City of Blaine
City Council

May 20, 2024 | 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, Leslie Larson, Chris Massoglia, Tom Newland, Jess Robertson and Lori Saroya.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Engineering Dan Schluender; City Attorneys Tom Loonan and Eric Larson; Economic Development Specialist Ruth Tucker; Community Development Specialist Elizabeth Showalter; and City Clerk Catherine Sorensen.

4. Awards - Presentations - Organizational Business

4.1. 2024-167 National Public Works Week Proclamation
Sponsors: City Council

Mayor Sanders read a proclamation in full for the record declaring May 19 through May 25, 2024 to be National Public Works Week in the city of Blaine. He thanked all public works staff for their outstanding work in the community. A round of applause and standing ovation was offered by all in attendance.

5. Communications

Councilmember Fleming thanked everyone for their work on the recent Johnsville neighborhood garage sales, especially Way of the Lord Church for their great partnership.

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 7:04PM.

Jessica Bahr, 116 96th Lane NE, asked if an environmental impact study had occurred as part of the rezoning request for Crispin Cove as she believed this was necessary given the fact the habitat of wildlife, especially eagles, would be impacted. She spoke about the $13 million in financing that was approved for artificial turf at the NSC and the potential for PFAS concerns from the turf and recommended an environmental impact study be completed for this project as well. She inquired about reasons for the city to have two contracts for animal control and encouraged the council to consider a humane pet store ordinance.

There being no further input, Mayor Sanders closed the Open Forum at 7:08PM.

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. 2024-170 Schedule of Bills Paid
Sponsors: Jason Zimmerman, Finance Director

8.2. 2024-178 Approval of Minutes
Sponsors: Cathy Sorensen, City Clerk

8.3. RES 24-105 Resolution Approving a Temporary Road Closure for the 2024 Blaine Sizzling Summer Kickoff

Sponsors: Jerome Krieger, Sr. Recreation Manager

8.4. RES 24-106 Resolution Approving Temporary Road Closures for the 2024 Blaine Festival and Parade

Sponsors: Jerome Krieger, Sr. Recreation Manager

8.5. RES 24-98 Resolution Approving a Premise Permit for Lawful Gambling Activity for Blaine Youth Football at The Ball Park Twin Cities

Sponsors: Cathy Sorensen, City Clerk

8.6. 2024-171 Approve Temporary Liquor Licenses for Invictus Brewing Company for Events on the Adjacent EDA Owned Property

Sponsors: Cathy Sorensen, City Clerk

8.7. RES 24-107 Resolution Authorizing City Hall and Aquatore Bandshell Security Enhancements, Interfund Transfer from the Capital Improvements Fund, and Associated Budget Amendments.

Sponsors: Brian Podany, Safety Services Manager/Police Chief

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

None.

10. Development Business

10.1. ORD 24-2550 Second Reading

Ordinance Granting a Rezoning from Farm Residential (FR) to Development Flex (DF) at 4255 125th Avenue NE and 12581 Lexington Avenue NE. Crispin Cove (Capital Trust Investment LLC). (Case File No. 24-0020/SLK)

Sponsors: Sheila Sellman, City Planner

City Planner Sellman stated the applicant is requesting a rezoning from FR (Farm Residential) to DF (Development Flex) for the construction of 40 single-family lots. Staff commented on the request in further detail, noting the planning commission held a public hearing on April 8 and recommended approval of the application.

Moved by Councilmember Fleming, seconded by Councilmember Newland, to adopt the Second Reading of Ordinance No. 24-2550, Granting a Rezoning from Farm Residential (FR) to Development Flex (DF) at 4255 125th Avenue NE and 12581 Lexington Avenue NE.

Councilmember Massoglia stated in the past the council has discussed how to blend the developments to the north into Ham Lake better. He explained the council had discussed moving away from DF to R-1 for larger lots. He indicated he did not have a problem with single family homes on this property, but he did not support DF. He believed R-1 would provide larger lot sizes. He indicated he would be voting no for this rezoning and proposed project.

