City of Blaine
City Council

November 20, 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 7:03PM 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 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 Jason Zimmerman; Finance Analyst Jenna Trittin; Senior Parks & Recreation Manager Jerome Krieger; Director of Engineering Dan Schluender; City Attorney Tom Loonan; and City Clerk Catherine Sorensen.

4. Awards - Presentations - Organizational Business

None.

5. Communications

Mayor Sanders congratulated the Centennial High School football team for making the State tournament.

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 7:06PM.

Ashley, resident of Brooklyn Park, shared concerns regarding the conditions of breeders used by Four Paws and a Tail to purchase puppies. She stated the standards for breeders were not sufficient and explained state records show one breeder failed two inspections in 2021. She asked the council to no longer condone these actions and encouraged adoption of a humane pet store ordinance.

Kailez Campbell, 632 100th Court, voiced concerns regarding the mayor's actions and business interests in The Ball Park and the lack of transparency regarding this project.

Councilmember Massoglia suggested these comments be completed during the public hearing. Mayor Sanders stated he would allow Ms. Campbell to complete her statement.

Ms. Campbell requested a thorough investigation be completed on the potential use of public resources for personal benefit by the mayor, the ethical consideration surrounding the mayor's financial gain in relation to his official duties, the process by which the project was approved, the nature of the mayor's relationship with the developer and any potential advantages gained. She reported the goal as residents to was to make sure the city's governance was guided by transparency. She asked that the council review these issues in order to maintain the community's integrity.

There being no input, Mayor Sanders closed the Open Forum at 7:12PM.

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.

8.1. 2023-574 Schedule of Bills Paid
Sponsors: Jason Zimmerman, Finance Director

8.2. 2023-569 Approval of Minutes
Sponsors: Cathy Sorensen, City Clerk

8.3. RES 23-167 Request the State Commissioner of Transportation Perform a Speed Study on Lever Street NE from 125th Avenue NE to 131st Lane NE
Sponsors: Daniel Schluender, Director of Engineering

8.4. RES 23-175 Resolution to Approve Local Road Improvement Program Agreement
Sponsors: Daniel Schluender, Director of Engineering

8.5. RES 23-179 Resolution to Receive Petition and Order Public Hearing for Vacation of Drainage and Utility Easement Lying Over, Under and Across Outlot A, Preserve at Lexington Waters, Vacation No. V23-06
Sponsors: Daniel Schluender, Director of Engineering

8.6. RES 23-187 Resolution Approving the Fiscal Year 2023 Urban Area Security Initiative (FY2023 UASI) Grant
Sponsors: Mark Boerboom

8.7. RES 23-180 Resolution to Approve Joint Powers Agreement No. C0009928 with Anoka County for Intersection Improvements at CSAH 14 and CR 53, Improvement Project No. 23-10
Sponsors: Daniel Schluender, Director of Engineering

8.8. RES 23-182 Resolution Granting Final Plat Approval 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. 23-0028/EES)
Sponsors: Sheila Sellman, City Planner

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

9.1. 2023-535 Approve Renewal of Currency Exchange Licenses

Sponsors: Cathy Sorensen, City Clerk

City Clerk Sorensen stated staff had received the attached correspondence regarding currency exchange license renewals from the Minnesota Department of Commerce for the following locations:

SJB Enterprises Inc., d/b/a/ Your Exchange, 10545 University Avenue NE, Blaine, MN
AL'$ Check Cashing LLC, 1434 93rd Lane NE, Blaine, MN

Ms. Sorensen reported the renewal requests were forwarded to the Police Department for review and no items of concern were raised. Staff commented on the renewals in further detail and recommended approval.

Mayor Sanders opened the public hearing at 7:14PM.

There being no public input, Mayor Sanders closed the public hearing at 7:14PM.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to approve the Renewal of Currency Exchange Licenses.

Motion adopted unanimously.

9.2. RES 23-173 Resolution Granting a Conditional Use Permit Amendment for a Recreational Use and a Restaurant with an Approximately 2,350 Square Foot Outdoor Dining Area and Live Entertainment in the PBD (Planned Business District) Zoning District at 10650 Baltimore Street NE, Suite 100. The Ball Park Twin Cities (Case File No. 23-0080/EES)

Sponsors: Sheila Sellman, City Planner

Mayor Sanders recused himself from discussion of this item as part owner of The Ball Park Twin Cities and left the Council Chambers.

City Planner Sellman stated the Ball Park received a conditional use permit for indoor recreation and outdoor dining as Resolution 23-45. The applicant is proposing modifications to the plans that relocate the outdoor dining from the east (rear) side of the building to the west and south sides (front and side), and is also now proposing live entertainment. A CUP amendment is required for the proposed modifications. Staff commented further on the proposed site plan and recommended approval of the CUP amendment.

