



# City of Blaine

## City Council Workshop

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March 16, 2026 | 5:30 PM  
Blaine City Hall  
10801 Town Square Drive NE  
Blaine, MN 55449

### AGENDA

#### 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**
- 2. Roll Call**
- 3. New Business**
  - 3.1.** 2026-70 Residential Curbside Organics Collection  
*Sponsors: Jason Zimmerman, Finance Director*
  - 3.2.** 2026-71 105th Redevelopment Update  
*Sponsors: Erik Thorvig, City Manager*
- 4. Other Business**
- 5. Adjournment**



# City of Blaine Staff Report

File Number: 2026-70

Agenda Date	Status
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March 16, 2026

In Control	File Type
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City Council

Guest Speaker

**New Business** - Jason Zimmerman, Finance Director

## Agenda Item # 3.1

Residential Curbside Organics Collection

## Background

### Policy Context

The Minnesota Pollution Control Agency (MPCA) Metropolitan Solid Waste Management Policy Plan 2022–2042 establishes specific regional objectives to expand organics recovery and reduce reliance on landfilling. A key directive of this plan is to make residential curbside organics collection available in cities with a population greater than 5,000 by 2030. The plan notes that while organics drop-off sites have been well-received, they primarily reach only the most motivated residents and do not achieve broad participation. Similar to curbside recycling, organics programs are intended to be offered to all single-family homes, duplexes, and small multifamily properties using program structures that reduce barriers to participation and maximize overall diversion.

The policy further emphasizes that programs which charge all eligible households must comply with Minn. Stat. § 115A.93, subd. 3(c), meaning haulers must offer and charge for organics service universally rather than on a limited or opt-in basis. Programs structured in this manner are generally cheaper per household, reduce barriers to participation, and achieve better results when paired with robust and ongoing education. Curbside collection, supported by consistent education, is identified as necessary to ensure accessibility, maximize participation, and minimize contamination. Consistent with this state policy direction, Anoka County has incorporated these objectives into its current Solid Waste Management Plan. As a result, the City of Blaine is required to plan and implement a curbside organics collection program by 2030 to remain in compliance with state and county solid waste management requirements.

### Current City Program

The city currently offers residents a no-cost organics drop-off program that has operated since 2022. An additional organics drop-off site operated by Anoka County opened at the Johnsville Library in 2024. These programs provide an important diversion opportunity for residents interested in separating food waste and compostable materials. Participation in the city's drop-off program includes just under 700

residents registered for lifetime participation. However, observed activity suggests that regular usage is lower, with an estimated 200 to 300 residents utilizing the site during a typical week. Resident feedback frequently includes questions regarding the potential future availability of curbside organics collection. These participation patterns are consistent with MPCA findings that drop-off programs primarily attract the most motivated residents but do not generate broad community participation. For this reason, drop-off programs are generally considered a transitional approach rather than a long-term solution for meeting regional diversion goals.

### **Processing Capacity and Timing Considerations**

The regional marketplace for curbside organics collection is still developing. The level of private-sector investment in processing infrastructure and sorting technology will ultimately determine service availability, program scalability, and long-term cost structures. Because the trajectory of this market remains uncertain, delaying implementation does not necessarily guarantee lower costs in the future. If many communities pursue implementation simultaneously as the 2030 deadline approaches, demand for services and processing capacity could exceed supply, potentially increasing costs and limiting available options. Conversely, waiting could allow the market to mature, potentially improving service availability and stabilizing costs as additional infrastructure is developed. Advancing planning efforts now provides a degree of operational certainty and reduces the risk of implementing a program on an accelerated timeline as regulatory deadlines approach. Beginning the evaluation well in advance of 2030 allows the city to pursue a deliberate, cost-effective implementation strategy rather than reacting to external constraints.

### **Curbside Organics Collection Models**

Currently, three primary curbside organics collection approaches are used across the metropolitan region.

