. Mr. Addonizio advised that the decommissioning plan did not include the value of recycling. Mr. Othman advised they did receive the access permit and the only requirement was that they needed to include a culvert, which has been added.

Mr. Addonizio advised that the delay is due to the procurement of product and hope to complete this project in 2026.

Dave Steichen asked Mr. Addonizio about the lifespan of the project being 30 years and inquired if, with technological advancements would it be safe to assume that the project could technically be longer. Mr. Addonizio agreed and stated that within 10 years there could be significantly less footprint producing the same electricity.

Director Jacobson clarified about the solar production tax cut offs for 1-Mega-Watt-sized solar gardens.

On motion by Laura Johnson, seconded by Brad Eldred, and unanimously carried, the Planning Commission closed the public hearing.

The Findings of Fact and Order were addressed and discussed by the Planning Commissioners as they pertain to the requested Interim Use Permit. Any issues or concerns may be addressed with conditions.

Staff recommends the following minimum Conditions:

1. Applicant must abide by the provisions of the Clay County Land Development and Subdivision Ordinance.
2. Applicant shall obtain all applicable Local/State/Federal permits/reviews (i.e. Storm Water Pollution Protection Plan (MPCA), WCA review, etc) before any construction and shall provide copies of them to the Planning Office.
3. Project must meet MnDOT access management and Right-of-Way standards and must receive all necessary permits from MnDOT.
4. Project owner/operator must provide a decommissioning surety bond, cash deposit with Clay County, or letter of credit for \$50,000 per megawatt.
5. Project must meet the Minnesota Board of Water and Soil Resources Beneficial Habitat Standards as outlined in MN Statute 216B.1642.
6. Project owner/operator must provide a surety bond, cash deposit with Clay County, or Letter of Credit for 125% of the cost of establishing native plant cover on the project site.

Chair Hildebrandt asked Applicant if they are in agreement with the 6 listed conditions and they agreed to the conditions as stated.

On motion by David Steichen, seconded by Kurt Skejrvén, with majority in agreement and Ashley Heng voting no, the Planning Commission *APPROVED* the Conditional Use Permit with the following conditions:

1. Applicant must abide by the provisions of the Clay County Land Development and Subdivision Ordinance.
2. Applicant shall obtain all applicable Local/State/Federal permits/reviews (i.e. Storm Water Pollution Protection Plan (MPCA), WCA review, etc.) before any construction and shall provide copies of them to the Planning Office.
3. Project must meet MnDOT access management and Right-of-Way standards and must receive

all necessary permits from MnDOT.

- 4. Project owner/operator must provide a decommissioning surety bond, cash deposit with Clay county, or letter of credit for \$50,000 per megawatt.**
- 5. Project must meet the Minnesota Board of Water and Soil Resources Beneficial Habitat Standards as outlined in MN Statute 216B.1642.**
- 6. Project owner/operator must provide a surety bond, cash deposit with Clay County, or Letter of Credit for 125% of the cost of establishing native plant cover on the project site.**

BUFFALO RIVER GARDEN LLC – REQUEST FOR CONDITIONAL USE PERMIT

The applicant is requesting a Conditional Use Permit for a 4.75 mega-watt Community Solar Garden on Parcel ID: 06.005.3600, part of the NE1/4 of the SW1/4 & W1/2 of the SW1/4 Section 5, Township 138N, Range 47W, Elmwood Township.

On motion by Jenny Mongeau, seconded by Laura Johnson, and unanimously carried, the Planning Commission opened the public hearing.

Matt Jacobson, Planning Director, stated the request is for a 4.75 mega-watt community solar garden located three-quarters of a mile north of Sabin and on the east side of County State Aid Highway 11. The current land use is tilled agriculture. The parcel is 95.62 acres and 28.83 acres is proposed for this solar project. The base zoning on the property is Agricultural General (AG) with an overlay zoning of Resource Protection – Wellhead Protection (RP – WH).

This solar garden would participate in the Xcel Energy Low-and Moderate-Income Community Solar Garden Program. This program provides renewable energy to income-eligible households, Public-interest subscribers and community organizations. The expected annual generation would be 10,900 MWh and with an anticipated operational life span of 35+ years. The site was selected due to the level terrain, amount of sunlight, proximity to electrical infrastructure, and landowner participation. Interconnection to the grid is through Xcel Energy.

Construction is expected to begin in Summer 2027 and should take about 135 days to complete. There is a 35-year project lifespan. Beneficial habitat/pollinator vegetation will be established. The project is enclosed by fencing, and access is through a keyless entry gate. Signage with 24-hour contact information will be posted.

Director Jacobson advised that the use is relatively passive with no excess traffic, no noise, vibration or dust and vegetative screening proposed by nearby residences.

This use would take prime farmland and prime farmland if drained out of production for a minimum of 35 years. No soil stripping or permanent foundations will be done. Soils will remain intact and vegetated during operation. Site can be restored to agricultural use at the time of decommissioning. The project is small-scale relative to countywide prime farmland acreage.

Director Jacobson explained the Solar Production Tax difference for this 4.75 mega-watt project in comparison to the typical 1-megawatt project requests normally received. This project will generate tax revenue of approximately \$13,080 per year with 80% of that (\$10,464/year) going to Clay County, and 20% of that (\$2,616/year) going to Elmwood Township. Those amounts would be yearly for the lifespan of the project.

Decommissioning plan includes removal of panels, racking, piles, inverters, transformers, wiring, fencing, concrete pads, and access roads. Site restoration is to include grading, topsoil replacement and reseeding. Total decommissioning cost is estimate at \$200,670.97. No salvage value has been assumed. Financial guarantee is required.

