



City of Blaine

City Council Workshop

June 5, 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 Leslie Larson, Chris Massoglia, Tom Newland, Jess Robertson, and Lori Saroya.

ABSENT: Councilmember Terra Fleming.

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 Joe Huss; Deputy Finance Director Ali Bong; Director of Engineering Dan Schluender; City Attorney Tom Loonan; Senior Parks and Recreation Manager Jerome Krieger; Police Sergeant Travis Hale; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

2. New Business

2.1. 2023-228 Metropolitan Council Update

Sponsors: Michelle Wolfe, City Manager

City Manager Wolfe stated Metropolitan Council Member Peter Lindstrom was in attendance to provide the city council with a general update.

Met Council Member Peter Lindstrom shared an update with council on District 10. He noted he served as an elected local government official for 20 years and was now serving on the Met Council. He reviewed the major items addressed by the Met Council which were waste water, transit, community development, HRA and parks. He thanked Councilmember Robertson for serving on the Met Council Transportation Board. He thanked the city council

for their time and encouraged the council to contact him with comments or concerns.

2.2. 2023-213 Infrastructure Funding Options for Development at the Southwest Corner of 125th Avenue and Lexington Avenue
Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig stated HJ Development has been analyzing potential development at the southwest corner of 125th Avenue/Lexington Avenue. The subject property is 37.15 acres. The property, along with others to the south, were rezoned in 2021 to B-5 Town Commercial. The city council created this zoning district specifically for this area to encourage retail, restaurants, office, and other high quality commercial development. HJ Development has been analyzing potential development for approximately 12 months. The site is challenging due to a large wetland in the middle of the property. Most of the due diligence that has occurred is understanding development options and the associated development costs. They have also been trying to secure a high end anchor grocer. The developer is close to securing an agreement with an anchor grocer and could potentially disclose the grocer at the June 5 meeting.

Mr. Thorvig explained Chris Moe, HJ Development, presented to the City Council at a workshop on July 18, 2022. The presentation included a concept for commercial development on the east side of the proposed new Zest Street extension and approximately 200-240 apartment units on the west side of the proposed new Zest Street extension which would be developed by Enclave. The apartment project requires a rezoning and comprehensive plan land use amendment. At the workshop, the city council provided comments on the proposed apartments and overall, was receptive to the change. No formal changes to the zoning and/or comprehensive plan land use designation has occurred. This request would come forward with a formal development proposal. The developer did apply for a preliminary plat in 2022 which subdivided the property.

Mr. Thorvig indicated the plat dedicated the future Zest Street right-of-way through the development and created two outlots. One outlot is 8.83 acres and is on the west side of Zest Street. This would be the future apartment property. The other outlot is 25.83 acres and is on the east side of Zest Street. This would be the future commercial property. The purpose of the subdivision was to allow the potential sale of a portion of the land. However, this has not yet occurred. A final plat would need to be applied for to create the lots. Over the last 18 months, there has been discussion about the timing and financial responsibility of future roads and infrastructure in this area.

Director of Engineering Schluender stated the extension of these two streets was previously discussed. He commented on how there was limited development surrounding this area. He reviewed the funding sources available for these projects and noted the city could assess the neighboring parcels. He reported there were only three parcel owners and the project would be 100% assessed. He noted Zest Street and Lakes Parkway were identified as MSA roadways. He stated sanitary sewer and watermain were installed up to the treatment plant. He reported if this roadway were installed, stubs should be installed for future development purposes. He commented another option available to the City would be to bond for this project. He requested feedback from the council on how to proceed.

Finance Director Huss clarified bonding was a source of financing and the repayment would be through property taxes or assessments.

Chris Moe, HJ Development explained he has been working on this project for the past 12 months and he believed he would be bringing a great project to the community. He reported he has been working with city staff and an earth worker contractor to ensure he was designing the project to city standards. He indicated there were wetland challenges for the site and noted he would need cooperation from the city when it came to wetland credits. He reported his company typically builds and holds properties long term.

Mayor Sanders indicated he was grateful for the developer's vision for this property. He stated this was a priority area that needed an amenity driven project. He asked if MSA and utility dollars could be used for infrastructure expenses. Mr. Schluender reported this was the case.

Councilmember Saroya questioned who would be involved in this project. Mr. Moe reported HJ Development and Enclave would be involved in this project.

Councilmember Larson stated this was the first time she was hearing about this project and requested further information regarding the apartment buildings. Mr. Moe explained the idea was to have the project built at the same time. He noted without the grocer the apartments would not be completed. He commented further on how the apartments would create synergy for the entire development.

Councilmember Newland stated he was interested in this project. He commented on the roadways and noted he understood the roadways were necessary. He asked what roadway option staff would recommend. Mr. Huss recommended the council let policy guide them on this matter. He stated because this was a new roadway it would have to be 100% assessed or developer installed.