Councilmember Saroya indicated she had questions regarding the environmental concerns that were raised. She reported several residents have informed staff about eagles being on this property. She believed this was a matter that needed more attention from the city council because eagles have been spotted on this property. She understood staff walked the site on April 22 and no eagles nests were found on the property but asked how staff determined if eagles were roosting and not nesting. Director of Enginering Schluender explained this property was adjacent to wetlands and staff found no eagles nests within the trees. He understood the neighbors have seen eagles in the trees and noted he himself had seen eagles flying overhead while driving down Lexington Avenue.

Councilmember Saroya stated staff has confirmed there are eagles on the property, which residents have been telling the city council. She reviewed the bald and golden eagle protection act noting this act protects both occupied and unoccupied eagles nests. She reported this may be something the city needs to look into further. She questioned if staff were subject matter experts when it came to eagles and eagle nests. She indicated it may make more sense to have the US Fish and Wildlife or DNR visit the site.

Councilmember Massoglia called for a point of order. He questioned what this had to do with the preliminary plat. He explained staff was sent out to the property and no eagle nests were found. He indicated while he would be voting against the project he was frustrated by how Councilmember Saroya felt the need to contact national associations instead of working with her fellow colleagues or listening to staff.

Mayor Sanders explained this matter was within the purview of the watershed district.

Councilmember Saroya stated she was speaking to the fact the developer's engineer and the city engineer visited the property and questioned what level of expertise they have when it came to locating identifying eagles and eagle nests. Mr. Schluender stated no staff member was licensed as an eagle nest spotter but stated none were identified on the property.

Councilmember Saroya inquired if this matter needed more analysis and should experts be brought in, such as the US Fish and Wildlife and without the developer, to make a determination. She stated this was about doing the right thing. She indicated she was in favor of making informed decisions. She believed it was a conflict of interest to be walking the property with the developer looking for eagles when no subject matter expert was in attendance and recommended action on this item be delayed. She stated one resident made her aware of the fact this property had eagles, turkey, deer, hawks, blue jays and cardinals on the property. She stated if the council was relying on the opinion of two individuals who were not subject matter experts, then she recommended another opinion be pursued. She believed this was reasonable and recommended the city do its due diligence. Mr. Schluender reported that as mentioned by City Planner Sellman this matter was under the purview of the watershed district, who has expertise in this matter. He explained an eagles nest was spotted on a development north of this property and once that happened the identified trees had to be protected. He stated the watershed district had identified the nest on that site and has the same purview over this property where no nests have been were found. He said because the concern was raised at the planning commission meeting, staff went out to verify the entire site was clear of nests. He explained the watershed district has on file no eagle nests present on this property.

Councilmember Larson inquired why DF was requested as opposed to R-1. Ms. Sellman reported DF was requested due to the wetlands and to save more trees. She noted R-1 requires 10,000 square foot lots and 80 foot wide lots. She indicated DF would provide the developer with more lots and a higher density.

Councilmember Newland commented it appears the area to the south and east were zoned DF. Ms. Sellman stated this was correct.

Councilmember Newland indicated this property was surrounded by residential homes. He questioned if the city could assume this property would develop into homes at some point in the future. Ms. Sellman stated she did not like to assume anything, but based on the land use designation (Low Density Residential), residential homes would be consistent with the comprehensive plan.

Councilmember Newland explained he would support planning commissions recommendation to rezone the property from FR to DF.

Councilmember Larson indicated she did not support DF on this property. She explained she would be more in support of an R-1 residential development on this property.

Councilmember Fleming agreed with Councilmembers Massoglia and Larson that this property should be zoned R-1. She commented on the criteria for the DF zoning district noting it was supposed to provide a wide variety of housing types, styles and price ranges. She indicated the proposed housing was all the same. In addition, DF was to provide amenities, facilities and open spaces, which were not included within this development. She supported this property being zoned R-1 and would be voting against the proposed rezoning to DF.

Mayor Sanders explained it did not appear there is enough support to move this project forward and asked if the applicant would like to address the council.

Corey Lepper, Capital Trust Investment, explained when he originally came to the city council he had proposed a very high density project, which exceeded nine or ten units per acre. He stated he listened to the councils comments and concerns and refined his plans. He indicated it would be possible to go to an R-1 development with larger lots, however, he chose to pursue DF to save more trees while also protecting the wetlands. He indicated his goal was to connect with DR Horton to provide cohesion on this corner. He noted 50% of the property would be preserved into open space and was fitting with the current environment. He noted the adjacent properties were zoned DF already.

