



City of Blaine

City Council Workshop

May 4, 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 Sanders at 5:30PM.

2. Roll Call

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

ABSENT: Councilmember Terra Fleming.

Quorum Present.

ALSO PRESENT: City Manager Erik Thorvig; Community Development Director Sheila Sellman; Deputy Police Chief Joe Gerhard; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Director of Engineering Dan Schluender; Parks and Recreation Director Jerome Krieger; Public Works Director Nick Fleishhacker; Economic Development Specialist Ruth Tucker; City Attorney Eric Larson; and City Clerk Catherine Sorensen.

3. New Business

- 3.1.** 2026-97 Ramsey County EDA Participation (10 Minutes)
Sponsors: Ruth Tucker, Economic Development Specialist

Economic Development Specialist Tucker stated during the 2025 legislative session, Ramsey County received authorization from the state of Minnesota to establish an Economic

Development Authority (EDA). On December 2, 2025, the Ramsey County Board of commissioners took the initial step to formally create the EDA. This action allows the county to expand the use of its existing Housing and Redevelopment Authority (HRA) levy to include business and economic development programming. A key component of the enabling legislation is that the EDA does not have independent taxing authority. No new taxes will be imposed as a result of this change. Instead, the EDA is funded solely through the existing Ramsey County HRA levy, which is already at its statutory maximum. The legislation simply broadens the eligible uses of those existing funds to include small business support and economic development activities. Historically, the HRA levy has been primarily utilized for housing and redevelopment-related programs, including affordable housing investments, redevelopment initiatives, and related planning efforts. As a result, communities that do not have significant residential or mixed-use development opportunities have seen limited direct benefit from these funds.

Ms. Tucker reported this has been the case for the city of Blaine. The portion of Blaine located within Ramsey County is guided and zoned exclusively for industrial uses. Because HRA-funded programs are largely focused on housing and mixed-use redevelopment, Blaine has not been a significant direct beneficiary of HRA investments to date, despite Ramsey County taxpayers within the city contributing to the levy. The creation of the EDA is intended to address this gap by allowing a portion of HRA funds—anticipated to be approximately \$1.5 to \$2 million annually—to be directed toward business-focused programming. Proposed areas of investment include expanding technical assistance and advisory services for businesses, supporting and building the capacity of business support organizations, developing cohort-based leadership and growth programs, enhancing data collection, research, and reporting capabilities and providing direct support to businesses and projects that drive economic growth. These efforts would build upon, not replace, existing programs such as Open to Business, CEO Next, CEO Now, and RamseyCountyMeansBusiness.com. In order to participate in these expanded programming opportunities, cities within Ramsey County must formally “opt in” to the EDA. Opting in requires adoption of a city council resolution by June 1, 2026. Cities that opt in will be included in the EDA’s area of operation and will be eligible for both existing HRA programs and the new business-focused programming. Cities that do not opt in will continue to have access only to the current housing and redevelopment programming. For Blaine, opting into the Ramsey County EDA would provide a mechanism for businesses located within the Ramsey County portion of the city to receive more direct benefit from the taxes they already pay into the HRA levy. This represents a shift toward a more balanced return on investment for those properties, particularly given the area’s industrial land use and limited eligibility under traditional HRA programs. Staff recommends that the city council direct staff to prepare and present a resolution to opt into the Ramsey County Economic Development Authority (EDA) for consideration and action prior to the June 1, 2026 deadline, enabling Blaine businesses located within Ramsey County to access expanded business support programming.

Councilmember Newland supported the city participating in the Ramsey County EDA but stated he understood the dollars that would become available would be highly competitive.

Councilmember Robertson commented she was indifferent on this topic, noting the 37 business owners in Blaine would have to compete with all other businesses in Ramsey County in order to receive this EDA funding. City Manager Thorvig stated these businesses were located within an older business park and funding from the county EDA could assist

with renovations or remodels.

Council consensus was to direct staff to bring forward a resolution supporting participation in the Ramsey County EDA.

- 3.2.** 2026-98 Concept Plan for 3610 131st Avenue NE (30 Minutes)
Sponsors: Sheila Sellman, Community Development Director, Jerome Krieger, Park and Recreation Director

Community Development Director Sellman stated the applicant is seeking feedback on a concept plan proposed for 3610 131st Avenue NE, which is immediately adjacent to the Legacy Creek Open Space which was sold to the city by the applicant's late father. The concept plan includes single family residential and open space proposed for donation to the city. The applicant provided a rough sketch of how the property could be developed so that the city council can make an informed decision about the proposed land donation. Unlike most concept plans reviewed by council, the plan was not prepared by a surveyor or engineer, does not include area for the required storm ponding, and does not consider water table, soil conditions/corrections or grading and drainage. A wetland survey and a rare plant survey will be required by the DNR on this site, which may also impact development layout. Therefore, staff anticipates that the plan will change significantly between the proposed concept plan and an engineered plan.