Councilmember Newland questioned if staff was gauging push back from the property owners on the idea of new roadways. Mr. Schluender commented staff has dealt with these two property owners in the past and neither expressed they were ready for development to occur. Mr. Huss reported the new roadways would assist with enhancing the value of these properties for development.

Mayor Sanders inquired how much MSA funding would be available for this project. Mr. Schluender stated 100% of the street would be eligible for MSA funding.

Mayor Sanders supported the city proceeding in this manner given the fact there was only three property owners and the city was one of those property owners.

Councilmember Robertson supported the city using the MSA dollars as well. She liked the idea of creating a large ponding amenity within this project. She did not support 100% assessing for this project given the fact they were large parcels. She noted it was within the council's purview to use MSA dollars for a project like this. Mr. Huss reported this was the case.

Mr. Schluender recommended staff layout the five year CIP if the direction for this project

was to proceed with using MSA dollars.

Councilmember Robertson thanked the developer for embracing the city's vision for this property.

City Manager Wolfe reported she would like the city attorney and staff to review this item further to ensure the council would not be setting a precedent if only MSA funds were used for this roadway.

Mayor Sanders supported staff reviewing this matter further and looked forward to reviewing this report at a future meeting.

Councilmember Saroya requested further information regarding the proposed apartments. Mr. Moe reported the proposed apartments would be two four-story stick built complexes with approximately 150 units per building.

Councilmember Saroya asked if a traffic study had been completed. Mr. Moe indicated this has not been completed, but this could be done.

Councilmember Saroya expressed concern with the proposed apartments and noted she did not support this portion of the development.

Councilmember Massoglia reported he could support the apartments given their location and because they were away from single family homes. He discussed how the apartments would assist in supporting the proposed commercial uses. He explained he supported the city assessing some portion of the roadway project (30% to 35%).

Mr. Schluender stated the county improved 125th last year and took a 20 year growth pattern into consideration when they completed these improvements.

Councilmember Larson expressed concern with how the school district would be impacted if these two apartment complexes were constructed. She noted she did have concerns with Enclave as there were reports of utilizing undocumented workers on a project in Brooklyn Park and recommended Mr. Moe and staff investigate this further. Mr. Moe stated he has found Enclave to be a very reputable builder and stated he would look into this further.

Councilmember Robertson explained the school district has been working on a growth plan but she supported the city checking in with the school district further to see how this type of development would impact the surrounding schools. She commented further on how the apartment units were necessary in order to support a high end grocer and proposed commercial uses. Ms. Wolfe reported she met with the school district earlier this year and noted the district has requested to hold monthly meetings with city staff going forward.

Councilmember Saroya stated she was hearing from residents that Blaine was growing too fast and that the infrastructure was not keeping up. She questioned if the comprehensive plan had to be revisited in order to ensure traffic and school concerns are being properly addressed.

Mayor Sanders explained that not every apartment complex in Blaine has been

controversial. He noted the apartments off of 109th and Lexington Avenue was completed with no neighborhood concerns and was doing very well.

Councilmember Larson stated she just got done door knocking 3,000 houses in this area and these neighbors were frustrated with the loss of trees and development in their area. She explained residents expressed the need for a high end grocer and questioned why Blaine was in the top five cities for apartment growth.

Councilmember Saroya asked what the correlation was to new apartment complexes and a high end grocer and if a grocer's employees would be slated to live there. Mr. Moe stated he was not the developer of the apartments but noted he did have an ownership interest in the apartments. He noted he did have a great deal of commercial space in the metro area and understood how apartment complexes assisted in driving visits to shopping centers, restaurants and grocery stores.

Mayor Sanders requested staff report back to the council with funding options.

2.3. 2023-216 Lakeside Commons Beach and Blaine Festival Update *Sponsors: Jerome Krieger, Sr. Recreation Manager*

Safety Services Manager/Police Chief Podany presented an update on the Lakeside Commons Beach season.

Councilmember Saroya explained she appreciated how Police Chief Podany policed in a compassionate and ethical manner. She stated she was worried about the high school kids and what message would be sent when the gate was installed at the beach. She suggested other positive engagement opportunities be considered in order to provide activities for the youth in the community. Police Chief Podany stated the gate would only be put in place once the park was closed for the night.

Mayor Sanders stated many of the issues with youth were occurring during the day. He was concerned with the foul language and blatant disrespect that was shown to the officers by some young people and thanked the officers for the restraint and professionalism they show these individuals.

Ms. Wolfe reported the number of cameras at the beach had been increased. She commented on how this would assist with identifying kids that were causing trouble at the beach.