1. **Third Cart (Dedicated Organics Cart):** Under this model, residents receive a separate organics cart that is collected weekly by a dedicated truck on a separate route. This approach provides clear separation of materials and generally results in lower contamination levels. However, it requires additional carts, trucks, routing, and operating costs.
2. **Bag-at-Curb with Manual Collection:** Under this model, residents place organics into approved compostable bags and set them out separately near their garbage cart. Collection crews remove the bags independently during service. This approach avoids the need for a third cart but still requires separate handling and processing. At a large scale, it typically requires additional collection resources and may involve manual handling by drivers or helpers. It may also be more susceptible to animal interference or weather-related impacts.
3. **Single-Cart Durable Bag System with Advanced Sorting:** Under this approach, residents place organics in specially colored, durable bags and place those bags directly into their regular garbage cart. At the processing facility, the bags are separated using robotic sorting technology and routed for organic processing. This model minimizes changes to existing curbside collection operations and avoids distributing additional carts. However, it relies on specialized processing infrastructure and consistent resident compliance with bag requirements.

Each model carries different implications for cost, operations, contamination control, resident convenience, and long-term scalability. No approach is without trade-offs, and selecting an appropriate

service model will require balancing service quality, operational efficiency, and overall resident impact. Transitioning to curbside organics collection represents a meaningful operational and financial change and will require careful evaluation of service models, implementation strategies, and potential cost impacts on residents.

### **Governance, Resident Impact, and Program Performance**

While collection and processing services are provided by contracted haulers, the city retains responsibility for establishing program policy, overseeing service agreements, managing resident communication, and evaluating program performance. Any universal curbside organics program would affect all eligible households, and future planning efforts will need to consider affordability, ease of participation, impacts across housing types, and the level of education and outreach required to support successful program adoption. Key performance measures for any program will include:

- Participation Rates
- Tons of organics diverted from landfill
- Contamination levels
- Overall cost

### **Regional Context and Hauler Presentation**

Walters Recycling and Refuse will provide a presentation regarding their current and planned investments in processing infrastructure, including an automated sorting system designed to support organics recovery. These investments are being undertaken to support emerging regulatory requirements in Ramsey and Washington Counties, and may also influence potential service options available to the City of Blaine. The presentation is intended to provide context on available technologies, operational considerations, and implementation challenges, and to allow Council the opportunity to ask questions. The presentation does not represent a city decision or commitment to any specific service model.

## **Staff Recommendation**

### **Questions for Council**

This workshop item is informational and intended to obtain Council direction regarding how staff should proceed with program evaluation and implementation planning. No contract amendments or rate adjustments are being requested at this time. The purpose of this discussion is to position the city to move proactively toward compliance with regional policy objectives while maintaining flexibility to pursue cost-effective and operationally practical solutions prior to the 2030 deadline. Several neighboring communities have begun implementing curbside organics collection programs in response to the regional policy timeline. Beginning discussion at this stage allows the city to evaluate available service models, monitor market development, and incorporate organics collection planning into future solid waste contract and program decisions. To assist staff in developing an implementation strategy for a curbside organics collection program, Council direction is requested on the following planning considerations:

#### 1. Implementation Timing

Does the Council wish staff to begin detailed planning and evaluation of a curbside organics collection program at this time, or should staff continue monitoring regional program development and revisit implementation planning at a later date prior to the 2030 requirement?

## 2. Level of Program Service

Which general service model does Council believe warrants further evaluation?

- A dedicated third organics cart with separate weekly collection
- Bag-at-curb collection handled separately by the hauler
- A single-cart durable bag system utilizing advanced sorting technology
- A hybrid or phased approach

## Attachment List

None



# City of Blaine Staff Report

File Number: 2026-71

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March 16, 2026

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City Council

Workshop Item

**New Business** - Erik Thorvig, City Manager

## Agenda Item # 3.2

105th Redevelopment Update

## Background

Project Update and Financing Overview

At the February 2 and February 9 workshops, the City Council received project updates and discussed financing options for a structured parking facility serving the west portion of the district. Over the past 30 days, the development team and City staff have worked collaboratively on a series of agreements that will be presented to the City Council for consideration at the April 6, 2026, regular meeting.

