



City of Blaine

City Council

November 6, 2023 | 7:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

1. Call to Order by the Mayor

The meeting was called to order at 7:00PM by Mayor Sanders followed by the Pledge of Allegiance and the Roll Call.

2. Pledge of Allegiance

3. Roll Call

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

ABSENT: Councilmember Leslie Larson.

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 Jason Zimmerman; Deputy Public Works Director Jason Grode; City Attorney Tom Loonan; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

4. Awards - Presentations - Organizational Business

- 4.1.** 2023-470 Police Officer Swearing-in Ceremony
Sponsors: Brian Podany, Safety Services Manager/Police Chief

Safety Services Director/Police Chief Podany stated when new officers successfully complete the field training program and advance to solo patrol, a swearing-in ceremony is performed in front of the city council. This is a special time for new officers and their families to celebrate their accomplishments and be recognized in front of the mayor, city councilmembers, city manager, Chief Podany, fellow police staff, and the public. He then welcomed Officers Rachel Knott, Jennah Justen, Tommy Satele and William Jansen to the

Blaine Police Department.

City Clerk Cathy Sorensen administered the oath of office and badges were pinned on. A round of applause was offered by all in attendance.

Mayor Sanders welcomed the new officers to the city of Blaine and thanked them for working to keep the community safe.

5. Communications

Councilmember Fleming explained she recently finished attending Blaine's Citizens Academy. She thanked staff for putting on this wonderful community event and encouraged residents to participate in next year's class.

Councilmember Massoglia encouraged residents to vote on Tuesday, November 7 for the school board election.

6. Open Forum

Open Forum is an opportunity for the public to present an issue or concern to City Council. There is a maximum of fifteen minutes set aside for open forum. Each presentation should be limited to no more than three minutes. If your item needs follow-up from the City, staff will arrange for that follow-up and will contact you to let you know what is being done. Thank you for coming this evening.

Mayor Sanders opened the Open Forum at 7:30PM.

There being no input, Mayor Sanders closed the Open Forum at 7:30PM.

7. Adoption of Agenda

The agenda was adopted as presented.

8. Approval of Consent Agenda:

All items listed under the "Consent Agenda" are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

Moved by Councilmember Newland, seconded by Councilmember Robertson, that the following items on the Consent Agenda be approved.

Motion adopted unanimously (Councilmember Newland abstained on Item 8.1).

8.1. 2023-533 Schedule of Bills Paid

Sponsors: Jason Zimmerman, Finance Director

- 8.2.** 2023-506 Approval of Minutes
Sponsors: Cathy Sorensen, City Clerk
- 8.3.** 2023-449 Tax Forfeit Parcels
Sponsors: Cathy Sorensen, City Clerk
- 8.4.** 2023-518 Approve the Fiscal Agent Agreement between Anoka County, on behalf of its Sheriff's Office, and the City of Blaine for the North Central High-Intensity Drug Trafficking Area ("HIDTA") grant funding.
Sponsors:
- 8.5.** 2023-519 Authorize the Mayor and City Manager to Enter into a One-Year Contract with the State of Minnesota for a Four-day per Week Institution Community Work Crew in the Amount of \$103,500
Sponsors: Jason Grode, Deputy Public Works Director
- 8.6.** 2023-531 Approve a Tobacco and Tobacco Products License for Northside Grocery & Deli LLC, 1578 125th Avenue NE
Sponsors: Cathy Sorensen, City Clerk
- 8.7.** RES 23-176 Resolution Granting Final Plat Approval Creating 31 Lots for Preserve at Lexington Waters 2nd Addition. Blaine 2022 LLC (Case File No. 23-0079/SAS)
Sponsors: Sheila Sellman, City Planner

9. 7:00 PM - Public Hearing and Items Published for a Certain Time

- 9.1.** 2023-508ORD An Interim Ordinance Prohibiting the Operation of Cannabis Businesses
23-2532 and Hemp Businesses in the City of Blaine
Sponsors: Cathy Sorensen, City Clerk

City Clerk Sorensen stated council is asked to open the public hearing then hold first reading of an interim ordinance establishing a moratorium prohibiting the sale, testing, manufacturing, cultivating, commercial transporting, delivery, and distribution of hemp and cannabis products in the city to provide time to consider reasonable restrictions on time,

place, and manner of operation for businesses and to receive information and guidance from the newly-created Office of Cannabis Management.

