



# City of Blaine

## City Council Workshop

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June 3, 2024 | 5:30 PM  
Blaine City Hall  
10801 Town Square Drive NE  
Blaine, MN 55449

### MINUTES

#### NOTICE OF WORKSHOP MEETING

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

#### 1. Call to Order

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

#### 2. 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; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Engineering Dan Schluender; City Attorney Tom Loonan; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

#### 3. New Business

- 3.1.**    2024-51            9550 Central Ave NE Concept Plan and Zoning Review  
*Sponsors: Erik Thorvig, Community Development Director*

Community Development Director Thorvig stated the 2.6 acre property is located at 9550 Central Avenue and owned and operated by Matt's Homes, a manufactured home dealer. The property has long been used as a sales lot selling manufactured homes that are then transported to home sites. In recent years, there has been little inventory kept on site. The property is zoned Manufactured Home Park (R-4) which allows for manufactured homes

and manufactured home sales offices/lots. Under the current zoning, the property can continue to be used for sales, or it could be used for manufactured homes either as an expansion of Northview Villas or a small standalone park with 10-15 homes. In 2021, the property owner brought a proposal to the city council for a townhome development. The consensus at that meeting was for the property owner to move forward with the proposal with the understanding there would be risks as the future of the Highway 65 corridor was unknown. Additional concerns raised by councilmembers at that meeting included: the small size of the townhome development related to maintenance of private roads; the need for well-designed landscaping; and noise issues by adding residential in close proximity to Highway 65. The property owner has not moved forward with the townhome proposal.

Mr. Thorvig reported on December 11, 2023, a proposal for a 102 unit apartment building was considered by the City Council at a workshop meeting and the consensus was to not re-guide the property for high-density residential development. Concerns centered around the impact of an apartment building on the residents of the manufactured home park, and concern about book-ending the residents with apartment buildings on either side. The property is adjacent to the Central Avenue frontage road on the west side of Highway 65. This is south of the scope of the upcoming Highway 65 improvements. Improvements south of the 99th Avenue intersection are anticipated at some point in the future, but a timeline and design has not been determined. A sound wall was reviewed for this section of Highway 65 as part of the upcoming project. That review includes a vote by affected residents and property owners. Insufficient votes were cast in favor of the sound wall, so no sound wall will be constructed as part of the project. The property owner submitted a concept plan application to receive feedback on multiple possible developments of this site. The city council may want to consider whether adding residential units in proximity to Highway 65 is appropriate, given that no sound wall will be built.

Matt of Matt's Homes explained he was looking to see what he could do with this property. He understood this property was no longer zoned for mini-storage, noting this would have been ideal location for storage given the fact this property abuts a mobile home community.

Mayor Sanders asked how this property would be impacted by the TH65 project. Director of Engineering Schluender reported the entrance to this property would remain the same.

Councilmember Newland explained he supported mini golf on this property given the close proximity to the National Sports Center. However, if this was not of interest to the property owner, his second choice would be the townhomes. He reported he would not support mini-storage on this property.

Councilmember Larson stated she shared the same thoughts as Councilmember Newland. She indicated she could support the proposed townhomes on this property if there was a market for housing this close to TH65.

Councilmember Fleming explained she liked the idea of mini golf on this property as well, but if the property owner was not interested, she supported the site having single-level townhomes. She stated there was a need for single-level living for residents in Blaine.

Councilmember Robertson anticipated housing would be the best option for this property.

She commented she could support the mobile home community expanding onto this property.

Matt stated he would like something different from mobile homes on this property. He indicated he could support slab on grade or townhomes.

Councilmember Massoglia indicated he could support residential, slab on grade units on this property.

Councilmember Robertson supported the property having slab on grade units as well.

Councilmember Newland asked if the neighbors have been asked what type of housing the neighbors would like to see or what they could embrace on this property. Mr. Thorvig stated he could see what type of information staff has gathered from the neighbors.