The following provides an overview of key topics that will be discussed at workshop.

105th Avenue Roundabout and Right-of-Way Acquisition

The developer plans to construct a new roundabout on 105th Avenue. This improvement has been contemplated since the original 2023 master planning efforts for the district. The precise location evolved over time due to varying development scenarios north of 105th Avenue. Finalization of the Scheels site plan in August 2025 established the roundabout's definitive location.

Since that time, the City and developer have advanced design work and engaged in discussions with the National Sports Center (NSC) and Metropolitan Airports Commission (MAC), as right-of-way acquisition south of 105th Avenue is required. On February 18, 2026, the City Council authorized proceeding with condemnation to secure the necessary right-of-way.

In recent weeks, City staff, NSC representatives, and the developer have discussed design modifications to address NSC access concerns. A revised roundabout plan will be presented to the Minnesota Amateur Sports Commission (MASC) Board on March 18 and to the MAC Board in April. If agreements are reached, condemnation will not be necessary and MAC will execute the required right-of-way documents.

Construction of the roundabout is scheduled to begin in March, with completion anticipated in June.

Event Stadium

On August 11, 2025, the City Council approved a parameters resolution authorizing the issuance of \$63 million in tax abatement bonds to finance the event stadium and pedestrian overpass.

On April 6, 2026, the Council will consider approval of a Stadium Abatement Loan Agreement outlining financing terms and respective obligations of the City and developer. The agreement identifies multiple repayment sources, including:

- Stadium-generated revenue
- Parking revenue
- Developer ground lease payments

The financing structure reflects the original intent to treat the stadium bonds as a loan to the developer.

Bonds are expected to be sold in mid-April 2026. Construction is anticipated to begin in May/June 2026, with completion targeted for spring 2028.

#### Scheels Development

On August 11, 2025, the City Council approved a parameters resolution authorizing \$50 million in tax abatement bonds to facilitate the Scheels real estate transaction and construction.

The Scheels site plan was approved in August 2025. In December, the developer and Scheels executed agreements that included a \$10 million non-refundable deposit from Scheels.

On April 6, 2026, the Council will consider an abatement agreement outlining financing terms and responsibilities of the developer, Scheels, and the City.

Bonds are anticipated to be sold in mid-April 2026, with construction beginning in May 2026 and completion expected in spring 2028.

#### East Parking Structure

On August 11, 2025, the Council approved a parameters resolution authorizing \$23 million in tax abatement bonds to construct a 750+ stall structured parking facility serving the east portion of the district.

On April 6, 2026, the Council will consider a parking facility agreement addressing:

- Allocation of parking revenues (including potential use for stadium debt)
- Construction responsibilities (developer)
- Maintenance responsibilities (developer)
- Ownership structure

Ownership is still under evaluation. At minimum, the facility would be city-owned via ground lease from the developer, with the developer responsible for maintenance funded through parking revenues.

Discussions with Anoka County regarding tax-exempt status may require City ownership of both the structure and underlying land, with the potential to convey the property back to the developer after bond retirement.

Bonds are anticipated to be sold in mid-April 2026. A building permit application has been submitted and is pending approval.

#### West Parking Structure

The need for a structured parking facility serving the west portion of the district has been contemplated since the 2023 master planning process and is considered critical to district functionality. However, its location and financial structure were not formally discussed until recent workshops.

At the February 2 and February 9 workshops, the Council reviewed financing options. Under the non-binding term sheet approved March 2, 2026:

- The City would issue tax abatement bonds
- Estimated project cost: \$15 million

Other public infrastructure components (roads, utilities, demolition) have been financed through traditional public financing mechanisms, including tax abatement and tax increment financing (TIF). The financing has been structured where new property taxes generated from the development would pay for any debt service related to public infrastructure.