Mayor Sanders questioned if the applicant preferred to work with staff to possibly refine the project or have council vote on this item.

Mr. Lepper stated he preferred to work with the council and staff then questioned what the timing was for project approval. Ms. Sellman explained the city council had until July 10 to consider the project, noting there could also be a 60 day extension.

Mayor Sanders encoruaged the developer to continue to work with staff on this matter because there was not a majority of support to move it forward.

Mr. Lepper supported tabling the item to allow for more time to address council's concerns. He reiterated that all of the properties surrounding this lot were DF then asked if the council wanted to see the lots meet the 10,000 square foot threshold.

Councilmember Robertson encouraged the councilmembers who did not support this project to provide proper feedback to staff in order to work in good faith with the developer.

Councilmember Massoglia indicated he wanted to see larger lot sizes and more space between the houses. He explained the council has spoken about having more of a blend to the north towards Ham Lake. He explained the property to the east that was zoned DF was a school, which had a great deal of open space. He stated he would be speaking with staff regarding the aesthetics he would like to see for this development.

Mayor Sanders stated it may benefit the council to get out in front of these developments by having the properties zoned properly before developers come before the council.

Mr. Lepper was of the opinion an R-1 development with larger lots would not be cohesive to the adjacent developments around it. He reported 50% of the property would be preserved for open space, wetlands and tree preservation. He was of the opinion he had put his best foot forward utilizing half of the property for housing while preserving the other half the property for open space.

Mayor Sanders thanked the developer for his comments and stated he looked forward to speaking with staff and reviewing revised plans for this project in June to see what else may be possible.

Councilmember Larson indicated she was newer to the council. She explained she knew the school in the area was already over capacity and this into consideration when considering new developments. She stated she preferred to see homes more spread out in order to lessen the impact on the city.

Motion by Mayor Sanders, second by Councilmember Massoglia, to table action on Item 10.1 to the June 3, 2024 City Council meeting.

Motion adopted unanimously.

10.2. RES 24-89 Resolution Granting Preliminary Plat Approval to Subdivide 21.52 Acres into 40 Single Family Lots and Two Outlots to be Known as Crispin Cove at 4255 125th Avenue and 12581 Lexington Avenue NE. Capital Trust Investment LLC (Case File No. 24-0020/SLK)

Sponsors: Sheila Sellman, City Planner

Action on this item was tabled to the June 3, 2024 City Council meeting.

10.3. RES 24-90 Resolution Granting a Conditional Use Permit to Allow for the Construction of 40 Single Family Lots in the Development Flex (DF) Zoning District at 4255 125th Avenue NE and 12581 Lexington Avenue NE. Crispin Cove (Capital Trust Investment LLC). (Case File No. 24-0020/SLK)

Sponsors: Sheila Sellman, City Planner

Action on this item was tabled to the June 3, 2024 City Council meeting.

11. Administration

11.1. RES 24-99 Resolution Accepting a Bid from Douglas-Kerr Underground, LLC in the Amount of $4,133,831.46 for the 2024 Pleasure Creek Area Street Reconstruction, Improvement Project No. 24-06

Sponsors: Daniel Schluender, Director of Engineering

Mr. Schluender stated bids were received electronically at 10:00AM, May 14, 2024, for Project No. 24-06. A total of six bids were received, ranging from $4,133,831.46 to $5,177,828.14. The bids and engineer's estimates were reviewed with the council. Bids have been checked and tabulated, and it has been determined that Douglas-Kerr Underground, LLC of Mora, Minnesota is the lowest bidder. The Engineering department has worked with Douglas-Kerr Underground, LLC in previous contracts. Staff recommends that the low bid be accepted, and a contract entered into with Douglas-Kerr Underground, LLC. City Council is also asked to approve a 10% contingency to bring the total project budget to $4,547,215. The funding sources for this project are the Pavement Management Fund, Public Utility Funds, and Special Assessments and there are sufficient funds budgeted to cover these costs.

Moved by Councilmember Newland, seconded by Councilmember Robertson, to adopt a Resolution Accepting a Bid from Douglas-Kerr Underground, LLC in the Amount of $4,547,215 for the 2024 Pleasure Creek Area Street Reconstruction, Improvement Project No. 24-06.