City Attorney Loonan described further what was being considered, noting the Minnesota Legislature legalized adult use cannabis. In doing so, they established the Office of Cannabis Management, which would be charged with setting the rules and issuing licenses. He reported no cannabis business can operate in the State of Minnesota until the OCM puts forth a licensing scheme and issues licenses. He reported this ordinance would place an interim moratorium on businesses under the new statute and allow the city to evaluate zoning restrictions to protect the planning process and give consideration to the zoning scheme. He explained this moratorium does not impose any restrictions on businesses currently selling low potency edibles. He indicated the ordinance was being enacted under Chapter 342 and while proposed to run through January 1, 2025, as allowed per state statute that staff would likely complete the study prior to that time.

Mayor Sanders opened the public hearing at 7:33PM.

Jeff Taylor, 2467 121st Circle NE, explained he was one of the biggest manufacturers and distributors of edibles in the state of Minnesota, which was occurring right in Blaine. He invited the city council to tour his manufacturing facility for educational purposes. He expressed concern with the amount of money the city would be spending on the moratorium study, noting no dispensaries would be opening until January of 2025. He commented on how he does not want Minnesota to become like Denver or California.

Taleb Wazwaz, resident of Maple Grove, encouraged the city council to further consider the benefits of cannabis for health and wellness. He urged the city to keep the licensing process simple and accessible for cannabis businesses.

There being no additional public input, Mayor Sanders closed the public hearing at 7:40PM.

Ms. Sorensen clarified no additional funding would be required for the study as it would be completed by city staff.

Declared by Mayor Sanders that Ordinance No. 23-2532, "An Interim Ordinance Prohibiting the Operation of Cannabis Businesses and Hemp Businesses in the City of Blaine," be introduced and placed on file for second reading at the November 20, 2023 Council meeting.

10. Development Business

- 10.1.** RES 23-160 Resolution Granting a Conditional Use Permit for a Zero Lot Line with Shared Parking and Access in the B-3 (Regional Commercial) Zoning District at 551 87th Lane NE. Rainbow Village (Minnesota North Captiva LLC) (Case File No. 23-0071/SAS)
Sponsors: Sheila Sellman, City Planner

City Planner Sellman stated as part of the final plat approval, a Conditional Use Permit (CUP) for a 0-lot line, shared access and shared parking are necessary. No new development is

proposed with this request. Staff commented further on the request and noted the planning commission recommends approval with two conditions.

Moved by Councilmember Newland seconded by Councilmember Robertson, to adopt a Resolution Granting a Conditional Use Permit for a Zero Lot Line with Shared Parking and Access in the B-3 (Regional Commercial) Zoning District at 551 87th Lane NE.

Councilmember Massoglia asked what the plan was for this property. Ms. Sellman explained when the plat was created the ownership was looking to sell the Rainbow box store to one entity and the remaining strip center to another entity. She reported the plan at this time was to sell the entire property to one entity. She indicated staff has received no new applications for this site except for the recently-approved Pickler for an indoor pickleball complex.

Councilmember Massoglia questioned if the proposed parking and access agreements would be a problem for future users. Ms. Sellman stated she did not see any issues with moving forward with the proposed shared parking and access agreement.

Councilmember Saroya inquired if these agreements will make apartments an option on this property. Ms. Sellman reported at this time, staff was seeking approval for a zero lot line with shared parking and access for the existing structures.

Councilmember Robertson commented on how the Rainbow property was extremely challenging and noted she would be supporting the proposed zero lot line as this was more of a housekeeping matter.

Motion adopted unanimously.

- 10.2.** RES 23-170 Resolution to Approve a 12-Month Extension for the Preliminary Plat to Create Two Outlots and Right-of-Way Dedication for the Zest Street Extension on the Southwest Corner of Lexington Avenue and 125th Avenue NE. Kempf Property (Sambatek) (Case File No. 22-0068/SAS)
Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting a 12-month extension to plat two outlots and right-of-way dedication for the Zest Street extension on the southwest corner of Lexington Avenue and 125th Avenue NE. No development is proposed at this time. Staff commented further on the request and recommended approval of the 12-month extension of the preliminary plat.

