



City of Blaine

City Council Workshop

May 1, 2023 | 5:30 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

NOTICE OF WORKSHOP MEETING

In accordance with the provisions of Section 3.01 of the Blaine City Charter, a Council Workshop meeting is scheduled for the following purpose:

1. Call to Order

The meeting was called to order by Mayor Sanders at 5:30PM.

ROLL CALL

PRESENT: Mayor Tim Sanders, Councilmembers Terra Fleming, Leslie Larson, Tom Newland, Jess Robertson, and Lori Saroya.

ABSENT: Councilmember Chris Massoglia.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director/Assistant City Manager Joe Huss; Deputy Finance Director Ali Bong; Director of Engineering Dan Schluender; Senior Parks and Recreation Manager; Public Works Director Nick Fleischhacker; City Attorney Tom Loonan; and City Clerk Catherine Sorensen.

2. New Business

2.1. 2023-163 Trunk Highway 65 Update

Sponsors: Daniel Schluender, Director of Engineering

City Engineer Schluender presented an update to the council on the TH65 project, including status of funding, lobbying/legislative efforts, project meetings of note, and project design. He commented on how staff was working to get 99th added to this project. Additional funding requests being considered by the legislature were discussed. He reviewed the proposed overlay project scheduled for 2024. It was noted staff was meeting with the state

lobbyists every week as well as meeting with the federal lobbyists every other week. He explained the mayor has been lobbying diligently for the TH65 project both at the state and federal level. He commented the bridge types for each overpass has been considered and approved by MNDOT. Staff was hopeful the remaining design issues would be settled in the next month and communication could begin with the public.

Councilmember Robertson requested further information regarding the IJA funding. Mr. Schluender explained the state required a federal match and would now be considering how to distribute this funding to MNDOT and cities throughout the state.

Further discussion ensued regarding the proposed roundabout and the surrounding land that could redevelop.

Councilmember Saroya asked if the surrounding businesses supported the roundabout. Mr. Schluender reported the businesses did support the roundabout and were working together on the potential redevelopment of their land.

Mayor Sanders thanked Mr. Schluender for his detailed presentation and for his efforts on this project.

2.2. 2023-164 Northtown Land Use and Density Discussion
Sponsors: Sheila Sellman, City Planner

City Planner Shelia Sellman stated at the January and February workshops, the council reviewed various aspects of the Northtown Plan. A recent discussion focused on land use. Based on council dialogue, staff has created a land use map for council to consider and provide general feedback on. At the October 2022 fall retreat, the council had a general multi-family discussion. At the retreat, staff presented some multi-family statistics, reviewed existing HDR (High Density Residential) sites, high density estimates for Northtown Area and 105th Avenue, recent approval history, and discussed the review process for when requests are made (presentation attached). An outcome of the retreat was to consider changing the HDR land use for two properties and shift that density to the Northtown Area. In order to change density from a higher to lower classification (e.g High Density to Medium Density), the density needs to be shifted elsewhere in the city to meet requirements set in place by the Metropolitan Council. Per Metropolitan Council requirements, the 2040 comprehensive plan identifies the need for 1,139 additional affordable housing units in Blaine. This is accomplished through guiding vacant or redevelopment land for high density residential.

Councilmember Saroya requested further information on where the HDR and HDR2 zoning districts were located. Ms. Sellman reviewed the location of these districts with the council.

Councilmember Robertson recalled the old Kmart site would not be apartments, but rather would be medium density. Ms. Sellman discussed how the natural progression would be to go from HDR to MDR. She noted staff could change this to MDR if this was the direction of the council.

Councilmember Robertson recommended the old Kmart site be changed to MDR.

Councilmember Saroya agreed noting she would rather see townhomes in this area than

apartments. She questioned why the HDR2 was in the center of the development and asked if this could be moved. Ms. Sellman reported the HDR2/PC could be moved, but explained staff was proposing to have this higher density near the mall.

Councilmember Saroya did not support having the HDR2 adjacent to the mall. Ms. Sellman commented on how HDR2 was necessary in order to have enough density to make the plan work.

Councilmember Robertson stated HDR offered a variety of housing projects and not just apartments. She did not support removing HDR from the mall area. She indicated it would be interesting to see what the mall would do with this plan, because she understood housing had to be a part of the new vision for this plan.

Councilmember Newland discussed how important it would be to keep this area broad and flexible as HDR flex towards the center noting the perimeter could then be lower density.

Councilmember Saroya expressed concern with what the future height of these HDR buildings would be and how it would impact the surrounding neighbors. She feared how the crime issues in the area would escalate. She believed Blaine did not have to be like every other community and should pursue more row homes versus apartments. Community Development Director Thorvig stated the council would be discussing the zoning regulations this summer which would allow the city to set building height and stories allowed for buildings.

Commissioner Fleming supported the council further pinpointing which areas could have apartments and which should have mixed use retail/housing.