Mayor Pro Tem Robertson opened the public hearing at 7:19PM.

Ryan Meekum, 3151 117th Lane NE, explained he supported the project as it was a small family-oriented business that would bring investment to the community and noted this property had been vacant for years. He stated with or without the mayor's involvement, he supported this project moving forward. In addition, he appreciated the mayor's financial investment in the community.

Michael Jordan, 2982 Aspen Lake Drive, stated he loved the northern suburbs and he supported the continued investment in the city which would provide more dining and retail options in Blaine. He reported he appreciated the mayor's leadership and he believed the city was moving in the right direction.

Oaklyn Smith, 9564 Monroe Street, expressed concerns regarding conflicts of interest, preferential treatment, and lack of transparency involving the mayor's personal dealings with the city of Blaine. She stated she was unclear about the process that was followed when projects go to the planning commission. She discussed how the mayor's financial interests in the Ball Park would extend to the new sports entertainment district nearby. She understood this district would include a baseball stadium in which the city was investing millions of dollars. She reported the developer for this project was a friend of the mayor's and she was unclear if the mayor had a financial interest in this project. She requested further information regarding the possible misuse of public funds via staff time on behalf of the mayor, ethical questions of the mayor's personal financial gain as it relates to his office and these business deals, improper use of the office/abuse of power, and the mayor being friends with the developer.

Don Kveton, Flanders Circle, explained he has lived and invested in Blaine for many years. He believed Mayor Sanders was doing a great job leading this community and questioned why the public was judging or questioning what the mayor was investing in. He discussed how this project would open a new business in Blaine and reported it was the mayor's right to invest in the city.

Nate Raich, 3122 117th Avenue, indicated he supported local businesses and supported The Ball Park project moving forward. He discussed the comments that were made by a councilmember and explained these comments were very concerning to him as well as being embarrassing to the city. He reported he was passionate about the city and urged all councilmembers to work to better the community. He urged the councilmembers not to work on self-promotion or smearing other councilmembers, especially those interested in investing in the community. He commented on how one councilmember was repeatedly playing the victim card and was anti-development/anti-business. He encouraged this councilmember to consider how their votes may be perceived as being anti-Blaine and stated he was looking forward to having The Ball Park in Blaine.

Ed Higgins, 4041 Washington Street NE in Columbia Heights, expressed concerns regarding the lack of transparency with this project and stated he didn't see the wisdom or need for investing in baseball. He did not believe the mayor should be making money off of businesses going into their community.

Chris Massoglia, 821 129th Lane NE, explained he served on the city council and was a citizen of Blaine. He explained there was a public hearing regarding this project in March. He stated if the public needed or wanted more information, residents could always speak with staff about the process. He explained he owns a business in Blaine, as does Councilmember Newland, Councilmember Fleming and Councilmember Larson, and they recuse themselves from action in the event of a conflict of interest. He stated Mayor Sanders recused himself from voting on this matter in March. He believed this situation was very sad and did not understand why the public was choosing this issue to smear the mayor.

John Pitzl, 3133 120th Court NE, stated he supported the proposed project, noting it would serve as a gathering place for the community. He reported he was a large proponent of small businesses and if done at arms length, a member of the council should be allowed to own a business in Blaine.

Ryan Briggs, 2975 117th Avenue, explained as a coach and youth sports supporter, he believed there was a need for a facility like this. In addition, he felt the process was handled appropriately.

Heidi Green, 2826 Aspen Lake Drive, said she and her husband own a dental practice in Blaine. She explained she fully supported this city council. She encouraged the council to focus on the CUP amendment, noting the comments being made by some members of the public were not good for anyone. She discussed how comments questioning transparency were an attack on the mayor, the council and the city. She reported there has not been a lack of transparency, which was made abundantly clear by staff through the staff report. She encouraged the council to continue to work on the public's behalf because residents approved of the new amenities that would be coming into the community.

Mike Ojile, 2474 Tournament Player Circle South, stated he has been a resident of Blaine for the past 22 years and he has raised four boys in the community. He reported youth sports have been a big part of his life over the past 22 years. He supported any project that encourages more investment in Blaine, families and youth sports.

Mike Welch, 2781 103rd Court, indicated he was pro business, pro Blaine, and pro baseball. He explained he has four boys and he has coached baseball for over 10 years. He commented on how the physical and mental well being of young athletes should be considered, and discussed how this new project would enhance or improve the well being of athletes in the community. He stated he fully supported this project moving forward. He explained he fully trusted this council to make the right decision on this project.

