City of Blaine
City Council

January 22, 2025 | 7:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

1. Call to Order by the Mayor

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

2. Pledge of Allegiance

3. Roll Call

PRESENT: Mayor Tim Sanders, Councilmembers Terra Fleming, Chris Ford, Leslie Larson, Chris Massoglia, Tom Newland, and Jess Robertson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Assistant Community Development Director Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Director of Engineering Dan Schluender; Police Captain Mark Boerboom; Captain Matt Carlson; Human Resources Manager Lori Carbajal; Interim Community Standards Director/Fire Marshal Todd Miller; City Attorney Tom Loonan; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

4. Awards - Presentations - Organizational Business

4.1. 2025-28 Police Department Swearing-in Ceremony
Sponsors: Brian Podany, Safety Services Manager/Police Chief

Safety Services Manager/Police Chief Podany stated when new officers successfully complete the Field Training Program and advance to solo patrol, a swearing-in ceremony is performed in front of the City Council. Also, when sworn staff receive promotions, a swearing-in ceremony is performed in front of the City Council. This is a special time for sworn staff and their families to celebrate their accomplishments and be recognized in front of the City Mayor, City Councilmembers, City Manager, Chief Podany, fellow police staff, and the public. He thanked all of the family members that were in attendance for their support and reported the following new officers will be participating in the ceremony and take their Oath of Office:

Sam Fritz, Badge #260
Diana Mokey, Badge #261
Timothy Wessels, Badge #262
Michael Quinn, Badge #263
Jacob Chamberland, Badge #264

Police Chief Podany explained the following promotional sworn staff will be participating in the ceremony and take their Oath of Office:

Sergeant Joseph Matzke, Badge #161
Sergeant Dan Stefczak, Badge #192
Captain Mike Rygg, Badge #195
Deputy Chief Joe Gerhard, Badge #155

City Clerk Sorensen administered the Oath of Office to the newly hired and promoted officers. Badges were pinned on, a round of applause was offered by all in attendance, and photos were taken with the City Council.

Mayor Sanders thanked each and every officers that was sworn in and that has been serving the Blaine community. He stated he was thankful for all of the friends, family and supporters that were in attendance. He appreciated the community's support of Police Chief Podany and the entire Blaine Police Department.

Mayor Sanders recessed the City Council meeting at 7:44PM.

Mayor Sanders reconvened the City Council meeting at 7:51PM.

5. Communications

None.

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 7:52PM.

Dave, 10452 Vermillion Circle NE, shared concerns regarding the Walter's CUP expansion that included odor and traffic volume. He commented on the number of documented smell complaints for Walter's noting these complaints began in 2018 and escalated in the 2020s. He discussed how Walter's now has around 200 traffic trips were day to and from their property. He questioned how much more traffic would be generated if the tonnage for the property were increased. He recommended that Walter's address the current smell and traffic concerns before being allowed to have an expansion on their property. He reiterated that Walter's was 900 feet from a residential neighborhood filled with families that enjoy outdoor spaces. He was of the opinion the current transfer station was benefiting the County alone at the expense of the surrounding neighbors. He requested the City Council think first of Blaine and the neighborhoods interests and not support the proposed expansion at the Walter's property.

James DePoint, 2793 103rd Court NE, reviewed how CUPs were not to be in conflict with the City's comprehensive plan. He discussed how objectionable odors that were emanating from the Walter's property went against State law. He recommended the City Council not support the proposed expansion to the Walter's CUP, noting this was a County issue and not a City issue.

Mark Rohrer, 10325 Xylite Street NE, expressed concerns with the proposed Walter's CUP expansion and discussed how highly subjective the nasal ranger tool was that was being utilized by Walter's. He commented on how the odors coming from the Walter's property were worse in the summer months. He anticipated six figure fines would have to be imposed before Walter's would address the odor coming from their property. He discussed how the fans at the Newport facility were ineffective and encouraged the Council to not support the Walter's CUP expansion. He asked that the Council uphold moral, ethical and legal obligations for the citizens of Blaine.