Motion adopted unanimously.

11.2. RES 24-103 Resolution Granting Preliminary Approval to Issue Tax Abatement Bonds for the Construction of an Event Stadium with Annual Lease Payments Pledged to the City to Pay the Bonds, and Declaration of Intent to Reimburse Prior Expenditures.

Sponsors: Erik Thorvig, Community Development Director

Finance Director Zimmerman stated since January 2023, the city and master developer have been working on project due diligence and master plan design related to the 105th Area Redevelopment Project. In the spring of 2023, the developer was approached by an ownership group interested in bringing a minor league baseball team to Blaine. This requires construction of a 3,500-5,000 seat event stadium for the team. Since learning of the interest, the master plan has included an event stadium that would not only be home to the baseball team, but offer other events/sports throughout the year, including soccer, hockey, concerts, community festivals, hospitality space, and potentially offices for the team. The stadium would be available for other amateur sporting events such as high school baseball, soccer, etc.

Mr. Zimmerman reported the baseball ownership group owns an existing team in the league and have been advancing discussions with the league about an expansion team. The ownership group received contingent approval from the league for an expansion team in April. This required a significant financial commitment from the team. The developer desires to start construction of the stadium in 2024 in anticipation of completion in spring 2026. The baseball team would begin playing in May 2026. The development team has begun architectural and construction drawings for the stadium in order to submit the necessary permits this summer/fall. The team hopes to publicly announce details of the team/league in June. Announcement of the team and construction of the stadium is contingent upon the determination of the financing structure.

Mr. Zimmerman explained since learning of the interest in the team last spring, there have been ongoing discussions among the various parties on the ownership structure and financing. The stadium cost is estimated at $40+MM. The stadium would be privately owned and operated by various parties related to the development and proposed baseball team. Recent discussions with the developer have revolved around the city issuing a $34+MM bond to finance a portion of construction and related infrastructure of the event stadium. Other funding sources would include private equity and bank financing. The debt payment structure proposed would be a lease payment model where the developer would be responsible for paying an annual payment to the city to cover the debt service. Initially, a revenue sharing model was discussed where percentages of revenue from the baseball and stadium operations would be shared with the city to cover debt service. The lease revenue model is a simplified approach and provides a variety of revenue sources for the developer and baseball operations to provide the annual lease payment. The original revenue sharing model would have solely relied on event stadium/baseball operations to cover the debt service.

Mr. Zimmerman indicated the primary goal of the lease payment structure is for the developer to cover the debt service and have no general fund tax dollars used to pay for the stadium. The anticipated financing structure for the stadium financing would be General Obligation Tax Abatement Bonds with annual lease payments pledged to the city and would cancel the annual abatement levy. Though tax abatement bonds would be used, this is unlike the turf field financing where tax abatement revenue was used to pay the debt service, but instead, the debt service would be paid by the developer through annual payments. The term of the financing would be 20 years. The developer is in the process of preparing architectural plans and anticipates applying for a conditional use permit for the stadium which will be considered by the council this summer. They are also preparing construction plans in order to submit a building permit for construction to begin in late 2024. The developer is seeking guidance from the council on the willingness to provide financing. The proposed resolution being considered tonight would provide the developer and staff guidance to continue to work through the financing model prior to consideration of formal actions by the council that would occur later in 2024. These actions would include establishing tax abatement and selling bonds.

Mr. Zimmerman explained the proposed resolution identifies the desire by the council to finance a portion of the construction/infrastructure costs of the stadium, provided certain conditions and commitments are met by both parties. It is not uncommon for the city to consider a preliminary financing resolution when providing financing for a project. This resolution allows a developer to continue to proceed with private financing discussions, construction documents, etc. However, city financing is not provided until all commitments have been met. He commented further on the conditions and commitments that would be required prior to the city providing financing for the project and recommended approval of the preliminary approval to issue tax abatement bonds for the construction of an event stadium.

Moved by Councilmember Massoglia, seconded by Councilmember Robertson, to adopt a Resolution Granting Preliminary Approval to Issue Tax Abatement Bonds for the Construction of an Event Stadium with Annual Lease Payments Pledged to the City to Pay the Bonds, and Declaration of Intent to Reimburse Prior Expenditures.