Kailez Campbell, 632 100th Court, stated she was not opposed to the project or developing Blaine but felt everyone should have an equal chance for businesses and asked for transparency and honesty from the local government.

John Kierkhising, 2939 Aspen Lake Drive, stated he was a lifelong resident of Blaine. He explained he was part owner of Crisp and Green and described the continued interest he had in this site. He reported he supported the mayor's investment in the community and believed Mayor Sanders was pro business.

Kevin Landry explained he owned a small business in Blaine. He stated he had no issue with the proposed business, but felt the issue was regarding ethics as it was a liability to the city and that he should recuse himself completely from this project.

Ruth Lupa, 13212 Aberdeen Street, stated her husband and son work in baseball and she just started her own small business. She did not understand the concerns regarding this project as the process was transparent. She supported this project moving forward.

Beverly Dahl, 9303 Bataan Avenue, explained she moved to Blaine for the baseball associations. She stated many teams and families depend on these activities and discussed how this business would provide a gathering place for dinner and celebrations. She encouraged the council to think about the youth when making a decision regarding this project.

Oaklyn Smith, 9564 Monroe Street, said everyone was in agreement that vacant properties should be transformed into thriving businesses so this was not about pro or anti business but rather this project was about transparency, ethics, and equal opportunities. She feared the city may be setting a precedent on what projects are be propped up and those that are not.

John Pitzl, 3133 120th Court NE, reported nine out of ten businesses fail in the first six years, so it is not a guarantee that this or any other business will be successful. He did not see that the city was giving this business preferential treatment and stated he supported the council approving this project.

Kels Campbell believed it was immoral that government funds be used to open businesses as this would be a wasted investment.

Don Kveton confirmed no public money would be going into this business outside of an SBA loan.

Allie Schmit, 1058 98th Avenue NE, spoke out regarding the accusations against the mayor, stating the partnership owners are all people who want what's best for Blaine and the community's youth. She explained she supported Mayor Sanders and this project.

Kevin Landry spoke to conflict of interest laws and suggested these topics be covered in the council's code of conduct.

Kailez Campbell said the mayor and his business partners may all be respectable but she did not believe that it was not appropriate for elected officials to do government business with their friends and was looking forward to learning more about this project.

There being no additional public input, Mayor Pro Tem Robertson closed the public hearing at 7:57PM.

Community Development Director Thorvig reviewed the request before the council, noting the business was approved in March of 2023 as was the outdoor patio. He indicated the applicant was requesting to move the location of the outdoor patio and was seeking approval for live entertainment. He reported this vote would require four affirmative votes in order to move forward.

Mayor Pro Tem Robertson confirmed no city dollars were incorporated in this project.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adopt a Resolution Granting a Conditional Use Permit Amendment for a Recreational Use and a Restaurant with an Approximately 2,350 Square Foot Outdoor Dining Area and Live Entertainment in the PBD (Planned Business District) Zoning District at 10650 Baltimore

Street NE, Suite 100.

Mayor Pro Tem Robertson requested the city attorney speak to the city's code of conduct when it comes to conflict of interest. City Attorney Loonan stated the city adopted a conflict of interest policy that mirrors state law. He reviewed the two different types of conflict of interest, which were contractual and non-contractual. He stated this project would be a non-contractual conflict of interest, due to the fact the mayor has financial interest in a CUP question for a property. Pursuant to state law and city policy, the requirement was for a member of city council to disclose the conflict of interest to the group and abstain from the council discussion, debate and vote, which Mayor Sanders has done each time this item has come before the city council.

Councilmember Newland asked why the patio location was moved on the property. Ryan Carlson, applicant, commented on the reasons for moving the outdoor patio stating their intention was to provide live entertainment that would highlight local musicians. He discussed how the full-length batting cages would be oriented in the building, noting it made more sense to move the patio to the front of the building while moving the batting cages to the rear.

Councilmember Newland questioned if this establishment would be a family-oriented business. Mr. Carlson explained this would be a family oriented business.

Councilmember Newland inquired if the live entertainment would be family oriented. Mr. Carlson reported this would be the case.

Councilmember Newland asked what the hours of operation would be for live entertainment. Mr. Carlson stated the hours of operation have not been set, but explained he was not anticipating the entertainment would be going late into the evening.

Councilmember Newland commented on how the council recently approved live entertainment at the Rusty Bumblebee. He inquired if there were any conditions set regarding the hours of operation for the Rusty Bumblebee, given the fact this establishment was quite close to residential units. Ms. Sellman stated the city did not set any limitations to the hours of operation for the Rusty Bumblebee but used the city's noise ordinance as a guide.