Bob Glamm, 10314 Xylite Street NE, spoke against the proposed Walter's CUP. He reported he did not want to see Walter's further taking advantage of the existing situation. He discussed on how close the industrial transfer station was to the adjacent residences and noted these homes were being adversely impacted by the odor coming from Walter's. He reported he and his wife recently visited the Newport facility and explained the odor was detectable from one-half mile away. He stated all residents within one-half mile of Walter's facility will be impacted if the CUP expansion is approved. He asked that the City Council not support the CUP expansion for Walter's.

Todd Wright, 2788 103rd Court NE, explained he was opposed to the expansion of the Walter's CUP. He reported he was outside with his kids this past summer on several different occasions when his kids complained about the odor. He expressed a tremendous amount of frustration with the fact the odor coming from Walter's was forcing him and his children indoors in the summer months. He hoped the Council would deny theCUP expansion down and that the City could work with the neighbors this summer to ensure the odor concerns are properly addressed.

Dr. Roger Day, 9701 Xebec Street NE, spoke about his residential medical practice and alleged forensic medical fraud that was occurring in the State of Minnesota and requested action from the Blaine Police Department.

Councilmember Massoglia clarified for the record that after being advised by the City Attorney, there was nothing the Blaine Police Department can do for Dr. Day to address his concerns. Dr. Day expressed his disagreement.

There being no further input, Mayor Sanders closed the Open Forum at 8:14PM.

7. 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.

7.1. 2025-29 Schedule of Bills Paid
Sponsors: Jason Zimmerman, Finance Director

7.2. 2025-30 Approval of Minutes
Sponsors: Cathy Sorensen, City Clerk

7.3. RES 25-17 Resolution Approving Employee Wellness and Recognition Policy
Sponsors: Scott Johnson, Director of Administrative Services

7.4. RES 25-9 Resolution Granting Final Plat Approval to Develop 12.45 Acres (an Outlot) into Two Lots to be Known as CSM Lexington Fifth Addition at 3705 and 3745 Pheasant Ridge Drive NE. CSM Corp (Case File No. 24-0070/SLK)
Sponsors: Sheila Sellman, City Planner

7.5. 2025-31 Authorizing Selection of Vendors for Manufactured Home Replacement Feasibility Study
Sponsors: Erik Thorvig, Community Development Director

7.6. RES 25-14 Resolution Approving a Premise Permit for Lawful Gambling Activity for Spring Lake Park Lions at Invictus Brewing
Sponsors: Cathy Sorensen, City Clerk

7.7. 2025-32 Approve a Garbage Haulers License for Lightning Disposal, Inc.
Sponsors: Cathy Sorensen, City Clerk

7.8. 2025-36 Amendment to the Crime Victim Services Grant
Sponsors: Brian Podany, Safety Services Manager/Police Chief

8. 7:00 PM - Public Hearing and Items Published for a Certain Time

None.

9. Development Business

9.1. RES 25-11 Resolution Approving a Conditional Use Permit Amendment to Increase the Annual Capacity at a Solid Waste Transfer and Recycling Facility in the Heavy Industrial (I-2) Zoning District at 10191 Xylite Street NE. Walters Recycling & Refuse, Inc. (Case File No. 24-0058/SLK)
Sponsors: Sheila Sellman, City Planner

Assistant Community Development Director Sellman stated the Planning Commission held a public hearing at the October 8, 2024 meeting. The request was for a Conditional Use Permit (CUP) Amendment was to increase the annual volume of solid waste transfer and recycling facility from 140,000 tons of solid waste, organic food scrap bags, construction and demolition debris per year to not more than 340,000 tons. The Planning Commission recommended denial of the CUP amendment. On October 30th, 2024 the applicant postponed their item to provide additional details and information regarding their CUP amendment application, and prepare for a discussion/presentation at the City Council workshop on December 9, 2024. The applicant has modified the request and is now seeking a CUP amendment to increase the annual volume of the solid waste transfer and recycling facility from 140,000 tons of solid waste material per year, to not more than 230,000 tons of solid waste, organic food scrap bags, construction and demolition debris, at their existing solid waste transfer and recycling facility. Staff commented further on the request, noting the investments Walter's would be making in the property. She reported the Planning Commission voted 5-1 to recommend denial of the CUP expansion as outlined in Option 1. Staff further discussed Option 2 and the corresponding conditions, noting she was available for comments or questions.