Councilmember Robertson explained bonds were a mechanism used by the city to leverage its AAA bond rating to access dollars at a lower rate. In doing so for this project, the city would not be spending taxpayer dollars, nor would the city be repaying the bonds. Rather, the bond payments would be made through revenue sharing by the ownership group and event district. Mr. Zimmerman stated this was correct. He reported 100% of the debt associated with financing the stadium would be paid for by the developer.

Councilmember Robertson wanted to assure the public that as this project moves forward, the mechanism that was being used was similar to what was used for CH Field. She understood this was a difficult topic, but noted the city council has dialogued this project with the finance director, city attorney, bond counsel as well as with City Attorney Erik Larson who worked on the master agreement for CH Field. She commented on how diligently the council has worked to ensure taxpayer dollars were not being spent on this project and how the project needs to be privately funded through strategic partnerships. She encouraged the public to attend the open house on May 22 in order to ask questions and learn more about the proposed stadium project.

Councilmember Massoglia explained he was very excited about having a minor league baseball team coming to Blaine and the positive impact this would have on the sports entertainment district and was excited to share more about this opportunity. He appreciated how this project had moved forward and would not be a burden for the Blaine taxpayers. He commented on how this was the preliminary agreement and noted more conditions had to be met in order to finalize this project.

Councilmember Newland echoed the comments that were made. He explained he attended the last open house that was hosted by the city and indicated he learned a great deal at this event. He stated he was excited about the stadium that was coming to Blaine, along with all of the other amenities that would come with it as it would make Blaine a destination city. He encouraged residents to attend the open house on Wednesday night in order to learn more about the proposed project.

Councilmember Saroya indicated this project was a major investment. She stated as a councilmember it was her obligation to ensure transparency, ethical standards and to ensure tax dollars were being spent responsibly. She explained she liked the idea of having a sports entertainment district, but as she has been saying for months, she wants to ensure this was being done right. She understood the city of Blaine wants to give a developer a $34 million loan, using tax abatement, to build a baseball stadium. She indicated the term of the loan was 20 years. She stated she received an email today that shared serious concerns about the developer and believed the email should be shared with the public because it was sent to public comment. She stated her main concern was whether or not residents supported construction of a baseball stadium. She understood the majority of the council supported and the developer liked it, but she questioned if the public wanted this. She did feel this project had been fully discussed with the community. She noted the city would be contributing 85% of the financing for this project. She believed this was unusual. She recalled the highest amount the city has loaned previously was $1.5 million to the South Side Entertainment project and noted one councilmember had stated the city should not be a bank for developers. She indicated there was no precedence for a loan of this size and expressed concerns with what the risks were to the city. She did not want a situation where the city and taxpayers have to deal with this. She commented on a book called *Field of Schemes* that addresses how these baseball stadiums don't always work out. She wanted to see the city doing the appropriate research in order to understand the long term ramifications for the city. She indicated this project isn't about benefiting a few people but rather was about what is in the best interest of Blaine residents. She stated the conflict of interest was another area that needed to be addressed. She asked why councilmembers with potential conflicts of interest did not recuse themselves from the RFP process and budget discussions. She questioned if this developer was receiving special treatment due to campaign donations and ties to city officials. She indicated this was not an attack on anyone, but rather she was trying to do her job as a city councilmember to ensure there was full transparency and ethics in place. She wanted to be sure the city has done all of the proper research before it gives away $34 million that could be put to other uses.

Mr. Zimmerman explained tax abatement was a mechanism to bond, which was what was being considered. He stated the funding agreement was a condition that needs to be satisfied prior to issuing the bonds. He reported the levy would be waived as the developer is required to provide the lease payments back to the city. He noted the city would issue bonds, the levy would be waived and the debt repayment would be made by the developer annually. He commented what was different for this project compared to the South Side

Entertainment District was the council authorized $1.5 million of cash incentive to the developer with no repayment schedule subject to development milestones occurring. What is different with this structure is the debt will be fully repaid by lease payments by the developer and not subject to tax levy or tax dollars or accumulated fund balance. He noted after speaking further with the developer, the stadium may cost more than $40 million and the city was still being asked to bond for $34 million.