Moved by Councilmember Massoglia, seconded by Councilmember Newland, to adopt a Resolution to Approve a 12-Month Extension for the Preliminary Plat to Create Two Outlots and Right-of-Way Dedication for the Zest Street Extension on the Southwest Corner of Lexington Avenue and 125th Avenue NE.

Councilmember Massoglia commented on the 18 preliminary plat extensions that have been approved by the city since 2007 and asked if the council should be concerned by this.

Ms. Sellman spoke to the reasons applicants request a one-year extension, noting sometimes the reasons were due to financing, right-of-way or access issues and that staff was not concerned with the number of extensions granted by council.

Councilmember Robertson reported the extension was a tool for the city and noted she would be supporting the proposed 12-month extension for this project. She commented further on how this applicant was working with multiple layers of government in order to move this project forward.

Councilmember Saroya asked what the next steps would be for this project. Ms. Sellman reported the developer would have to come forward with a final plat, subdivision and conditional use permits for the future development.

Councilmember Saroya commented on how she was focused on balancing the interests of developers with the interests of the community. She understood the community did not want more apartments and feared the distrust that has been created in the community was based on decisions made by this council. She explained she wanted complete transparency when it comes to the request before the city council then asked if there would be apartments within this project. Ms. Sellman reported the council has discussed some different development ideas for this parcel and explained the B-5 zoning district does not allow for multi-family housing. She indicated the council has a plat before them for consideration with no specific application coming forward at this time.

Motion adopted 5-1 (Councilmember Saroya opposed).

- 10.3.** RES 23-161 Resolution Granting a Conditional Use Permit for a Total of 2,456 Square Feet of Garage and Accessory Building Space and a Shed in the Front Yard in an FR (Farm Residential) Zoning District at 12600 Xebec Street NE. Tina Pearson (Case File No. 23-0069/EES)
Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting a conditional use permit to bring existing detached accessory buildings into compliance with the City Code. The four buildings total 2,456 square feet. Staff commented further on the request and noted the planning commission recommends approval with five conditions as outlined.

Moved by Councilmember Massoglia, seconded by Councilmember Robertson, to adopt a Resolution Granting a Conditional Use Permit for a Total of 2,456 Square Feet of Garage and Accessory Building Space and a Shed in the Front Yard in an FR (Farm Residential) Zoning District at 12600 Xebec Street NE.

Motion adopted unanimously.

- 10.4.** RES 23-162 Resolution Granting a Ten Foot Variance from the Thirty Foot Front Yard Parking Lot Setback on the South Side of 1351 113th Avenue NE. Blaine Crossing II Addition (Kraus Anderson Development Company) (Case File No. 23-0064/EES)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting a variance to allow for a reduced parking setback along 113th due to a change in designation of front and side yards due to the platting of the property. Staff recommends approval of the requested 10 foot variance to allow for a 20 foot parking setback along the southern property lines with conditions.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adopt a Resolution Granting a Ten Foot Variance from the Thirty Foot Front Yard Parking Lot Setback on the South Side of 1351 113th Avenue NE.

Motion adopted unanimously.

- 10.5.** RES 23-163 Resolution Granting a Preliminary Plat to Subdivide One Lot into Three Lots to be Known as Blaine Crossing II Addition at 1351 113th Avenue NE. Kraus Anderson Development Company (Case File No. 23-0064/EES)
Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is proposing to subdivide one existing parcel into three parcels to facilitate the construction of two additional buildings in a currently vacant portion of the property. Staff recommends approval.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adopt a Resolution Granting a Preliminary Plat to Subdivide One Lot into Three Lots to be Known as Blaine Crossing II Addition at 1351 113th Avenue NE.

Motion adopted unanimously.

- 10.6.** RES 23-164 Resolution Granting a Conditional Use Permit for Shared Access with Zero Lot Line Parking in the B-3 (Regional Commercial) Zoning District at 1351 113th Avenue NE. Blaine Crossing II Addition (Kraus Anderson Development Company) (Case File No. 23-0064/EES)
Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting a conditional use permit for shared access and parking with a zero lot line split. The request will facilitate the construction of two new buildings in a currently vacant portion of an existing parcel. Staff recommends approval.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adopt a Resolution Granting a Conditional Use Permit for Shared Access with Zero Lot Line Parking in the B-3 (Regional Commercial) Zoning District at 1351 113th Avenue NE.