Mayor Sanders thanked Ms. Sellman for her detailed report to the City Council.

Councilmember Robertson stated she had a plan on how to navigate this item but learned her option would lead to a legal impediment. She explained she did not live in this neighborhood but understood the neighbors had concerns and issues. She indicated this was a challenging matter for the Council to consider. She explained she did not love the fact that there were four transfer stations in Blaine. She commented she also had concerns with the fact the City did not have a full understanding on the County's waste management plan. She discussed the goals for organics recycling noting she understood there were real challenges.

Councilmember Robertson explained she read every email and concern she received from the public over the past three or four months. However, she indicated Walter's was not the bad guy, but rather was working to navigate a mandate from the State of Minnesota. She commented her largest concern was the odor coming from the property. She stated her previous proposal was to consider an interim CUP but understood this was not an option for the Council. She suggested several modifications be made to the CUP conditions in order to move Option 2 forward. She explained she wanted to have more checks and balances in place in order to move this expansion forward.

Councilmember Fleming stated this has been a very difficult item for the Council to consider. She explained she sees the residents and indicated she has heard their concerns. She reported she originally would have voted against the expansion, but after completing due diligence and research her viewpoint has changed. She stated she spoke with Newport officials and commented on how the City of Newport has had hardly any complaints, since the odor mitigation system was put in place. She discussed how much of the smell in Newport was coming from the rendering plant. She commented further on the proposed odor mitigation system that would be put in place noting wholistic essential oils would used. She appreciated the fact the City would be able to put additional conditions in place to ensure Walter's remains a good neighbor and partner with the City. She stated that if this expansion were not approved, the odor would remain the same for the neighboring residents, but reported with the expansion, additional odor mitigation measures would be put in place, along with additional checks and balances.

Councilmember Larson indicated there were two sticking points for her on this request, which were the 2030 recycling goals and the alternative factors. She reported the State of Minnesota has the goal of trying to achieve 75% recycle rate by 2030. She explained she reached out to the City's County Commissioner and learned plans have been submitted to the MPCA and once approved the County Public Health will make this information available to the public. She commented further on how organics recycling would be managed by Walter's if the CUP expansion were approved. She stated if the CUP were denied, all residents still have to adapt to an organics recycling method, which meant every resident would have another bin. This would then require Walter's to have additional trucks on the road which would lead to price increases for waste management services.

Councilmember Larson added that if the CUP expansion were denied, organics would still have to be collected, but they would not be in bags and the odor would remain the same. She indicated if all organics were tied into green bags, the odor coming from the facility could be improved. She explained a denial of this request the conditions on the site would remain the same. However, if the CUP expansion were approved, additional conditions would be in place to address odor and trash coming from the site, while also providing third party monitoring of the site. She reiterated that the Council's vote was not big business against the Sanctuary neighborhood, but rather was about solutions and alternatives. She discussed how she had tried to respond to each and every email she has received after conducting a great deal of research on this request.

Councilmember Newland stated in the time he has been on the Council he has been hearing about the odor issue from Walter's. He reported this was the issue that needs to be addressed. He reiterated that Walter's was operating as a conforming business within the CUP. He explained the City can take no action against this business unless Walter's applies for a CUP expansion, which has been done. He indicated the City can now work to put additional conditions in place to address the issues and concerns that have been raised by the neighbors. He reported denying the request would mean the odor issue is not going away but rather continue as is.

Councilmember Newland discussed how the City was continuing to grow, as was Walter's. He explained he has some suggestions for the conditions that were brought forward but stated he appreciated how the conditions would assist with addressing the odor issue. He reported the odor mitigation systems are state of the art and would be monitored by a third party. He stated he would be supporting the proposed expansion because it would allow the City to address the odor concerns.

Councilmember Massoglia commented on the penalties for not following State Statute when it comes to odors. He asked if the MPCA uses a nasal ranger to address odor concerns. City Attorney Loonan reported he was uncertain what metric was used. He explained this law was put into effect by the State at the end of 2023 and based on his research he could not find any enforcement actions that had gone forward.