Ms. Wolfe distributed a schedule of activities for the Blaine Festival. She reviewed the schedule and noted a boy scout troop would be assisting with handing out candy this year and encouraged the council to reach out to Senior Parks and Recreation Manager Krieger with questions or comments.

Councilmember Larson questioned how long the parade would be. Councilmember Robertson estimated the parade takes about 45 minutes.

Mayor Sanders encouraged the city councilmembers to attend as many events as possible during the festival. He thanked the Blaine Festival Committee members for all of their work on this years event.

2.4. 2023-225 UAS (Unmanned Aircraft System) Overview

Sponsors: Brian Podany, Safety Services Manager/Police Chief

Safety Services Director/Police Chief Podany stated the Police Department is interested in acquiring an Unmanned Aircraft System (UAS) system to enhance public safety within the City.

Sergeant Travis Hale explained the UAS would be used for a multitude of things, including searching for missing persons, suspects who have fled scenes, and providing aerial video coverage of special events and security risk incidents or locations (including sporting tournaments and Lakeside Commons beach/park). UAS technology has become increasingly common in public safety and there are other neighboring agencies within Anoka County with UAS programs. It was noted the department has adequate forfeiture funds to cover purchase and implementation costs of the program. Although the financial cost does not require city council approval, the police department wants to educate the council on the program and related use, including covering any privacy/data concerns. The department has pulled the item from previous years' budget requests, but with the continued increase in events and incidents for UAS utilization, the Department is interested in moving forward with this program now. It was noted the drone operators would have to pass a flight test with the FAA. He commented further on the proposed drone noting the costs and features that would be included. The next step for the proposed drone program would be to hold a public comment period.

Councilmember Massoglia expressed concern with using DJI drones and asked if there were any American made drones that could be used by the city. Sergeant Hale explained there were no American made drones that would had the same quality standards as the DJI drones.

Councilmember Saroya questioned what other agencies in Anoka County were using drones. Sergeant Hale reported Coon Rapids, Columbia Heights and the Anoka County Sheriff's Office had drone programs.

Council offered their support for the purchase of an unmanned aircraft system.

Mayor Sanders recessed the workshop at 7:00PM until after completion of the EDA meeting.

2.5. 2023-231 Closed Session Pursuant to MN Statute 13D.05(3)(c)(3) - Property Acquisitions Related to 105th Avenue Development Area

Sponsors: Erik Thorvig, Community Development Director

After motion by Mayor Sanders, second by Councilmember Massoglia, the Council met in

closed session to discuss a property acquisition related to the 105th Avenue Development Area.

3. Other Business

The consensus of the council was to hold the July 5 city council meeting as scheduled with possible remote attendance by one or more members.

City Clerk Sorensen requested direction from the council on how to proceed with the fire board appointments.

Mayor Sanders stated he supported recommending one incumbent, Terry Wold, and one new applicant, Becky Booker, to be appointed to the SBM Fire Board.

Councilmember Newland explained he served on the fire board for six years, three of those years as the president. He stated he was honored to be interviewed by the mayor and council when he applied for this position. He commented on how the fire department was transitioning to duty crews and he believed Mr. Wold and Ms. Booker would be great candidates to assist the fire board with this transition.

Councilmember Saroya stated she was in support of interviewing each candidate. She noted not every candidate looks good on paper and would benefit from the interview process. She indicated it was her understanding member Carol Donahoe did not live in Blaine and said it was her hope the fire board could be diverse in order to properly represent the city of Blaine. She stated this was a sensitive issue for her as the former member had shared comments against her and requested the council do the appointments through an open and transparent process and recommended the interviews be held.

Councilmember Robertson commented this former member who was of concern was no longer serving and feared the council was taking too much time on this matter because the fire board was a separate governing body with their own bylaws. She was of the opinion interviews did not have to be held because there was already council consensus to appoint two individuals.

Mayor Sanders agreed he wanted the city's boards to be diverse. He noted the council appointed many people of color and women as well as adjunct positions in order to allow more people to serve on its boards and commissions and reiterated that Ms. Booker was a tremendous candidate who would serve the city well on the fire board.

Councilmember Massoglia stated he believed Mr. Wold and Ms. Booker would be great candidates for the fire board.

Ms. Wolfe reported she received an email from Councilmember Fleming noting she would defer to the city councilmembers and mayor who have more experience in this matter and that because there was an overwhelming consensus for two of the candidates she agreed there was no need to interview all candidates.

The consensus of the council was to place the appointment of the fire board applicants Terry Wold and Becky Booker on the June 20 city council agenda for approval.

4. Adjournment

The Workshop was adjourned at 9:45PM.



Signed by

Tim Sanders, Mayor

Signed by

Cathy Sorensen, CMC, City Clerk