Councilmember Newland thanked staff for this information and stated his concerns regarding the live entertainment at The Ball Park were minimal given the fact this property was quite a distance from residential properties. He stated he fully supported this project moving forward.

Councilmember Larson reported she had no idea this was such a controversial issue and was of the opinion this would be a great amenity in Blaine. She discussed how the councilmembers do not make a great deal of money serving as councilmembers and had other full-time jobs. She stated she supported the CUP amendment as requested.

Councilmember Saroya explained a resident in her ward posted concerns on Next Door regarding this project regarding conflict of interest, lack of transparency and preferential treatment. She believed these issues should have been discussed in March and because these issues were not discussed shows there was a problem with this process. She reported she did not remember approving this item in March, which was due to the fact she was traveling on spring break. She was told by staff that she would have to find a public place in order to participate in this meeting which she felt was unsafe due to the 3:00AM meeting time for the timezone she was in. She indicated this was the only council meeting she had missed since being elected to the city council. She noted The Ball Park item was added to the March meeting agenda that she could not attend. She believed the public was asking legitimate and reasonable questions and questioned why the council was using intimidation to shut down conversation. She indicated this was troubling to her given the fact this was a local government meeting. She was of the opinion everyone had the right to speak and ask questions without intimidation from developers. She explained she was pro-business and appreciated the developer who was willing to invest $31 into the Northtown Mall area. She discussed how Ward 1 was struggling and suffered from different issues than other wards in the community. She feared there was a distrust among her ward members when it came to the city council and mayor. She reported she would continue to advocate and ask questions for her residents. She commented on the small business owners she was working with in order to keep them in the community. She indicated the way this project was playing out was raising more questions for her. She explained she does not work for the mayor or staff, rather she works for Ward 1 residents. She believed this was the ethical thing to do. She stated she was overwhelmed by the number of calls and emails she received regarding this project. She indicated she would continue to do what was best for the entire community. She questioned why the residents within the mobile home community were not invited to attend and provide comments at this meeting. She discussed how the proposed live entertainment could adversely impact these residents. She explained she liked this business idea, but feared there was not enough transparency. She questioned if the CUP that was approved in March was even valid, given the fact the mayor signed it. She was of the opinion the optics for this project were off and this venue was an extension of the proposed baseball stadium and sports entertainment district on 105th Avenue. She noted she had additional questions regarding the mayor's ownership interests in this project. She inquired if the city's conflicts of interest have been further explored by an attorney that was not employed by the city. She then asked if this type of development was typical and had any other previous mayors or mayors in other communities entered into business deals in their city. She questioned if this project was related to the 105th Avenue Redevelopment Sports District.

Councilmember Massoglia asked for a point of order then explained the packet included an email from city staff to Councilmember Saroya where these questions were answered.

Councilmember Saroya noted not all of her questions were answered. Councilmember Massoglia disagreed.

Mayor Pro Tem Robertson encouraged Councilmember Saroya to ask questions and allow staff to answer them. She urged the council to keep their comments respectful at this meeting. She requested staff speak to the signature on the CUP and stated it was her understanding a default electronic signature from the mayor is utilized. City Clerk Sorensen reported an electronic signature is placed on items once the action by council was recorded and that all ordinance and resolutions are required by Charter to be signed by either the mayor or two other councilmembers.

Mayor Pro Tem Robertson asked if Councilmember Saroya had additional questions different from the ones that have been asked and answered by staff. Councilmember Saroya reported she had a list of questions that had not yet been answered by staff.

Mayor Pro Tem Robertson questioned if staff had responded to the list of questions provided by Councilmember Saroya. Mr. Thorvig explaind staff received a list of 11 questions from Councilmember Saroya and noted staff answered them to the best of their ability. He reported he did not take time to research if a neutral attorney should be involved or if other mayors had requested a business in their own community. With that being said, he noted in other communities he has worked in, elected officials have pursued business or real estate interests in their own community and abstained from action on these items.

Councilmember Massoglia expressed frustration with the fact Councilmember Saroya was not asking questions to get to the truth. Rather, she was asking questions to raise ethical concerns to smear someone. He explained there were clear and obvious answers to the questions that were being asked. He reported the question regarding whether the item added to the agenda in March in an unusual manner was no and the question regarding if other CUPs go to the city council without going to the planning commission was yes and had occurred 28 times in the past two years. He stated Councilmember Saroya could ask if it is unusual for a mayor or councilmember to own a business in the city they represent and the answer would be no. He feared that Councilmember Saroya did not care about the truth or the answers, but was using this time to smear the mayor. He indicated he was not a yes man as he voted against the 99th project and the apartments at Northtown. He expressed concern with how Councilmember Saroya's comments could be construed to mean the entire city council had a lack of transparency, which was wrong. He stated he was disappointed in Councilmember Saroya's comments because he had given her the benefit of the doubt on matters and has worked to hear her opinions. He was of the opinion that Councilmember Saroya's statements lacked substance, noting there was no ethical concern with the mayor having a business in Blaine. He encouraged Councilmember Saroya to speak with staff if there were questions she needed answers to.