All revenue sources from the development have been exhausted for existing and proposed debt obligations. As a result, discussion focused on utilizing the Economic Development Authority (EDA) levy to support debt service. Estimated annual debt service is approximately \$1,265,000. The EDA currently has the capacity to increase its levy by approximately \$928,000, creating an annual gap of roughly \$337,000.

As city tax capacity grows, the EDA may be able to increase the levy to cover this gap; however, that growth will take several years. City staff and the developer continue to evaluate additional funding options to address the shortfall. If development revenues (parking, sales tax, property taxes) exceed conservative projections, surplus funds could be allocated toward the parking structure.

On April 6, 2026, the Council will consider:

- A parameters resolution
- A tax abatement resolution
- A parking agreement

Final funding details will be outlined in those documents.

#### General Project Financing Overview

To date, the City has issued approximately \$47 million in tax abatement and TIF bonds, including:

- \$12 million (tax abatement bonds) for turf field installation on the NSC campus
- \$35 million (TIF and abatement bonds) for infrastructure improvements, including roads, utilities, grading, and demolition

Approximately \$15 million of the \$35 million in infrastructure proceeds remains available and will continue to be drawn as work progresses in 2026.

When project debt is retired, the district will continue generating revenue beyond property taxes, including potential sales tax (if approved), parking revenue, stadium revenue, and developer ground lease payments. Project documents provide for revenue sharing between the developer and the City after bond obligations are satisfied, allowing the City to recoup any levy contributions used to support the project.

Additionally, once TIF and abatement districts expire, all new property taxes generated within the district will flow to the City and other taxing authorities. This will significantly expand the City's long-term tax base—one of the primary reasons municipalities utilize tax abatement and TIF to catalyze development that would not otherwise occur at the same scale.

## Bond Summary

### **\$12 million – Turf Fields (Tax Abatement Bonds, issued 2024)**

- Paid from new property taxes generated in the west portion of the district
- Vertical development in 2026 is critical to meeting debt service
- Anoka County and Spring Lake Park School District contribute approximately two-thirds of debt service via shared property taxes
- Debt service payments began in 2026
- Retires in 2041

### **\$27 million – Infrastructure (TIF Bonds, issued 2024)**

- Paid from new property taxes in the east portion of the district
- Debt service payments begin in 2029
- Retires in 2054

### **\$8 million – Infrastructure (Tax Abatement Bonds, issued 2024)**

- Paid from new property taxes in the west portion of the district
- Debt service payments begin in 2029
- Retires in 2048

### **\$50 million – Scheels**

- Bonds not yet issued (parameters resolution approved August 2025)
- Anticipated sale: April 2026
- Primary repayment: new sales tax district (if established); otherwise general levy
- Construction anticipated May 2026
- Debt service payments begin in 2031
- Retires in 2052

### **\$23 million – East Parking Facility**

- Bonds not yet issued (parameters resolution approved August 2025)
- Anticipated sale: April 2026
- Primary repayment: new sales tax district (if established); otherwise general levy
- Construction anticipated April/May 2026
- Debt service payments begin in 2031
- Retires in 2052

### **\$63 million – Event Stadium**

- Bonds not yet issued (parameters resolution approved August 2025)
- Anticipated sale: April 2026
- Repayment: stadium and overall development revenues
- Debt service payments begin in 2031
- Retires in 2052

### **\$15 million – West Parking Facility**

- No bond authorization yet (non-binding term sheet approved)
- Parameters resolution under consideration April 6, 2026
- Debt service payments begin in 2028
- Retires in 2048

Total Potential Bonding: \$198 Million *(Excludes reduction for Anoka County and Spring Lake Park School District participation.)*

**Staff Recommendation**

**Questions for Council**

## Attachment List

None