Councilmember Saroya reported this property was facing TH65 and asked if the city wanted to see these housing units or something nicer. She questioned if a restaurant could be located on this property. Mr. Thorvig indicated the property could be zoned commercial, but it was not zoned for commercial use at this time. He anticipated as TH65 redevelops this property may become more marketable.

Matt anticipated the neighbors would support a more quiet use on this property versus a commercial or mini golf use.

Councilmember Larson agreed housing would make more sense on this property.

Council consensus was to support slab-on-grade townhomes for this site and possibly B-2 or B-3 zoning.

**3.2.**     2024-200     Trunk Highway 65 Update  
                                 *Sponsors: Daniel Schluender, Director of Engineering*

Mr. Schluender provided the council with an overall update on the TH 65 project, including status of Funding, Lobbying/Legislative, Project Meetings of Note, environmental issues (rusty patch bumble bee investigation), design plans for the nine bridges, progress that has been made on modeling and Project Design. He explained the city has received \$251 million for this project and noted much of this funding came with spend by dates. The project timeline was further reviewed and staff commented on how the project would be managed by MNDOT.

Councilmember Saroya asked when utility assessments would be coming back to the council for further discussion. Mr. Schluender stated staff wants to wait for the final design plans to get further along before addressing the movement of city utilities.

Councilmember Newland questioned if this would be a two or three year project. Mr. Schluender explained the project was written to be a three year project.

Councilmember Robertson requested staff update the Thrive on 65 website with this updated information.

Mayor Sanders thanked Mr. Schluender for the detailed update on TH65.

**3.3. 2024-189 Preliminary Financial Report**  
*Sponsors: Jason Zimmerman, Finance Director*

Finance Director Zimmerman stated pursuant to Section 7.12 of the City's Charter, which states in part, that "Once each year, the city manager shall submit a preliminary report to the council covering the financial operations of the city for the past year", the attached report was disseminated on March 29. This information is intended to offer readers a narrative overview of the financial activities of the City for the twelve-month period ended December 31, 2023. This analysis includes the General Fund, Special Revenue Funds, Capital Project Funds, Internal Service Funds, and Public Utility Funds. It is important to note the information used was compiled simultaneously with year-end accounting activities and prior to the completion of the city's annual financial audit, thus the data is not final and is subject to change.

Mr. Zimmerman reported in addition to revenues and expenditures, the report also contains information on the General Fund's reserve, including the unrestricted portion of the city's fund balance, as defined by council policy. The fund summaries include the three most recently completed fiscal periods in addition to the current year's projected financial position. This information is intended to provide a preliminary review of the city's 2023 financial performance, begin dialog on the 2024 outlook, and set the stage for the 2025 budget. Staff provided an overview of the report, commenting on the significant highlights and asked for comments or questions from the council.

City Manager Wolfe explained this report was required per city charter on an annual basis. She commented when she read the report this year, she wanted staff to provide the council with a comprehensive overview of the information. She discussed how this report would set a solid foundation for the council when beginning the budgeting process for 2025.

Councilmember Massoglia asked if the proposed fund transfer could be made from the CIP instead of the strategic priorities fund. Mr. Zimmerman indicated this was an option, but noted there were more caveats for the use of CIP funds. In addition, he noted the use of CIP funds require a 6/7 vote.

Mayor Sanders thanked Finance Director Zimmerman for the detailed presentation.

## **4. Other Business**

City Manager Wolfe reported Senator Klobuchar has submitted a mobile command vehicle and the water tower for potential funding for the city.

City Attorney Loonan discussed a complaint regarding council code of conduct matters and asked for council consensus on how to address this matter. Council consensus was to refer this

complaint to a third party for investigation.

## 5. **Adjournment**

The workshop was adjourned at 6:53PM.



Signed by

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Tim Sanders, Mayor

Signed by

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Catherine M. Sorensen, CMC, City Clerk