Mayor Pro Tem Robertson explained the city council was voted to these positions to make difficult decisions and serve the community. She stated at certain times, people may not like the answers to the questions they are raising. She had the understanding questions have been asked and answered, going back to May. She understood the council would not always agree, and it was okay to have disagreements. However, she encouraged the council to not make this personal. She reported the matter before the council was a CUP amendment that would allow a patio to be moved to the front of a building. She stated she was grateful for the developers' willingness to invest in the community, which was a sentiment she shared with all developers that were willing to invest their dollars in the city of Blaine. She urged the council to be better and to not have these arguments. She discussed how she loves her job and loves this community, but she does not love this part. She reiterated that the request before council was to move a patio from one side of a building to another and to add live entertainment.

Councilmember Saroya stated the council could be setting a dangerous precedent. She believed the council should be questioning ethical concerns. She asked why raising questions was being referred to as smears. She questioned why the council was not investigating the concerns of the public further but instead was shutting down the dialogue.

She did not support the developer shutting down conversations. She reported when an elected official was involved in a business deal in his or her own community, it should go through every hoop and hurdle. She believed the community needed to understand now favors were received and that the law had been followed to a "T". She stated this was all she was asking and should not be considered a smear. She explained she would continue to raise resident concerns and would not be intimidated into silence. She suggested an independent review be done of this project to ensure this project was handled appropriately then indicated a lot of people do not trust staff.

Mayor Pro Tem Robertson raised objections to Councilmember Saroya's comments regarding staff and explained her questions had been asked and answered. She reported no development comes before the city and receives a rubber stamp approval but rather, each project was different and was reviewed per city requirements.

Councilmember Newland called the question.

Motion adopted 4-1 (Councilmember Saroya opposed).

10. Development Business

None.

11. Administration

11.1. RES 23-149 Resolution to Approve Term Sheet with Elevage/Bader for the 105th Avenue Redevelopment Project
Sponsors: Erik Thorvig, Community Development Director

Mr. Thorvig stated an update was provided to the city council on November 13, 2023, regarding the 105th Avenue Redevelopment project. Significant time has been spent over the last six months negotiating various agreements with the MASC/NSC that outline mechanisms to allow the developer the ability to ground lease land from MASC for private development. During this negotiation, the developer wasn't able to move forward with various aspects of the site planning, engineering, etc., as the project scope would have been impacted if there wasn't the ability to develop MASC property. Now that these agreements are in place, the developer is now able to move forward with various site planning items such as environmental review, engineering, negotiating with potential end users, etc. Additionally, there are discussions regarding financing of the turf field project and other components of the redevelopment at the city level.

Mr. Thorvig explained any formal action on project financing will not occur until early 2024. Given that the developer needs to spend time and dollars on the aspects mentioned above immediately to stay on schedule, there needs to be some clarity on the overall expectations of both the city and the developer. These expectations are outlined in the form of a term sheet. The term sheet will identify various roles and responsibilities of both the city and the developer over the next six months. The term sheet is non-binding and does not commit the city to anything formally, but lays out a road-map for the project and expectations of each party to stay on schedule and achieve the ultimate vision. Much of the information identified in the term sheet was presented to the city council at the workshop on November 13. Staff commented further on the proposed non-binding term sheet, reviewing key dates for the 105th Avenue Redevelopment Project and recommended approval.

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to adopt a Resolution to Approve Term Sheet with Elevage/Bader for the 105th Avenue Redevelopment Project.

Councilmember Saroya said it appeared she was the only councilmember with questions then inquired if the city had held public hearings regarding this project in order to create a shared vision for the community. Mr. Thorvig reported there would be various public hearings for different aspects of the project, such as when debt is issued for the turf fields and proposed stadium. He explained the developer will also be holding listening sessions once they have their revised plan completed.

Councilmember Robertson noted she has asked many questions regarding this project as she prepared for this meeting which have been answered by staff, adding this is an extremely complicated project. She thanked the developer for choosing Blaine and for being willing to work with the Blaine City Council. She stated this was a very exciting time for the city of Blaine with the funding for TH65, this project and the redevelopment coming to the Northtown Mall area. She did not anticipate there was another community in the metro area that would be seeing a billion dollars worth of reinvestment in their community.