Councilmember Massoglia indicated it appears the City does have a responsibility to pass along complaints to the MPCA. Mr. Loonan reported this was the case but noted enforcement would be handled by the MPCA.

Councilmember Massoglia stated if the Council was going to move forward with approval, he wanted to see mechanisms in place to ensure complaints are being forwarded to the MPCA to alleviate the concerns of bias.

Councilmember Ford explained he was new to the City Council and that this has been a very different and time consuming matter for him to consider. He thanked all of the residents for reaching out to the City Council and noted their voices have been heard. He stated the City was now working to mitigate the concerns that have been voiced through conditions within the CUP. It was his hope that after this item was considered by the Council that the neighboring residents would allow the new systems that would be put in place a chance. He supported the City having some level of accountability with the MPCA, but for now believed Walter's was doing their part and was proposing to make large investments in this property. He explained if the new systems do not work, the voices of the neighbors would be heard again.

Interim Community Standards Director/Fire Marshal Miller stated he has been working to address complaints on this property by trying to figure out a way to measure the odor. He explained the MPCA requires eight phone calls in a 24-hour period before sending someone to the property. He indicated the MPCA has never received that many phone calls on a 24-hour time period to do an investigation. He reported the City has light and noise meters that are calibrated once a year, but indicated he had no instrument to measure odor levels. He explained the MPCA was considering rule changes but these had not been approved yet.

Mr. Loonan reported the odor State Statute was enacted at the end of 2023 and shortly thereafter the MPCA was tasked with creating new rules. He explained the MPCA was in the research and review period and the draft set of rules should be put in 2025. It was his understanding, a science based approach would be followed to allow for the measurement of odor.

Community Development Director Thorvig commented if the Council chooses to approve the CUP one of the conditions states that the applicant shall be compliant with any MPCA rules, permitting and State Statute.

Mayor Sanders stated almost everything his colleagues have said was accurate as were the comments he has heard from the neighbors. He indicated the difficulty with this request was that the City's experience with Walter's has been very positive, from the community partner standpoint. He commented on what a great job Walter's did to haul away the waste and refuse in the City. He reported he was not on the City Council when a residential neighborhood was approved next to industrial buildings. He explained this Council now had to make decisions to try and not impact quality of life while still being friendly to a local business. He stated the difficulty was, if the CUP expansion were denied, nothing would change. He discussed how the Council was trying to negotiate and address some of the concerns the residents were living with. He appreciated the introduction of technology, artificial intelligence and robotic arms in order to encourage more recycling in the community, while trying to reduce the amount of bins and trucks on the road, while also helping to contain the odors. He explained there were so many things the City does not know yet from the County, MPCA, legislature, etc. He stated his preference would be to have Walter's continue to work to address the odor situation and that this matter be revisited next year when the City Council has more data and science behind this. He reported if this request were denied, the matter could be considered by the Council again in one year.

Councilmember Larson asked if it was possible Anoka County could get their plan in place and put mandates in place for the City to begin organics collection by June. She noted if the City were to wait one year to consider this item, this would mean all residents would need an additional bin and additional trucks would be on the streets.

Mayor Sanders asked if staff had any idea on when the plans from the County would be finalized. Ms. Sellman indicated she did not have timing information from the County but noted Walter's could apply the next day if the CUP were denied or if the County's plan were to be finalized.

Councilmember Newland thanked the Mayor for his comments but stated he did not see how a delay would change things. He anticipated the trenches would only become deeper and he believed the time for a decision was now. He stated he was comfortable making a decision at this meeting.

Councilmember Fleming indicated the odor mitigation system and updraft fans took time and research to create. She appreciated having data on these two systems and this made her comfortable moving forward. She stated she did not support waiting another year to consider this expansion.

Councilmember Robertson stated she supported implementing the conditions within the CUP as proposed by staff but explained she would need more data and clear evidence that the systems were working. She understood there have been incredible advances in organics recycling and she supported the green efforts being pursued by Walter's. She discussed how she had hoped to approve an interim use permit for Walter's for 2025, but after speaking with the City Attorney, she understood this would not be allowed. She indicated if Option 2 were to move forward, she would need to make some amendments to the proposed conditions.