Motion adopted unanimously.

- 10.7.** RES 23-165 Resolution Granting a Text Amendment to the Comprehensive Plan to Create an MDR/CC (Medium Density Residential/Community Commercial) Land Use Category. City of Blaine (Case File No. 23-0068/SAS)
Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated as part of the Northtown District Vision Plan, comprehensive land use plan amendments are necessary. The MDR/CC Medium Density Residential/Community Commercial land use category is being proposed as part of the amendments. This land use category combines two existing categories into one. Staff commented further on the proposed text amendments and recommended approval.

Moved by Councilmember Newland, seconded by Councilmember Fleming, to adopt a Resolution Granting a Text Amendment to the Comprehensive Plan to Create an MDR/CC (Medium Density Residential/Community Commercial) Land Use Category.

Motion adopted unanimously.

- 10.8.** RES 23-166 Resolution Granting a Comprehensive Plan Amendment to Land Use Designations on Certain Parcels from HDR/PC (High Density Residential/Planned Commercial) to MDR/CC (Medium Density Residential/Community Commercial), CC (Community Commercial) to HDR2/PC (High Density Residential/Planned Commercial), and CC (Community Commercial) to MDR/CC Medium Density/Community Commercial. City of Blaine (Case File No. 23-0068/SAS)
Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated as part of the Northtown District Vision Plan, changes to zoning and the comprehensive plan are identified in short-term action steps. The proposed amendments have been discussed at several workshops and are based on these discussions.

Moved by Councilmember Newland, seconded by Councilmember Fleming, to adopt a Resolution Granting a Comprehensive Plan Amendment to Land Use Designations on Certain Parcels from HDR/PC (High Density Residential/Planned Commercial) to MDR/CC (Medium Density Residential/Community Commercial), CC (Community Commercial) to HDR2/PC (High Density Residential/Planned Commercial), and CC (Community Commercial) to MDR/CC Medium Density/Community Commercial.

Councilmember Massoglia asked when the city council would be changing the land use designations for some of the high density properties down to medium or low density. Community Development Director Thorvig explained these changes could not occur until this resolution was approved. He anticipated the city council would be reviewing these land use changes in late December or early January.

Councilmember Saroya stated her only concern with this item was with the community commercial moving to high density residential. She asked where the newly proposed high density residential parcels would be located. Ms. Sellman reviewed where the high density

parcels were located.

Motion adopted unanimously.

11. Administration

- 11.1. RES 23-172** Resolution Approving the Construction Contract Between the National Sports Center Foundation and Dimke Excavating, Inc., and Authorizing the Entry into the Funding Agreement Between the City of Blaine and the National Sports Center Foundation.
- Sponsors: Erik Thorvig, Community Development Director*

Mr. Thorvig stated as part of the 105th Avenue Redevelopment Project, the Minnesota Amateur Sports Commission (MASC) will be leasing land owned by MASC to the developer. Various agreements were approved by the City Council at the October 16, 2023 meeting. The agreements contemplate the City providing financing up to \$12,000,000 for the installation of ten turf fields on the NSC campus. The Site Control Agreement, which was approved by the City, requires a construction contract for the installation of the turf fields to be executed prior to March 31, 2024. The construction contract outlines the specifications and funding for the fields. The NSC has expressed a desire to start dirt work this fall in order to begin turf installation next spring and completion of the overall project by Fall, 2024. Delaying the start of the project would result in higher costs and construction not being completed until the spring of 2025. The NSC is completing a larger improvement project this fall which includes irrigation replacement. The following is the proposed schedule:

- Fall 2023 - Dirt work on fields 55 and 56 to prepare the fields for turf in the spring. The dirt will be utilized on other fields on the campus to improve soil quality.
- Spring 2024 - Turf is installed on fields 55 and 56.
- Late Summer/Fall 2024 - Turf installation on fields 25-32.