Councilmember Massoglia questioned if the term sheet should be viewed as a preliminary agreement or roadmap. Eric Larson, Ekberg Lammers, advised the term sheet was non-binding, but as with any term sheet, it was deemed by staff and the developer to be appropriate to lay out this roadmap and bring it forward for council approval. He indicated the term sheet lays out the next logical stages for both parties for this project for the next six months. He reported the environmental review process would require public involvement and public hearings.

Councilmember Newland commented he reviewed the term sheet and addressed his questions with staff and thanked staff for going above and beyond to accommodate his questions. He believed the term sheet summarized where the city was at and was a great starting point. He thanked staff for their tremendous efforts on the term sheet.

Councilmember Saroya stated it was her understanding residents do not support paying taxes for stadiums. She asked if any tax funding would be used for this project. Mr. Thorvig explained the analysis was still taking place, but as was presented last week, the current structure would fund $28.5 million from direct revenue sharing from the baseball team. He indicated the $1.5 million gap in the first five years was still being discussed between the developer and staff. He reported the potential of using EDA funds from the sale of the property was being considered. However, if the council does not want to use city funding, additional sources could be considered.

Mayor Sanders reported it has been a priority throughout this entire project to not go back to the tax payers for additional funding and believed there were tools available to secure this project.

Councilmember Saroya questioned if there would be a tax increase to any residents in Ward 1. Mr. Thorvig explained the turf field financing would be completed through tax abatement. He stated a $12 million bond would be pursued which would have a $1.3 million annual debt service. He stated the city would need $125,000,000 in developmental value to produce $1.3 million in taxes, if the city, county and schools are involved. He explained the developer has identified $100,000,000 in development and noted a new apartment project (valued at $25,000,000) which was recently completed in the city has been identified. He noted this apartment building has not been placed on the tax rolls because it just opened. He indicated the taxes on this property could be abated and it could be incorporated into the district. He reported this option was still being explored by staff.

Councilmember Saroya requested further information as to which properties the city was looking to acquire for this project. She noted these were Ward 1 businesses and she wanted to advocate for Ward 1 businesses. Mr. Thorvig stated it was public knowledge that the council has been holding closed sessions to discuss the 2043 105th Avenue and 10550 Radisson Avenue properties but explained he could not discuss the specifics for these properties because they were under negotiations. He indicated there were two additional properties the city was pursuing on the northeast and northwest corners of 105th Avenue and Nassau Street.

Councilmember Saroya questioned which staff members were attending the negotiations for these properties, noting as the Ward 1 councilmember, she has not attended these meetings. Mr. Thorvig reported the four agreements that have been worked on to date have been completed with MASC, NSC, the developer and the city. He explained the Mayor, Eric Larson and himself represented the city in these meetings and the NSC was represented by Todd Johnson, Neil Ladd and Attorney Bill Kretsky. He noted the developer was represented by Robb Bader, Corey Burstad and Aaron Mather, along with the board chair for MASC.

Councilmember Saroya requested further information regarding the components of this project. Mr. Thorvig stated in 2022 the council hired an architect and put together a vision for the 105th Avenue Redevelopment Project. He reported this area was to become an entertainment district that would capitalize on the tourism at the NSC drawing from the region, while also catering to Blaine residents. He indicated the project area would have public space, hotels, restaurants, residential, office and retail components. He explained a master developer was selected a year ago and was working on a plan that includes sports-oriented uses in the west district, with a stadium, food hall, hotel and public parking. He stated Invictus would remain in place. He commented on how the agreement with MASC would include four acres of public space.

Councilmember Saroya indicated for the record she would not support any additional apartments in Ward 1 and therefore would not be supporting this project.

Councilmember Larson explained the three proposed apartment buildings on 105th Avenue were new to her. She reported she was told by staff that these properties were rezoned in 2022, which was before she served on the city council. Mr. Thorvig commented on the visioning process that was followed for this project, noting this included the creation of a specific zoning district for the 105th Avenue area.

Councilmember Larson asked if any of the proposed housing would come back to the council for further discussion since it was approved in 2022. Ms. Sellman reported all site plans within the 105th Avenue Area Redevelopment District would be reviewed and considered by both the planning commission and city council. She explained some uses were listed as permitted and others were conditional uses. Mr. Thorvig stated multi-family residential, townhomes and apartments were listed as a permitted use and conditional uses included hotels and buildings over 50 feet in height.

Mayor Sanders stated this would be a truly remarkable project for the Twin Cities. He indicated this project would bring entertainment experiences, restaurants, food halls and hotels to Blaine. He stated he was proud to be working with a city council that would be bringing these types of amenities to the residents of Blaine. In addition, the city would be able to house and provide new amenities for the 7 million sports visitors that come to Blaine each year.