Ms. Sellman explained the applicant is proposing 80-foot wide lots and plans to request rezoning from Farm Residential to R-1. As presented, the plan has a density of 3.3 acres. Please note that lot sizes and density are likely to change with the refinement of the plan, particularly if high groundwater, wetlands and rare plants are found on the property. The provided concept sketch indicates a single residential roadway that would end in a proposed cul-de-sac. However, this would not provide for the connectivity to neighboring properties, and therefore, would be required to be revised to allow for a stub street to the property to the east. Given that the property to the west is currently owned by the city as open space land, connection to the west would not be required. This property is on the south side of 131st Avenue NE, across from the currently proposed Montean Meadows residential development. The Montean Meadows development is proposing to install the required city infrastructure along the 131st Avenue alignment to the east property line of the Montean parcel. A request has been submitted with the Montean Meadows proposed development that any development that would gain access to 131st Avenue street and utility improvements, would pay for their share of those improvements, and be collected at the time of development, if development occurs within a specified time frame. This proposed development would be required to connect to the newly constructed city infrastructure and therefore, subject to that request. The proposed subdivision will require preliminary and final plat, and rezoning from Farm Residential (FR) to Single Family Residential (R-1). If the refinement of the plan does not allow for 80-foot wide lots while meeting the 2.5 unit per acre density, the applicant may instead request development flex (DF) zoning for narrower lots and a conditional use permit (CUP) will be required.

Parks and Recreation Director Krieger commented on the land donation the property owner

was proposing to donate to the city. He explained if the land was donated to the city, the land would have to be cleared of the house, well and septic systems.

Councilmember Massoglia thanked the property owner for proposing the land donation. He thanked the property owner for coming forward with a housing project that had 80 foot wide lots. He stated the project appears to need more due diligence. He questioned how the roadways and utilities would be connected if this development were to move forward. Director of Engineering Schluender reported if this development were to move forward the developer would be responsible for connecting to city water, sewer and streets.

Councilmember Massoglia stated he supported the city accepting the proposed open space and appreciated how this land would connect to existing open space.

Councilmember Newland questioned what the plan was for this land. Mr. Krieger reported this land would remain open and could potentially have trails in the future.

Councilmember Larson thanked the property owner for bringing forward a plan that would provide open space to the city.

John Florin, property owner, stated he was honoring his father's wishes to have this land preserved. He spoke further about the benefit of having open space in the community, given how Blaine was going to be fully developed in the near future.

Mayor Sanders thanked Mr. Florin for bringing this plan forward.

Council supported acceptance of the proposed land donation for open space and thanked the applicant for continuing to preserve this area as open space.

3.3. 2026-99 Municipal Cannabis Partnership Update (30 Minutes)
Sponsors: Ruth Tucker, Economic Development Specialist

Ms. Tucker stated council has held multiple discussions regarding the selection of an operating partner for the city's municipal cannabis retailer license, including review of materials submitted by Voyageur Cannabis and a presentation from the City of Anoka regarding its municipal cannabis operation and potential partnership approach. At the previous meeting, council directed staff to further vet Voyageur Cannabis and continue discussions with the City of Anoka to better understand potential partnership terms. Both Voyageur Cannabis and the City of Anoka have expressed interest in partnering with Blaine to operate a cannabis retail facility under the city's municipal license. Each option presents a different operational structure for council's consideration. At the state level, proposed legislation may impact municipal partnership structures by allowing private operators to both hold their own license and partner with a municipality. Blaine must activate its cannabis retailer license by December 2026, requiring timely direction on an operating partner.

Mr. Thorvig explained if the city were to pursue a partnership with Voyageur, Voyageur

would be responsible for leasing a tenant space whereas with the City of Anoka, the city would be responsible for these costs. He stated staff was seeking direction from the council on how to move forward.

Mayor Sanders anticipated the city would look to lease space for the dispensary, which would be less than building a new structure. He questioned what space was available in Blaine to allow for this and what funding did the city have available.

Councilmember Robertson questioned if the proceeds from MNDOT could be used. Mr. Thorvig stated this funding could be used to assist with start-up costs for the cannabis retail shop. He reported the strategic priorities fund would be another funding source.

Councilmember Robertson asked what the key location would be for the dispensary. Kevin Morelli, Enterprise Operations Director for City of Anoka, answered questions regarding Anoka's dispensary and spoke to the importance of location.

Councilmember Newland requested further information on how much Anoka spent up front on inventory to get their cannabis retail shop up and running. Anoka's Enterprise Operations Director Kevin Morelli estimated they spent approximately \$300,000 on inventory.

Councilmember Newland questioned what the monthly revenues have been for Anoka. Mr. Morelli stated the monthly revenues have been roughly \$70,000.