Councilmember Larson asked that Councilmember Robertson speak further to the amendments she would propose to the conditions.

Councilmember Robertson explained ideally, she would like to have a time period to prove the new systems work. She suggested a motion be placed on the floor before she went through each of her recommendations.

Councilmember Fleming reported if this CUP did not pass, the odor mitigation plan would not be put in place. She reiterated that she had spoken to several different administrators in Newport and the odor mitigation system in that community was working.

Councilmember Massoglia requested staff speak to an interim use permit and what options the Council would have to revisit this CUP in one year. He also wanted to understand what would happen if Walter's failed to be in compliance with the proposed conditions. Mr. Loonan advised the item before the Council is an application to amend an existing CUP with an expansion to the site's capacity, among other things. He reported this is the matter before the Council. He indicated the Council could not modify an interim use permit, because this was not the request before the City. He reiterated this is a conditional use that was presently allowed and Walter's was requesting an expansion. He stated the request for an expansion opens the door for the City to impose additional conditions that are reasonably related to the use. He explained these conditions have to bear a nexus to the use. He reported the Council needs to evaluate the facts before them and spoke to how odor was subjective. He commented the City could require strict mitigation items that the applicant would be required to comply with in order to try to mitigate the odor issue given the technology that was now available. If the applicant fails to comply in the next year, the Council could revoke the use. He stated in this instance, the City would be revoking the amendment and Walter's would have to go back to the 2018 standards that were adopted. He reported Walter's would have to remain compliant with the law, all State Statutes and MPCA requirements. He reiterated that the City can only revoke the conditional use if the conditions are violated. He explained with the CUP that was in place currently, it would be difficult to revoke the CUP given the subjective nature of odor and the inability to measure it. He indicated this was taken into consideration by staff through the drafting of Option 2 and the concrete and measurable conditions that would be put in place for Walter's. He stated if there were violations, there would be a potential to revoke. He reported if the Council were to deny, Walter's would go back to its previous standards and at any time Walter's can reapply for a CUP expansion.

Councilmember Newland stated he was ready to make a motion on the CUP noting he would be proposing amendments to several of the conditions.

Moved by Councilmember Newland, seconded by Councilmember Fleming, to adopt a Resolution Adopting a Conditional Use Permit Amendment as Outlined in Option 2 to Increase the Annual Capacity at a Solid Waste Transfer and Recycling Facility in the Heavy Industrial (I-2) Zoning District at 10191 Xylite Street NE, amended as follows: amending Condition #5 to require Walter's to install updraft fans replacing the existing system with the new proactive odor vaporization system (Eco Sorb); amending Condition #8 changing from eight (8) verifiable off-site odor incidents to four (4) off-site odor incidents and from 90 days notice from the City to develop an acceptable odor management plan to 30 days notice; and amending Condition #9 to remove the reference to the three (3) consecutive calendar years.

Councilmember Larson stated if this does not pass, what would be different if the matter were revisited at a later date.

Mayor Sanders commented technically the existing CUP would stay in force and the mitigating factors would be up to the goodness of Walter's to do in the meantime, which may or may not be a good business decision.

Councilmember Newland asked if Condition #5 would require the odor mitigation system. Ms. Sellman stated this system was in place at their system now.

Councilmember Newland indicated the current system was a water misting system that could not be used in colder weather. He explained he wanted to see the Newport odor mitigation system be installed at Walter's. Ms. Sellman suggested the applicant speak to the odor mitigation system that would be installed.

Jeff Newsom, Chief Operating Officer at Walter's, explained Walter's does have an existing odor mitigation system. He reported a new system would be installed that vaporizes odors and treats the air that goes through the updraft system.

Ms. Sorensen reviewed the motion on the floor with the proposed amendments.

Councilmember Robertson stated she would like a clear path made for residents to make complaints. She recommended Condition #1 be amended to address this concern. Ms. Sellman recommended Condition #1 be amended to read operational issues received from any other regulatory agencies or Blaine residents within five business days of receipt.