Public input received regarding placement of overhead power poles, screening from residential properties and future expansion concerns. No comments received from Elmwood Township. Photos reviewed of the proposed power pole locations.

The State caps the community solar garden sizes at 5 megawatts so there is no potential for future expansion.

Goals and Objectives reviewed from the 2045 Comprehensive and Transportation Plan:

Agriculture:

1. Support the long-term protection of the County's strong and diverse agricultural economy.
 - b. Ensure that all new development is compatible with the character and quality of the County's agricultural areas.
1. Recognize and protect the agriculture character of Clay County.
 - b. Protect prime agricultural soils from commercial, industrial, and residential development.

Commercial and Industrial:

1. Encourage commercial and industrial development that is in harmony with the agricultural and rural character of Clay County.
 - b. Avoid or mitigate against commercial and industrial development in and near environmentally sensitive areas.
 - c. Avoid or mitigate against commercial and industrial development that increases the potential for land use conflicts with rural residential or agricultural uses.

Director Jacobson pointed out that this location is directly over the Buffalo Aquifer in the Resource Protection – Wellhead Protection Overlay Zoning District. Solar development is a preferred use in this zoning district as the underlying native vegetation would improve groundwater infiltration and soil health.

Natural Resources & the Environment – Prairies and Woodlands:

2. Grow and restore prairie and woodland areas in Clay County for the benefit and enjoyment of Clay County businesses, residents, and visitors.
 - a. Encourage agricultural, commercial, industrial, and residential development to establish prairie and/or woodland areas on properties to provide ecosystem services such as erosion and flood control, through assessment, permitting, tax, and zoning programs and incentives.

Fritz Ezinger of Nokomis Energy thanked the Planning Department staff for their responsive communications during the application process. Mr. Ezinger stated that they picked the location due to the Resource Protection – Wellhead Protection zoning. They attempted to use as much of the existing features as possible, including the existing accesses. This project is a low-to-moderate income program primarily targeted toward churches, schools, non-profits and low-income housing providers to benefit from the rate savings. He feels that Clay County is nearing its capacity for solar volume. He also pointed out that there are greater than 25,000 acres in Clay County currently sitting in CRP with no production. Mr. Ezinger welcomed any other questions.

On motion by Ashley Heng, seconded by Sebastian McDougall, and unanimously carried, the Planning Commission closed the public hearing.

The Findings of Fact and Order were addressed and discussed by the Planning Commissioners as they pertain to the requested Interim Use Permit. Any issues or concerns may be addressed with conditions.

Staff recommends the following minimum Conditions:

1. Applicant must abide by the provisions of the Clay County Land Development and Subdivision Ordinance.
2. Applicant shall obtain all applicable Local/State/Federal permits/reviews (i.e. Storm Water Pollution Protection Plan (MPCA), WCA review, etc.) before any construction and shall provide copies of them to the Planning Office.
3. Project owner/operator must provide a decommissioning surety bond, cash deposit with Clay County, or letter of credit for \$50,000 per megawatt.

4. Project must meet the Minnesota Board of Water and Soil Resources Beneficial Habitat Standards as outlined in MN Statutes 216B.1642.
5. Project owner/operator must provide a surety bond, cash deposit with Clay County, or Letter of Credit for 125% of the cost of establishing native plant cover on the project site.

Applicant agreed to the conditions as stated.

On motion by Brad Eldred, seconded by David Steichen, and no vote by Ashley Heng, the Planning Commission **GRANTED** the Conditional Use Permit with the following conditions:

1. Applicant must abide by the provisions of the Clay County Land Development and Subdivision Ordinance.
2. Applicant shall obtain all applicable Local/State/Federal permits/reviews (i.e. Storm Water Pollution Protection Plan (MPCA), WCA review, etc) before any construction and shall provide copies of them to the Planning Office.
3. Project owner/operator must provide a decommissioning surety bond, cash deposit with Clay County, or letter of credit for \$50,000 per megawatt.
4. Project must meet the Minnesota Board of Water and Soil Resources Beneficial Habitat Standards as outlined in MN Statutes 216B.1642.
5. Project owner/operator must provide a surety bond, cash deposit with Clay County, or Letter of Credit for 125% of the cost of establishing native plant cover on the project site.

UNFINISHED BUSINESS:

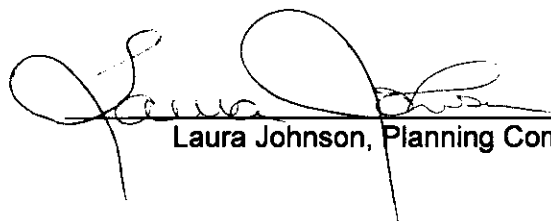
None

NEW BUSINESS:

- Public Waters Inventory: The Minnesota DNR is looking to update the existing state-wide Public Waters Inventory (PWI). Clay County was one of the first counties to go through this process which started in August 2025. There is a 60-day public comment period set to close on February 10th and then a revision update to the final map and list with a 90-day appeal period. They will include 8 added water courses within Clay County, which are comprised of 2 sq miles or greater, a stream bed and banks. Most of these are quite small. Back in the 1980s when the PWI was originally created, some of the owners were not properly noticed and those properties were now removed, and they will be properly noticing the landowner and placing those waters back on the inventory. There is a feedback link provided online. All comments have to be submitted in writing and through the online site.
- Officer elections will be held at the February meeting.
- IRS mileage rate has now increased to \$.725

ADJOURNMENT:

On motion by Laura Johnson, seconded by Ashley Heng, and unanimously approved, the meeting adjourned at 9:12 PM.



Laura Johnson, Planning Commission Secretary