



City of Blaine

City Council Workshop

March 16, 2026 | 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 Pro Tem Robertson at 5:30PM.

2. Roll Call

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

ABSENT: Mayor Tim Sanders.

Quorum Present.

ALSO PRESENT: City Manager Erik Thorvig; 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; City Attorney Eric Larson; Utility Billing Supervisor Kyle Howard; Communications Manager Ben Hayle; and Deputy City Clerk Lisa Osterhues.

3. New Business

- 3.1. 2026-70 Residential Curbside Organics Collection
Sponsors: Jason Zimmerman, Finance Director

Finance Director Zimmerman stated this 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 the implementation timing and level of program service. Staff commented on the matter further and noted a representative from Walter's was in attendance to provide the council with additional information on organics services.

Jeff Newsom, Walter's representative, provided the council with the solution Walter's has in place for organics collection for the City of Blaine. He explained organics collection would have to be in place in Blaine by 2030. He distributed bags to the council that would be used for organics collection, noting the proposed bags were biodegradable. He indicated the state had a goal of having 75% of trash being recycled. He noted once the organics bags were sorted at the transfer station, they would be turned into compost or a renewable gas. He commented further on how this option would suit the residents by being convenient, noting no additional carts or trucks would be needed to provide this service. He anticipated the city would have better participation by not requiring an additional cart which would mean more matter was being diverted and recycled. He explained he has been working on the organics program for several years and stated Washington and Ramsey Counties would be brought online this summer. He reported his staff has yet to explore the education, reporting and pricing structure for this service with the city. He requested staff be directed to evaluate if the organics program could be added to the current contract with Walter's and for staff to come back with options and a recommendation for the city council.

Councilmember Fleming thanked Walter's for their forethought. She explained she did not want another garbage can on her property and appreciated how the proposed program could be implemented without residents needing an additional cart or truck on the city's streets. She asked when these bags started to break down. Mr. Newsom stated because the bags were biodegradable they break down over time. He reported these bags had a shelf life of one year. He anticipated the proposed bags would last six weeks once they had material in them.

Mayor Pro Tem Robertson questioned if these bags would address the odor that comes with composting organics. Mr. Newsom commented the tied off organics bags would assist with capturing and reducing the scent coming from regular garbage bags.

Councilmember Newland asked who would be addressing the cost for the organics program.

Mayor Pro Tem Robertson stated this topic would be discussed with the finance director and staff after questions were completed with Walter's. Mr. Zimmerman explained the intent of this agenda item was to provide the council with information on Walter's solution for organics and noted Walter's has a contract with the city through December 2029 to provide waste collection services. He stated staff was unsure what the market will look like in 2030, but noted the 2030 organics deadline was looming. He discussed how the council

needed to consider how to provide these services to the residents of Blaine, noting this would be one way to provide the service. He indicated the council would have to consider whether they wanted to implement an early mandate of this program on residents, because the organics services would come at a cost.

Councilmember Newland asked what other cities were being charged for organics services. Mayor Pro Tem Robertson reported staff would have to speak with Walter's further in order to gather this information.

Councilmember Fleming stated she supported the early implementation of this program as well as staff working with Walter's regarding the cost for an organics program.

Council consensus was to direct staff to work with Walter's regarding an organics collection program and report back to the council.

Mr. Zimmerman inquired if there was any feedback the council wanted to provide regarding the organics program.

Mayor Pro Tem Robertson recommended the city not pursue an organics program that would require a third cart.

Councilmember Ford stated he supported option three because this would be the most cost efficient option for Blaine residents.

Councilmember Massoglia stated it did not make sense for staff to provide information on separate haulers or a third cart for the organics program. He noted he did want to see information on costs and a phased roll out for the organics program.

Councilmember Fleming supported the city being proactive when it comes to the organics program and she recommended option three move forward.

Mayor Pro Tem Robertson indicated there was council consensus around option three and requested staff also speak with other communities to see how they were approaching organics collection for their community.

Mr. Newsom provided the council with an update on the expansion of the transfer station, noting it was his hope the expanded facility would be operational by July. He commented the updraft and odor mitigation systems would be in place at that time.

3.2. 2026-71 105th Redevelopment Update
 Sponsors: Erik Thorvig, City Manager

City Attorney Larson stated 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, 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.

City Manager Thorvig reported 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, and developer ground lease payments. He explained 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.

Mr. Thorvig explained 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. Mr. Thorvig commented 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), and 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.

Mr. Thorvig reported 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 noting the city would issue tax abatement bonds and the estimated project cost is

\$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 and a parking agreement.

Mr. Thorvig provided the council with further detailed information regarding the projected financing and asked for comments or questions from the council. Staff noted Scheels would be submitting their building permit soon.

Councilmember Massoglia asked if the council were to increase the EDA levy for the parking ramp would the city put something in writing that the general levy would be reduced by \$1.2 million. Mr. Thorvig stated this would be a policy decision for the council that could be addressed for the 2027 budget. He noted he would need four councilmembers to support this action in order for this item to move forward.

Councilmember Fleming questioned how the levy will be impacted by the parking ramp. Mr. Thorvig estimated each household would see a \$31 increase.

Councilmember Larson inquired if the council was willing to cut \$1.2 million in city services in order to provide a parking ramp for this project. She stated she did not support this action.

Mayor Pro Tem Robertson stated if the city were to get new revenue streams that could assist with covering the expense for the parking ramp, there would be a net-zero impact on the levy. She indicated she was not proposing to cut \$1.2 million in city services, but was seeking council consensus around the idea of having staff look into a net-zero impact on the levy.

Councilmember Ford explained he agreed with Councilmember Larson and noted he did not support cutting \$1.2 million in city services.

Councilmember Fleming commented the parking ramp has to happen and the council has to figure out how to finance it.

Councilmember Newland indicated it would be helpful for the council to see what the sales tax projections would be. Mr. Thorvig stated staff was in the process of updating these numbers given the new retail and entertainment users that would be coming into the development.

Councilmember Massoglia explained if he was committing to an increase in the EDA levy, he would want to commit to lowering the general levy by that same amount. He noted the city has \$4 million available in unrestricted reserves which was from overtaxing along with \$1.7 million in revenues over expenditures. Mr. Thorvig commented that the action being taken on April 6 was not how the parking ramp would be funded, but rather this would be decided at a future date. He reported the first debt service payment for the parking ramp would be in 2028.

Councilmember Ford stated he was concerned with the fact the city would be financing a parking ramp that could not be repurposed. He indicated if the baseball team were to go away, this parking ramp would be underutilized and the city would still have to pay for it.

Mayor Pro Tem Robertson explained this parking ramp would be utilized by all the surrounding businesses, the NSC, and hotels and not just the event stadium. She commented further on how the stadium would be utilized year-round for other events along with being utilized during the baseball season.

Councilmember Massoglia asked if the city had always discussed owning the parking ramps. Mr. Thorvig commented this has been a discussion point with the developer over the last several months. He reiterated that the city would not be operating or maintaining the parking ramp, but rather would be the silent owner. He encouraged the council to reach out to staff with any further questions before this item comes before the city council for consideration on April 6.

4. Other Business

None.

5. Adjournment

The workshop adjourned at 6:59PM.



Signed by

Jess Robertson, Mayor Pro Tem

Signed by

Catherine M. Sorensen, City Clerk