Councilmember Robertson indicated she also wanted Condition #6 to be amended to require Walter's to provide the City with bi-annual reports, in addition to monthly reports triggered by non-compliance issues.

Amendment moved by Councilmember Robertson, seconded by Councilmember Fleming, requesting an amendment to Condition #1 to add "residents or businesses" within five business days of receipt; and amending Condition #6 to require Walter's to provide the City with bi-annual reports in addition to monthly reports triggered by non-compliance issues.

Amendment motion adopted unanimously.

Councilmember Robertson requested staff restate the motion that was now on the floor. Mr. Loonan reported Councilmember Newland's motion to approve Option 2 with amendments was on the floor. Ms. Sorensen reviewed the motion on the floor with the noted amendments.

Amended motion adopted 5-2 (Mayor Sanders, Councilmember Robertson opposed).

Note: Under Other Business Councilmember Robertson stated her intended action had been to vote against the conditional use permit amendment; the minutes and action reflect the corrected vote.

9.2. ORD 25-2570 Second Reading

Ordinance Approving a Rezoning from Farm Residential (FR) to Single Family Residential (R-1) at 4324 117th Avenue NE. David McNeil (Case File No. 24-0067/ACK)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting to rezone their 1.39 acre property from FR to R-1. Staff commented further on the request and reported the Planning Commission recommended approval.

Moved by Councilmember Massoglia, seconded by Councilmember Robertson, to adopt the Second Reading of Ordinance No. 25-2570, Approving a Rezoning from Farm Residential (FR) to Single Family Residential (R-1) at 4324 117th Avenue NE.

Motion adopted unanimously.

9.3. RES 25-10 Resolution Granting Preliminary Plat Approval to Subdivide 1.39 Acres into Two Lots, to be Known as McNeil Addition at 4324 117th Avenue NE. Dave McNeil (Case File No. 24-0067/ACK)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting preliminary plat approval to subdivide his 1.39 acre property to create an additional lot. Staff commented further on the request and reported the Planning Commission recommended approval with conditions.

Moved by Councilmember Massoglia, seconded by Councilmember Fleming, to adopt a Resolution Granting Preliminary Plat Approval to Subdivide 1.39 Acres into Two Lots, to be Known as McNeil Addition at 4324 117th Avenue NE.

Motion adopted unanimously.

9.4. ORD 25-2571 Second Reading

Ordinance Approving an Amendment to the City of Blaine Zoning Ordinance Section 30.916 District Signage. City of Blaine (Case File No. 24-0071/SAS)

Sponsors: Sheila Sellman, City Planner

Ms. Sellman stated the applicant is requesting an ordinance amendment to increase building signage to allow for additional wall signage per building, and an increase in monument signage. Staff further reviewed how the proposed sign changes would impact the Pizza Pub Prime building and reported the Planning Commission recommended approval of the ordinance amendment for the area south of 105th Avenue.

Moved by Councilmember Fleming, seconded by Councilmember Larson, to adopt the Second Reading of Ordinance No. 25-2571, Approving an Amendment to the City of Blaine Zoning Ordinance Section 30.916 District Signage.

Councilmember Newland stated he opposed the ordinance and additional signage for this property. He understood signage was important for identifying a property but he did not believe it was necessary to double the amount of signage allowed. He commented on how much time and effort was spent on designing the 105th Redevelopment Area plans and stated he did not support any further changes. He said he did not believe signage or the addition of signage would make or break these businesses.

Councilmember Fleming stated she respectfully disagreed with Councilmember Newland on this matter. She commented on how the Council did not know everything they needed to know when this area began to develop. She reported this was a completely new development in Blaine and commented on how important signage was for new businesses. She discussed how Scooters was struggling. She indicated she supported working with Blaine business owners in order for these local businesses to thrive. She was of the opinion the constraints on Radisson Road were real and she did not believe the additional signage was too much.

Councilmember Larson commented she believed this was a unique situation. She asked that the applicant speak to why they were requesting additional signage.

Michael Breese, applicant, thanked the Council for considering his request then stated he would let Scooters speak to why the additional signage was necessary.