Motion adopted 5-1 (Councilmember Saroya opposed).

11.2. RES 23-190 Declaring the Official Intent of the City to Reimburse Certain Expenditures Related to the 105th Area Redevelopment Project from the Proceeds of Tax-Exempt Bonds

Sponsors: Jason Zimmerman, Finance Director

Mr. Thorvig stated on November 6, 2023 the city council approved a funding agreement with the National Sports Center Foundation (NSCF) which requires the city to provide the NSCF with up to $500,000 for preparation work related to the construction of ten turf fields. This compensation is part of the overall financing structure that has been proposed to facilitate the 105th Avenue Redevelopment Project. While the city isn't obligated to issue bonds to participate in financing the remaining $11,500,000 required to complete the turf field project construction, the proposed reimbursement resolution follows Internal Revenue Service (IRS) regulations allowing the city to reimburse itself using debt sale proceeds for the initial $500,000 of project related expenditures.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to Declare the Official Intent of the City to Reimburse Certain Expenditures Related to the 105th Area Redevelopment Project from the Proceeds of Tax-Exempt Bonds.

Motion adopted 5-1 (Councilmember Saroya opposed).

11.3. RES 23-188 Certify 2023 Delinquent Utility Accounts, Nuisance Abatements, and Other Special Charges to Anoka County

Sponsors: Jason Zimmerman, Finance Director

Finance Director Zimmerman stated the council annually certifies delinquent utilities and unpaid invoices for mowing, false alarms, and meter repairs to Anoka County for collection with the following year’s property taxes. This process protects the city by establishing the unpaid amounts as a lien on the related properties. The certification process also serves as the city's collection process.

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to Certify 2023 Delinquent Utility Accounts, Nuisance Abatements, and Other Special Charges to Anoka County.

Motion adopted unanimously.

11.4. 2023-407 Authorizing the Acquisition of Right-of-Way Consistent with State Law for the Ulysses Street and 117th Avenue Roundabout Project, Improvement Project 23-09

Sponsors: Daniel Schluender, Director of Engineering

Director of Engineering Schluender stated the city council previously authorized the design and preparation of plans and specifications for improvements to the Ulysses Street and 117th Avenue intersection. The design proposes a roundabout to be constructed at this intersection to provide the best level of service and safety. The proposed improvements require right-of-way as well as permanent and temporary easements to be acquired from adjacent land owners to complete the project as designed. The pending project and need for additional right-of-way and easements has been discussed with the property owners and they are willing to consider offers for these acquisitions. An appraisal was done and a price of $108,300.00 was negotiated with the Abundant Life Community Church property at 1105 117th Avenue.

Moved by Councilmember Massoglia, seconded by Councilmember Robertson, to Authorize the Acquisition of Right-of-Way Consistent with State Law for the Ulysses Street and 117th Avenue Roundabout Project, Improvement Project 23-09.

Councilmember Massoglia thanked Director of Engineering Schluender for working so well with this property owner on this project.

Motion adopted unimously.

11.5. RES 23-183 Resolution to Receive Feasibility Report and Order Public Hearing for the Sanburnol Drive (85th Avenue) Improvements Project, I/P 23-14

Sponsors: Daniel Schluender, Director of Engineering

Mr. Schluender stated council is asked to receive the feasibility report for the Sanburnol Drive (85th Avenue) Improvements Project. At the July 5, 2023 City Council meeting, Council initiated the Sanburnol Drive Improvements Project which involves the reconstruction of Sanburnol Drive(85th Avenue) from Elm Drive NE to University Avenue Service Drive and University Avenue Frontage Road from Sanburnol Drive to Northtown Mall ring road. Staff reviewed the roadways within the street improvement project. It was noted the north half of Sanburnol Drive is located within the City of Blaine, while the south half lies in Spring Lake Park. The portion of the University Avenue Frontage Road on this proposed project lies entirely within the City of Blaine. Elm Drive and 83rd Avenue both lie entirely within Spring Lake Park.

Mr. Schluender explained the City of Blaine will pay for the proportional cost of the Sanburnol Drive (85th Avenue) improvements for the portion of the street within the City of Blaine and the entire costs for the University Avenue Frontage Road. The City of Spring Lake Park will pay for a proportion of the cost of Sanburnol Drive and the full costs associated with Elm Drive and 83rd Avenue as they lie entirely within the City of Spring Lake Park. The estimated total project cost is $1,171,600. The estimated cost split is $446,575 for the City of Blaine and $722,025 for the City of Spring Lake Park. For the City of Blaine portion, the estimated amount to be assessed is $82,937 and the remaining $ 363,638 is proposed to be paid from the City's Pavement Management Program Fund and the City's Municipal State Aid Funds.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adopt a Resolution to Receive the Feasibility Report and Order a Public Hearing for the Sanburnol Drive (85th Avenue) Improvements Project, I/P 23-14.