Mayor Sanders asked if the city was loaning dollars to the developer or team ownership. Mr. Zimmerman reported this funding was not deemed a loan.

Mayor Sanders requested Mr. Larson speak to what would happen happen if the developer could not move forward.

Eric Larson, Eckberg Lammers, clarified the council was not approving the $34 million financing. He explained the council was approving a resolution with preliminary approval to issue abatement bonds and one of the conditions would be a final approval with a public hearing. He indicated there will be many other steps and conditions that have to be met prior to final approval that would unlock financing opportunities for this project in order to achieve that objective. He reported he was a development attorney for and on behalf of the public. He stated the goal was to maximize the private investment for this project in a reasonable and sound way through the right and proper public investment. He discussed how he has been working with city staff, Jenny Bolton and Mikaela Huot from Baker Tilly in order to define and achieve what was in the best interests of the residents of the city of Blaine. He believed this was the main objective of this project. He reported this led him to draft a master development agreement where the developer was agreeing to all the necessary steps and details to achieve this agreement. In addition, a ground lease would be put in place that ensures all bond payments would be made during the 20 year bond term. He explained before bringing this agreement before the city council he would have to believe this agreement was a good deal. He noted there would also be a funding agreement and event stadium lease in place to ensure the stadium would be used and construction would occur. He commented on how the proper groundwork had to be in place for the stadium as well as the surrounding development before final approval would be considered for the bond financing.

Councilmember Saroya raised concerns regarding potential conflicts of interest with the developer and attorneys fees ultimately paid for by the developer. Mr. Larson responded he was under contract to represent the city of Blaine and he had an ethical obligation to represent the city. He commented further on how strongly he felt about the personal and ethical obligation he had to the city, which to him was greater than a contractual obligation. He stated he was a zealot advocate for and on behalf of the city of Blaine. He reported it is customary for the city to be reimbursed by developers for services to assist in resulting development in the city. He explained Eckberg Lammers was not being paid by the developer but rather the city was being reimbursed by the developer. He indicated this was customary and was a good, fiscal use of public monies. He reported this was the same model that was followed by the Ford plant and reassured the city council that he represented the city and not the developer.

Councilmember Saroya questioned what the other options there were for funding this stadium. Mr. Larson reported the conditions in place provided an alignment of public investment with risk as well as benefit. He stated this was a good question and a good thing to take a look at the overall commitments, conditions and contingencies. He indicated once he has engaged in more detailed discussions regarding the development and looked at the allotment and risk benefit, he would be in a far better place to answer how this project works and compares to similar projects within the region, state and nation.

Councilmember Saroya asked if there was a process for background checks. She shared concerns about potential fraud and PPP fraud allegations with the developer. Mr. Larson commented as with any issue, the first question is what is the basis behind the allegation. He reported it was premature at this point. He indicated he was not going to prejudge the council's vote but he was hopeful it would pass. If it does, the property owners would undergo due diligence, along with those engaged in financing. He explained, in general, to ensure with confidence the developer can and will deliver the finances as well as the project responsibly, investigations will be undertaken.

Councilmember Saroya inquired why this due diligence was not completed prior to putting the preliminary financing in place. She indicated the developer was seeking TIF financing and asked how this related to the $34 million financing request. She understood the Minnesota Moose hockey team was coming to Blaine and questioned how this would compare to the baseball team. She inquired if the hockey team would be receiving $34 million in financing from the city. Mr. Larson stated the last question goes to the development team. He explained he can only speak to his experience, noting the investigations and due diligence would occur after approval of a preliminary agreement.

Councilmember Robertson indicated the hockey team would be using Fogerty as their home arena and noted the city gave Fogerty Arena hundreds of thousands of dollars in grants during COVID and currently leased the facility to them for $1. She reported the city has been a great partner with Fogerty Arena and thanked Mr. Larson doing a great job to answer all of these questions.

Motion by Councilmember Robertson, seconded by Councilmember Newland to call the question.

Motion adopted unanimously.

Motion adopted 6-1 (Councilmember Saroya opposed).

12. Other Business

None.

13. Adjournment

Moved by Councilmember Robertson, seconded by Councilmember Massoglia, to adjourn the meeting at 8:27PM.

Motion adopted unanimously.

Signed by ______________________________
Tim Sanders, Mayor

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