Susan Nygard, Scooters representative, stated she was thrilled to have this location, noting she also owns a Scooters in Ham Lake. She discussed how Scooters works to open locations that have proper visibility, access, signage and traffic. She explained her first request for a location on this property was denied but after discussing how this area was going to redevelop she was granted a franchise. She stated she has worked for two and a half years years to get this location up and running. She reported out of 80 stores in the region she has the lowest volume of traffic. She noted she has five individuals from corporate arriving the next day to review what was going on but because she has no sign on the back of the building that faces Radisson Road people don't know about her business. In addition, people are not aware of the new turn in from Radisson Road. She explained she now had an awning in place at the drive thru and had a mascot on the corner, along with temporary flags to assist in directing traffic to the site. She believed this would be a great spot in time, but stated she was struggling at this time. She explained the signage on the back of the building would assist with identifying her business at this location.

Mr. Breese stated when negotiating with other tenants he is finding that the signage restraints were a point of contention because without enough signage, the future tenants would not take the risk of locating in his building.

Councilmember Fleming reported the City invested in this building and she wanted to see that these businesses were successful.

Councilmember Robertson explained she did not want any businesses in Blaine to fail but was concerned about the precedent that would be set if additional signage were approved. She stated it was her understanding a sign could be put up and noted the City Council took the signage recommendation from Mr. Breese. Ms. Sellman reported this could be done if the sign plan was amended. She noted signs could be placed on the other side of the building if the applicant stayed within 150 square feet.

Councilmember Robertson indicated most of the councilmembers owned a business and understood the importance of thriving in the community. She suggested temporary signage be allowed through the end of the summer in order to allow Scooters to become more established in the community without approving additional signage, which may set a precedent.

Councilmember Ford stated this was an interesting request, noting he believed signage was very important for local businesses. He supported the City being able to make changes if changes were seen fit. He was of the opinion the side of the building that faced Radisson Road needed signage.

Mr. Breese reported Scooters has 7.6% of the building and if they put a sign on the other side of the building, they would be taking 30% of the total square footage allowed. He noted this may solve Scooters problem for signage, but the next tenant would still be impacted. He thanked Councilmember Ford for his comments then noted if signs didn't work campaign signs likely wouldn't be placed everywhere before each election.

Grant Nygard, Scooters representative, discussed how coffee was an impulse purchase and not having signage on the Radisson Road side of the building was impacting his business. He stated temporary signs may help, but anticipated the permanent sign would be the solution.

Councilmember Larson discussed how this building was unique because the back of the building was also like the front of the building, which made an exception for the additional signage.

Councilmember Fleming thanked the applicant for working with the City through this process.

Councilmember Massoglia indicated he could support increasing the total wall signage to 200 square feet, up to three wall signs and a 15 square foot monument sign. He discussed how this business may be feeling some growing pains because it was one of the first businesses out of the gate.

Mayor Sanders thanked Councilmember Massoglia for his comments. He recalled how the Council held lengthy discussions on design standards and sign package with the building owner. He reported there was a lot of intentionality on how the district was set up. He agreed there was danger in setting a precedent. He stated he wanted to help Scooters, but noted the Council did not originally want a drive thru in this area, but but worked to accommodate the building. He was of the opinion there were other avenues available to help this tenant.

Councilmember Fleming questioned if the applicant could support bringing the amount of sign square footage down to 200 square feet.

Mr. Breese reported he could live with 225 square feet per building. He commented the need for signage would depend on how many tenants he had in the building.

Ms. Nygard explained her current sign was 15.12 square feet and was all white in color. She stated she was looking to install something comparable on the other side of the building.

Councilmember Robertson asked if 200 square feet was standard in other zoning districts. Ms. Sellman stated this was a general number, but can vary depending on the amount of frontage a property has.

Councilmember Robertson indicated she was going to vote no on this matter and offer temporary signage, but stated she could support lowering the amount of allowed signage down to 200 square feet. She commented she did not support three wall signs per building.

Councilmember Massoglia stated he could support the three wall signs due to the orientation of the building.

Amendment moved by Councilmember Massoglia, seconded by Councilmember Robertson, to increase the allowed wall signage to 200 total square feet, up to three wall signs per building, and a 15 square foot monument sign.