Ms. Sellman commented on the proposed density shift. She reported the logic is that high density residential land use is more conducive for affordable housing, and by requiring cities to set aside vacant land for high density, it creates an opportunity for affordable housing to be built, although it is not required when those sites develop. By having this requirement in place, it distributes the ability of where affordable housing could be built amongst all cities versus concentrating it in certain cities/parts of the metro area. The first property change was identified at the northwest corner of Main and Lexington, changing 8.82 acres from HDR (High Density Residential) to MDR/LDR (Medium/Low Density Residential). The second property change identified is at 99th and Polk, changing 10 acres from MDR/HDR (Medium Density Residential) to MDR (Medium Density Residential). If this is still the council's direction, amendments could be considered when amending the comprehensive land use plan for Northtown. The property owners have not been contacted regarding these changes. Staff requested the council provide feedback on the proposed land use change.

Councilmember Newland stated he supported the change for the 8.82 acres at the corner of Main and Lexington.

Councilmember Saroya feared the Ward 1 residents would object to having all of the affordable housing crammed into one area of the city versus being spread out throughout the community.

The consensus of council was to support the two proposed density shifts. Ms. Sellman explained staff would need to contact the landowners in order to discuss the proposed change.

Ms. Sellman asked if the council wanted to consider new zoning district for the Northtown redevelopment area.

Councilmember Newland asked what this would be. Ms. Sellman stated the zoning district would be a mix of commercial, retail, restaurants, apartments, and townhomes similar to 105th. She noted this would be for a much larger area than the 105th Redevelopment Area.

Mayor Sanders commented the Northtown area would take a great deal more time to development and there were a large number of property owners involved. Ms. Sellman explained the council would be considering the moratorium this evening. She noted landowners were seeking direction on what the city's vision is for this area, when it comes to land use.

Mr. Thorvig stated staff was seeking feedback in order to assist in driving the discussions staff has with the public. He reported after gathering feedback from the public, the city would have to create a zoning district that identifies the uses that were consistent with the land uses.

Councilmember Newland asked how the Northtown area was currently zoned. Ms. Sellman stated the area was zoned community commercial. She commented further on how staff was proposing to break up the areas for retail/commercial and residential.

Councilmember Newland supported the council putting a plan in place to ensure the council's vision for this area was carried out.

Councilmember Saroya agreed but noted she was still concerned about the number of large apartment buildings that were being considered for the Northtown area. She did not want large apartment buildings overlooking residential homes.

City Manager Wolfe indicated the zoning code could have specific language that dictates the height of apartment buildings, along with how close they could be to existing residential homes. Mr. Thorvig discussed the vision for the Northtown area and commented on the areas that would change more than others.

Councilmember Newland recommended some restrictions be written into the code, but that the language be flexible enough for future developers to allow the market to drive future redevelopment.

Councilmember Robertson stated this process was pursued in order to put the city in the driver's seat. She supported the city having a strong hybrid plan in place that includes HDR, while still not changing the culture of the area. She anticipated the Northtown area would receive over \$1 billion in investment over the next 20 to 30 years and this redevelopment would include apartments in order to make the plan work.

Councilmember Newland commented on how it would be important to have a solid plan in place for the Northtown area in order for this redevelopment project going in the right direction.

Councilmember Fleming stated she supported this plan, so long as the city remains in the drivers seat.

Councilmember Saroya indicated she liked most of the plan and she understood the area needed to be redeveloped. However, she did not want too many apartments crammed into the area. She explained she would like to have more discussion regarding the proposed apartments.

Mr. Thorvig stated there was a developer interested in redeveloping a portion of city owned land with an intriguing commercial use. He explained staff would be discussing this matter with the developer further and would bring this to the council at a future meeting. He reported if the moratorium was approved this evening, the council would have a timeline for getting the land uses and zoning in place. It was his hope the city could get this work done by this fall. He made the council aware of the fact the mall was now for sale.

Ms. Sellman requested further comment from the council on what type of outreach should be done.

Councilmember Saroya supported the city completing more outreach that was grassroots in nature. She suggested a food truck outreach event be planned for the Northtown neighbors in order to gain their feedback.

Councilmember Newland agreed this would be a great way to reach out to the neighbors.

Mayor Sanders shared support for hosting one or two food events in the Northtown area. While he understood the Northtown Mall was important to the surrounding neighbors, he believed there was also a regional impact from the mall that had to be considered.

Councilmember Fleming agreed stating this wasn't just for Ward 1, but rather the council had to consider what was best for the entire city of Blaine.

Councilmember Newland supported the city having a booth at the Blaine Festival this year. Ms. Wolfe reported it would be difficult to staff a booth this year, but explained she would plan to have a booth staffed for 2024.

Mr. Thorvig stated he would work with Ms. Sellman to brainstorm ideas for the community outreach/open house events.

3. Other Business

Mr. Schluender provided the council with an update on the sod project, noting the contractor was willing to do sod replacement if additional residents in the neighborhood wanted sod replaced. He requested the council consider how staff should address this matter.

Ms. Wolfe reported the SWAT analysis survey for May retreat would be shared with the council soon.

Ms. Wolfe reminded the council of the upcoming retreat which would be held Friday, May 19 from 5-9PM and Saturday, May 20 from 8:30-2PM.

4. Adjournment

The Workshop was adjourned at 6:59PM.