



City of Blaine Anoka County, Minnesota Minutes

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

City Council Workshop

While this is a public meeting where interested persons are welcome to attend, it is a work session for Council and staff to discuss issues before them. It is not for the purpose of receiving public input.

*To participate in the meeting join the Zoom Webinar at
<https://blainemn.zoom.us/j/93136264336>*

Questions? Email - Communications@BlaineMN.gov

Monday, May 18, 2020

6:00 PM Due to the COVID-19 pandemic, city meetings will now be held as virtual meetings until further notice

NOTICE OF WORKSHOP MEETING

1 Call to Order

The meeting was called to order by Mayor Ryan at 6:00 p.m. Due to the COVID-19 pandemic this meeting was held virtually.

2 Roll Call

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Public Services Manager/Assistant City Manager Bob Therres; City Engineer Dan Schluender; City Planner Lori Johnson; Communications Technician Roark Haver; Communications Coordinator Ben Hayle; City Attorney Patrick Sweeney; and City Clerk Catherine Sorensen.

Present: 7 - Councilmember Garvais, Councilmember Jeppson, Mayor Ryan, Councilmember Swanson, Councilmember Robertson, Councilmember Paul, and Councilmember Hovland

3 New Business

3-1

POTENTIAL LAND USE CHANGE FOR FORMER AIRPORT PROPERTY AT 85TH AVENUE AND HIGHWAY 10

Attachments: [Attachments](#)
[Presentation](#)

City Planner Johnson stated a developer has come forward with a request for a potential land use change for the 25 acre vacant property at the intersection of Highway 10, 93rd Lane and 85th Avenue. The property was previously owned by the Metropolitan Airports Commission (MAC) and was later sold to an investor. This investor now has the property for sale, and Fenway Land Company is the interested buyer. The request includes 131 row townhomes and an 81-unit senior living facility. They have also submitted an alternate plan that includes a small retail building in lieu of townhomes along 85th Avenue.

Ms. Johnson reported the property has a current zoning designation of PBD-A (Planned Business District-Airport) and a land use designation of ABD (Airport Business District). The PBD-A zoning district has a very specific list of 12 uses that are allowed which are industrial and commercial in nature. The zoning and land use designation was put into place in 2015 at the request of the MAC when they were trying to sell some of their non-airport related properties. At the time, medium density residential land use was discussed as a potential use, however MAC opposed it due to the proximity to the airport. If the Council were to be favorable towards a zoning/land use change for this proposal, the DF zoning designation is suggested along with a land use of MDR/HDR (Medium Density Residential/High Density Residential). This land use change would require the approval from the Met Council. Staff commented further on the potential land use change and requested comment from the Council.

Councilmember Swanson stated this was a very contentious issue when MAC sold this property a few years ago. He recalled that the neighborhood did prefer residential at that point. He explained he was worried about the water table on this property and what type of noise mitigations would have to be put in place. He recommended a traffic study be completed for County Road J given the high level of traffic along this roadway. He indicated he was interested in getting a walking path into the Hastings neighborhood. He suggested the neighbors be involved in the redevelopment of this land.

Councilmember Hovland explained he supported this area having a little bit of retail stating this would benefit all in the neighborhood. He recommended a trail connection also be considered.

Mayor Ryan discussed the concerns that were raised by the neighbors when this property was sold. He commented there has been a large amount of senior housing being installed in the community and he questioned if the market could support additional units. He indicated this was not an easy piece of property to develop given the wetlands.

Councilmember Hovland stated traffic is going to be a real concern for the

neighbors.

Councilmember Paul asked if City Code had to be revisited to allow senior housing, residential and commercial. Ms. Johnson explained City Code could remain as is, but the property would have to be rezoned and a Comprehensive Plan Amendment would be required.

Councilmember Jeppson requested comment from the developer on how noise pollution from the airport will be addressed and why senior housing was being pursued.

Mark Guenther, Fenway Land Company, thanked the Council for their time. He reported the senior housing developer has conducted market research and was confident in the viability of the proposed senior condos. He explained this location would draw from Blaine and the surrounding area. He indicated the builder of the row townhouses was also very confident in the demand for these units at the proposed price point. He commented he has had some inquiries about an apartment complex, however, the senior housing developer was most interested. He explained all units would be built to mitigate and reduce the airport noise. He reported the building heights would be within City standards noting the senior building would be three stories high. He discussed the water table and understood the building would not be able to have a full depth lower level. He described the buffering that would be in place between the proposed development and the residential homes. He stated he appreciated the comments regarding the retail component.

Councilmember Hovland questioned if Mr. Guenther had spoken to Anoka County regarding traffic and intersection concerns. Mr. Guenther reported he had not yet spoken to the County. He explained he wanted to receive feedback from the City Council prior to considering a traffic study.