Amendment motion adopted 6-1 (Councilmember Newland opposed).

Amended motion adopted 5-2 (Mayor Sanders and Councilmember Newland opposed).

9.5. ORD 25-2572 Second Reading

Ordinance Approving Amendments to the City of Blaine Zoning Ordinance Related to Regulations for Cannabis. City of Blaine (Case File No. 24-0069/SLK)

Sponsors: Shawn Kaye, Planner

Mr. Thorvig stated the proposed ordinance amendment adds cannabis regulations to commercial and industrial zoning districts. In addition, two definitions are proposed to be added to clarify Cannabis Cultivation and Cannabis Retail. Staff reviewed the proposed ordinance in further detail with the Council and recommended approval.

Moved by Councilmember Massoglia, seconded by Councilmember Robertson, to adopt the Second Reading of Ordinance No. 25-2572, Approving Amendments to the City of Blaine Zoning Ordinance Related to Regulations for Cannabis.

Motion adopted 6-0-1 (Councilmember Newland was absent for the vote).

10. Administration

10.1. ORD 25-2573 Second Reading

Ordinance Adopting Chapter 7 Regulating Adult Use Cannabis Businesses

Sponsors: Erik Thorvig, Community Development Director

Mr. Thorvig stated Council is asked to hold second reading and adopt an ordinance to regulate adult use cannabis businesses and create local registration and enforcement requirements of both state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.

Moved by Councilmember Massoglia, seconded by Councilmember Ford, to adopt the Second Reading of Ordinance No. 25-2573, Adopting Chapter 7 Regulating Adult Use Cannabis Businesses.

Motion adopted unanimously.

10.2. RES 25-16 Resolution Approving a Purchase Agreement for 2101 105th Avenue NE.

Sponsors: Erik Thorvig, Community Development Director

Mr. Thorvig stated the City of Blaine has identified the 105th Redevelopment Area as a priority redevelopment area in the 2030 and 2040 comprehensive plans. The comprehensive plan states that the "EDA/City should continue to explore land assembly options with willing sellers as they come up". The EDA/City has been active in acquiring property within the 105th Redevelopment District since 2016. A master developer was selected for the project in 2022 and significant work has occurred over the last 18 months to advance the redevelopment project. Property acquisition has continued to occur after the master developer was selected to secure property to complete the overall redevelopment project. The EDA has been the purchaser of other properties within the redevelopment area. However, due to the funding source for the purchase, the City will act as the buyer. Agreements with the master developer require the city/EDA to close on all remaining properties to be acquired by April 1, 2025. As such, there is urgency to approve necessary purchase agreements to be in compliance with existing agreements. The city sold tax increment financing bonds on November 14, 2024, and $3,000,000 in proceeds from those bonds have been set aside to complete acquisitions.

Mr. Thorvig reported City staff and attorney have been in communication with the property owner of 2101 105th Avenue for several months attempting to negotiate a purchase. Several closed sessions have been held to discuss acquisition strategy. At a closed session on January 6, 2025, direction was provided by the City Council regarding the purchase price. Since that closed session, staff has been working directly with the property owner and their attorney to finalize a purchase price, agreement and closing date for the property. The purchase price is $1,924,000 ($185/sf). A closing date is identified in the agreement to occur on or before April 1, 2025. There are existing tenants in the building and the city would assume all existing leases and work with tenants to identify new locations. It's possible the property would be conveyed to the developer prior to all spaces being vacated, at which point the developer would assume the existing leases.

Councilmember Larson indicated she supported the overall project, but she did not support the expenditures that have occurred for purchasing properties, noting the city had set a cap and believed we should have held firm.

Moved by Councilmember Robertson, seconded by Councilmember Fleming, to adopt a Resolution Approving a Purchase Agreement for 2101 105th Avenue NE.

Motion adopted 6-1 (Councilmember Larson opposed).

11. Other Business

12. Adjournment

Moved by Councilmember Fleming, seconded by Councilmember Massoglia, to adjourn the meeting at 10:22PM and reconvene the recessed workshop.

Motion adopted unanimously.