Mr. Thorvig explained the NSC will be acting as the general contractor for the project. An RFP was prepared by the NSC in October. A bid was received in the amount of \$11,585,000 for ten, lit turf fields consistent with specifications. The remaining amount of \$415,000 will be put into contingency for the project. The City is not entering into the construction contract, rather as a condition to and prior to committing to the funding agreement. The City required receipt and review and approval rights of the construction contract itself for the very construction of the fields which the city would potentially finance. Staff commented further on complexities of this request, noting staff was seeking feedback on the financing.

Moved by Councilmember Newland seconded by Councilmember Robertson, to adopt a Resolution Approving the Construction Contract Between the National Sports Center Foundation and Dimke Excavating, Inc., and Authorizing the Entry into the Funding Agreement Between the City of Blaine and the National Sports Center Foundation.

Councilmember Massoglia stated he was very excited for this project to move forward then asked how much of Phase I was for the new turf fields. Neil Ladd, National Sports Center representative, explained the state of Minnesota would be putting in \$3.4 to \$3.9 into the irrigation project. He anticipated two fields of new construction would be completed in Phase I (Fields 55 and 56) and the remaining portion of Phase I would be Fields 9 to 12, which would be natural grass.

Councilmember Saroya questioned what the city's role would be after the turf fields were constructed. Mr. Thorvig indicated the fields would be owned by MASC and the NSC. He reported the city would not have any role after construction was complete. He commented further on how the developer would be funding future maintenance of the turf fields.

Councilmember Saroya commented on how these fields would be used for amateur sports. She indicated after speaking with many people in the community she would be supporting this project moving forward.

Councilmember Newland stated he was comfortable with the return on investment for this project and fully supported this project moving forward. He discussed how this project would be a game changer for Blaine as well as the region.

Councilmember Robertson agreed this project would be a game changer for Blaine and the surrounding communities and thanked the city's partners for all of their efforts on this project.

Mayor Sanders thanked staff and the city's partners for working diligently to get this project moving forward. He looked forward to work beginning on the new fields at the NSC.

Motion adopted unanimously.

11.2. Contract Renewal with Intuitive Municipal Solutions (IMS)
 Sponsors: Erik Thorvig, Community Development Director

Mr. Thorvig stated in 2018, the City of Blaine began exploring options to convert permitting and code enforcement software to a cloud-based, digital platform. The City had been using a then outdated version of TRAKit to process and manage all permits within Building and Community Standards. The company that owned the program was no longer providing support. An internal user group team was created and four vendors were contacted to provide information on the products they provided. Intuitive Municipal Solutions (IMS) was selected as the preferred system. The City Council approved a five-year contract with IMS in February, 2019. The contract expires in February, 2024. The initial startup cost was \$99,918 to create and customize the software based on the needs of Blaine. Like many software programs, there is an annual support and maintenance fee. The system became fully operational in 2020.

Mr. Thorvig explained the IMS software has drastically improved internal and external service functions. The software is utilized amongst multiple departments (clerks office, engineering, public works, building inspections, planning and zoning, fire inspections and

code enforcement) depending on their needs. The platform allows for various permits to be applied for and paid online and eliminates the need for contractors, residents, businesses, etc. to come to city hall to obtain permits. The software digitally tracks all correspondence, plan submittals, inspections, etc., and eliminates the need for paper submittals. It also provides a streamlined dashboard for contractors and staff to track building permit status, planning and zoning applications and other various permits. Because it is cloud based, the software is accessible by inspectors while in the field to input inspection records and also allows for real-time access to permit data, code enforcement actions, etc., by staff. Overall, the software has been a huge asset to City of Blaine employees and customers. The contract expires in February, 2024 and requires renewal. The proposed contract would extend services for an additional five years, through 2029. The annual support and maintenance fees are as follows:

2024-2025: \$56,264
2025-2026: \$59,077
2026-2027: \$62,031
2027-2028: \$65,131
2028-2029: \$68,389

Mr. Thorvig reported the annual service fee is budgeted through the Information Technology department.

Moved by Councilmember Newland, seconded by Councilmember Fleming, to approve a Contract Renewal with Intuitive Municipal Solutions (IMS).

Motion adopted unanimously.

12. Other Business

None.

13. Adjournment

Moved by Councilmember Robertson, seconded by Councilmember Newland, to adjourn the meeting at 8:33PM.

Motion adopted unanimously.



Signed by

Tim Sanders, Mayor

Signed by