Councilmember Hovland asked if the developer would be reaching out to the community to the west to make them aware of the proposed development. Mr. Guenther stated he would be holding neighborhood meetings prior to fully submitting his plans to the City. However, he noted if there was no support to changing the land use he would withdraw the request.

Mayor Ryan discussed the history of this property noting the airport has not wanted the land to go residential. He commented the ideal situation would be to have light industrial next to the airport, but the City has not had any support for this. Community Development Director Thorvig reported this property was for sale and the ownership path has went from the airport to the Spring Lake Park School District to the group that currently owns the property. He stated the land has been

for sale for several months now as Light Industrial. He indicated there has been some interest, but the request before the Council at this time would require the property to be rezoned for residential use.

Councilmember Swanson asked who would be responsible for the ditch that crosses the property. City Engineer Schluender reported once a plan is brought forward and reviewed by the watershed district a determination would be made regarding the ditch responsibility. He anticipated the ditch would be maintained by the property owner.

Councilmember Hovland questioned if this ditch drained into JD1. Mr. Schluender reported this ditch runs north and drains towards the airport.

Councilmember Swanson stated it would be important for the developer to include the neighborhood in meetings and to consider adding a walking path. Ms. Johnson reported the Council would be discussing the neighborhood notification process and noted this development would fall under the new requirements, which meant a neighborhood meeting would be required prior to the Planning Commission meeting.

Councilmember Hovland reported he supported the land use change but he understood this could be a contentious item given it was a backfill project adjacent to a residential neighborhood.

Councilmember Jeppson stated she was willing to consider this land use so long as the developer was willing to look into the questions that have been raised.

The Council supported the potential land use change and the applicant was directed to bring forward a formal application for consideration.

Discussed

30 Minute Discussion

3-2

PARKSIDE NORTH LAND USE DISCUSSION

Attachments: [2040 Land Use](#)

Mr. Thorvig stated the development southeast of the Main Street and Lexington Avenue intersection is identified as Parkside North. The master plan and land use for the area was approved in 2014 and one master developer (Paxmar, Inc.) has developed the commercial and residential areas. Residential lots were sold to individual builders and there is a mix of housing including detached townhomes, villas and traditional single-family homes. Several commercial lots have been sold by Paxmar for development along Lexington Avenue including Kwik Trip,

KinderCare and Renovation Church. The property at the corner of Main Street and Lexington Avenue (Royal Lakes) is owned by a different party.

Mr. Thorvig explained Paxmar owns an approximately 6.69 parcel of land (subject site) at Frazier and 122nd Avenue. This site was identified for High Density Residential (HDR) land use in the 2014 master plan approval and 2040 Comprehensive Plan. HDR allows for a variety of residential products including townhomes and apartments in the range of 12-25 units/acre. The developer has been marketing the site for apartments which is consistent with the HDR land use. Staff has received several inquiries in the past 2-3 years from developers interested in constructing apartments however nothing has come to fruition. Staff has also talked with a builder interested in constructing townhomes. It was noted a land use amendment would require five Council votes and not four. Staff commented further regarding the Parkside North land use and requested feedback from the Council.

Mayor Ryan stated he supported Paxmar having the opportunity to promote this land. He explained the City removed almost all high density from The Lakes. He anticipated the neighbors would have something to say about this, but he also understood the property owner also had rights.

Councilmember Hovland agreed with this statement. He commented the developer has come in with a long-range plan and this typically came down to economics. He did not believe it was fair for the City to come in and pull the rug out from under the developer.

Councilmember Garvais stated he respected these positions but did not support sandwiching high density residential into this area of the City. He indicated he could possibly support medium density residential. He understood this area could use high density residential but did not support a project on this property. He recommended the northwest corner of Lexington Avenue and Main Street be considered for high density.

Councilmember Swanson discussed a rezoning from high density to medium density noting the City was nearly sued by the developer then said he understood Councilmember Garvais' point. He explained he did not want to go through a taking and asked how aggressive the developer was in maintaining the current zoning. He believed the City needed more high density in this area but questioned if this was the correct site.

Councilmember Hovland stated as the available land in the City begins to lessen it would not be good to place a large amount of high density in one location. He explained he supported the work that was completed within the Comprehensive Plan because it spaced out high density and commercial developments. He commented he did not want to go back and change all of this work at the last

minute. Mr. Thorvig clarified the City would not be required to add high density residential someplace else in the City, however it would be beneficial to have.

Councilmember Paul stated it was good to bring this property to high density. He indicated he would like to hear from the neighbors prior to this item moving forward.