Motion adopted unanimously.

11.6. RES 23-189 Resolution Accepting a Change Order from T.A. Schifsky & Sons, Inc. in the Amount of $9,245 for the 2023 Trail Maintenance Project, Improvement Project No. 23-42 and Amending the 2023 Budget

Sponsors: Jerome Krieger, Sr. Recreation Manager

Senior Parks and Recreation Manager Krieger stated at the August 21, 2023 council meeting, the city council awarded the bid for the 2023 Trail Maintenance Project to T.A. Schifsky & Sons, Inc. with Resolution 23-137. The contract was for $78,971.00. Council also approved a 15% contingency to bring the project budget to $90,816.65. The 2023 CIP for Trail Maintenance was $91,000. The project consisted of replacing/adding new ADA compliant pedestrian ramps, seal coating, reclaiming and reconstructing various paved trails throughout the city. Staff commented on how the soils within the project area were worse than anticipated, which would require a change order for this project.

Moved by Councilmember Newland, seconded by Councilmember Massoglia, to adopt a Resolution Accepting a Change Order from T.A. Schifsky & Sons, Inc. in the Amount of $9,245 for the 2023 Trail Maintenance Project, Improvement Project No. 23-42 and Amending the 2023 Budget.

Motion adopted unanimously.

11.7. ORD 23-2536 First Reading - Ordinance Amending Chapter 50, Offenses and Miscellaneous Provisions, Article VI. - Offenses Involving Underage Persons, Sec. 50-312. - Opium-Smoking Paraphernalia; Possession

Sponsors: Brian Podany, Safety Services Manager/Police Chief

Safety Services Manager/Police Chief Podany stated council is asked to hold first reading of an ordinance updating the current code regarding drug paraphernalia to more accurately reflect the new cannabis products law and move the language from Offenses Involving Underage Persons to new Sec. 50-3. - Drug Paraphernalia. It was noted during this session the Minnesota Legislature removed the state level crime of possessing drug paraphernalia. Staff is recommending the City amend the ordinance to continue to criminalize transportation or possession of such items based on the new law, Statute 342.09 except in conjunction with cannabis . The new law also defines cannabis paraphernalia: “Subd. 18. Cannabis paraphernalia. "Cannabis paraphernalia" means all equipment, products, and materials of any kind that are knowingly or intentionally used primarily in:

(1) manufacturing cannabis products;
(2) ingesting, inhaling, or otherwise introducing cannabis flower or cannabis products into the human body; and
(3) testing the strength, effectiveness, or purity of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products.”

Police Chief Podany explained while the city does not have the authority to regulate the possession and transportation of cannabis paraphernalia as it is expressly permitted by statute, this amendment would still provide law enforcement the ability to stop or expand searches based on non-cannabis paraphernalia now that the law is silent.

Declared by Mayor Sanders that Ordinance No. 23-2536, “Ordinance Amending Chapter 50, Offenses and Miscellaneous Provision, Article VI. - Offenses Involving Underage Persons, Sec. 50-312. - Opium-Smoking Paraphernalia; Possession,” be introduced and placed on file for second reading at the December 4, 2023 Council meeting.

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

City Clerk Sorensen stated council is asked to hold second reading and adopt 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 receive information and guidance from the newly-created Office of Cannabis Management.

Moved by Councilmember Newland, seconded by Councilmember Larson, to adopt an Interim Ordinance Prohibiting the Operation of Cannabis Businesses and Hemp Businesses in the City of Blaine.

Councilmember Larson stated she believed it was great the council was discussing this item and taking extra time to review this matter.

Councilmember Saroya explained at the last council meeting there were members of the public that spoke at the Public Forum regarding this issue. She indicated she did not get any follow up from staff regarding the questions that were raised by these residents. She asked if the city would be completing a study and would there be costs to the city for this study. She questioned if local businesses who were already selling cannabis products would be impacted by this ordinance. Ms. Sorensen reported staff would be completing this study, which means there would not be any outside costs. She explained the moratorium will not impact any current or new businesses that are selling (low potency) edible products.

Motion adopted 5-1 (Councilmember Saroya opposed).

12. Other Business

None.

13. Adjournment

CITY OF BLAINE
L'ETOILE DU NORD
ANOKA CO., MINN.

Signed by ______________________
Tim Sanders, Mayor

Signed by ______________________
Catherine M. Sorensen, CMC, City Clerk

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adjourn the meeting at 9:16PM.

Motion adopted unanimously.