Councilmember Newland inquired if the proposed 50/50 revenue split was negotiable. Mr. Morelli indicated this was a starting point and could be negotiated.

Councilmember Newland stated he was a bit concerned about the revenue split percentage and stated the proposed split from Voyageur was more appealing to him.

Councilmember Massoglia reported Voyageur's plan would benefit the city more financially and noted he was in favor of moving forward with Voyageur.

Councilmember Larson stated she appreciated visiting the Anoka dispensary. She explained she agreed with many of the comments from Councilmember Newland and encouraged Anoka to reconsider the revenue split to make this partnership more enticing for Blaine.

Councilmember Robertson indicated she preferred the city to pursue a relationship with the City of Anoka. While she understood there would be risk with either entity, she appreciated the experience Anoka had. Mr. Thorvig commented if the city council were to partner with Anoka, the Blaine dispensary would operate under the Anoka brand.

Councilmember Ford was of the opinion that working with Voyageur would provide the city with more control and profits.

Mayor Sanders summarized the comments from the council, stating the council would like to see if Anoka was willing to negotiate on the profit-sharing formula. If this split were amended, he believed the council would be more willing to work with Anoka. He reported another next step would be for staff to explore location options.

Mr. Morelli thanked the council for the feedback and stated with Anoka the city would be receiving full financial transparency, all gratuities would be redirected to non-profits identified by Blaine, and explained there would be a commitment to education for all visitors.

Councilmember Massoglia recommended staff consider how the agreement between Blaine and Anoka would look in 10 years. City Attorney Larson advised the term of the agreement would have to be considered along with site acquisition costs and profit sharing.

Councilmember Massoglia requested staff speak with the City of Osseo to see when their dispensary would be operational as they were partnering with Voyageur. Mr. Morelli stated it was his understanding that Osseo would be operational by November of this year.

Council consensus was to explore location options and request Anoka to return with a revised profit/cost sharing formula in an attempt to more closely match Voyageur's proposal if possible.

3.4. 2026-100 Charitable Gambling - Premise Permits (10 Minutes)
Sponsors: Cathy Sorensen, City Clerk

City Clerk Sorensen stated staff received a request from Blaine Youth Hockey that council consider increasing the number of lawful gambling locations allowed per organization from four to five:

Sec. 22-264. Additional regulations.

(3) No organization may maintain more than four lawful gambling locations in the city at one time, except that an organization operating lawful gambling activities at more than four locations as of January 1, 2004...

Ms. Sorensen explained if council is willing to explore this request, staff will provide further background as to why the cap was put in place and any potential impacts for a change and present a report at a future workshop for council direction.

Councilmember Larson stated she supported increasing the number of lawful gambling locations in the city.

Councilmember Robertson, Councilmember Newland and Councilmember Massoglia agreed.

Council supported bringing forward a code amendment to increase the cap from four to five.

3.5. 2026-101 Council Requested Items for Discussion (10 Minutes)
Sponsors: Erik Thorvig, City Manager

Councilmember Ford asked if the council would consider completing a citywide organizational study. He believed this study would assist the council with understanding what could or should be cut when working through the budget process. He detailed the work that would be completed within the study and estimated the study would cost \$60,000 to \$70,000.

Councilmember Newland inquired if the city had completed this type of study in the past.

Councilmember Robertson recalled the city completed a comprehensive wage study in 2019/2020. Mr. Thorvig reported this was the case and noted the wage study was updated last year. He noted the police department study was completed internally by now retired Captain Matt Carlson. He commented on the five-year projections that were completed for staffing trends.

Councilmember Massoglia stated he believed this study was a good idea, and he appreciated any and all ideas that could be brought forward to assist with cutting spending. However, he anticipated the study would not lead to spending cuts.

Councilmember Robertson indicated the watershed district completed this type of study and noted the study created a divide for this organization. She stated she appreciated Councilmember Ford bringing this idea forward, but stated she did not want to create division in the city. She commented at this time she could not support the city spending \$60,000 to \$70,000 on the study. She stated that perhaps once the franchise fees and dispensary was operational she could support the city completing this type of study. Mr. Thorvig discussed how the fleet study had created some division amongst staff and the council.

Councilmember Ford stated he was hoping the study would serve as a blueprint or tool to assist with planning for the future. He discussed how the city has grown by 20%, and he wanted to ensure the city was going to succeed going forward.

Councilmember Larson appreciated the concept of this study, but noted she was also concerned about how the council would respond to the findings from the study.

Council consensus was not to support further exploration of a citywide organizational study at this time but to direct staff to review what has already been done and use this information as part of the upcoming budget cycle.

4. Other Business

Ms. Sellman discussed the schedule for the upcoming council retreat that would be held at MAYC on May 11.

5. Adjournment

The workshop adjourned at 7:01PM.