Councilmember Garvais explained it appears there was not enough support at this time to move this item forward and would be interested in discussing a potential land swap. Mr. Thorvig discussed how this corner could develop in the future.

Council consensus was there was not enough support move this item forward but did support discussing a possible land swap.

15 Minute Discussion

3-3

COVID-19 IMPACTS

City Manager Wolfe reported staff had an update for the Council on how COVID-19 was impacting the City.

Finance Director Huss discussed how the City had been financially impacted to date. He described the measures staff had taken to reduce expenses given the loss of permit and parks/recreation revenues. It was noted revenues were down about 10% over 2019. He stated at this time the City was anticipating there would be a 5% property tax delinquency for first half payments. He reported the City's biggest concern at this time was making sure proper cash flow levels were maintained. He commented further on the staffing adjustments that had occurred in order to reduce expenditures. He explained the equipment purchases that were being made by the City were approved earlier this year by the Council and noted no new equipment purchases were being considered at this time.

Councilmember Garvais thanked Mr. Huss for his detailed report. He stated he was receiving feedback from residents regarding parks and recreation programming. He indicated the public wants to be able to make their own decisions regarding their family's health and welfare with respect to summer programming and outdoor recreation. He understood there was a financial aspect to this programming. He requested the City create a one page sheet that explains how the City will be impacted by COVID-19, noting the measures the City has taken to reduce expenditures.

Mayor Ryan anticipated that most homeowners paid their property taxes through an escrow.

Councilmember Robertson asked if staff knew what percentage of homeowners in

Blaine paid their property taxes with an escrow. Mr. Huss reported 37% of homeowners in all of Anoka County paid their property taxes through an escrow and indicated this number could be higher for residential property in Blaine.

Councilmember Swanson questioned what percentage of property taxes come from commercial/light industrial properties. Mr. Huss estimated this to be about 30% of the City's property taxes.

Councilmember Swanson suggested an informational sheet also be created by staff explaining why the beach was not being opened for health and safety reasons. Ms. Wolfe reported staff could discuss this further and would report back to the Council.

Communications Coordinator Hayle provided the Council with an overview on communication levels for the past 67 days. He reported the City's website has had 90,000 users, which was 1,300 customers per day. He noted this was a 35% increase over 2019. He indicated a lot of the traffic has been to the City's COVID-19 page. In addition, the number of live chats has increased by 258% since the beginning of the pandemic. He stated the public was still finding ways to communicate with City staff. He commented on the text system that was in place and noted the City was growing its subscribers within its Civic Plus system. The City's social media impressions and engagement were then discussed. He noted the City's number of followers has gone up by 35% in the past two months. The positive impacts of the virtual park program was reviewed. He reported the communications team would continue to work diligently to meet the needs of the City during the pandemic.

Mayor Ryan thanked Mr. Hayle for all of his efforts.

Mr. Thorvig updated the Council on how other cities were addressing restaurants in anticipation of them safely reopening by June 1 and discussed how patrons would have to be spaced out and noted restaurants were requesting to expand seating to outdoor/non-traditional patio space. He stated Lakeville and Burnsville has adopted this type of scenario. He reported he would be meeting with police and fire staff tomorrow in order to address this topic further and would bring this item back to the Council at a future meeting.

Mayor Ryan supported the City working to assist local restaurants.

City Clerk Sorensen stated she received a request from one church to hold a drive in church service and also indicated staff received a request for continual outdoor services in order to maintain proper social distancing. She explained staff was discussing how to address this request.

Public Services Manager/Assistant City Manager Therres reported staff has been in contact with State and local sports associations and stated if leagues are allowed plans will be made for the Council to review.

Ms. Wolfe updated the Council on the City's hiring noting several positions within the Police Department were being filled because they were already deep into the process when the pandemic occurred. She stated several utility seasonal employees were being hired to assist this department and noted these positions would be paid for through utility funds and not the General Fund. She reported an internal posting would occur for a utility position because this was deemed an essential function. She explained the City has a hiring freeze in place for all other vacant positions.

Ms. Wolfe commented in an interest of transparency a new warning siren would be purchased for The Lakes neighborhood. She stated this was a matter of public safety and staff would be moving forward with this purchase.

Ms. Wolfe explained staff was receiving quotes to have glass installed at City department counters as a protective measure for staff.

Ms. Wolfe indicated she had the occasion to gauge the Council's thoughts regarding legislation that affects cities. She anticipated this topic would be addressed by the legislature in a special session in June.

Mayor Ryan commented on the fact there were a large number of recent college grads that were hoping to be hired as a Police Officer and he understood the City was seeking applicants. Police Chief/Safety Services Manager Podany explained the City had a list already in place for its open position. He reported the City would be creating a new list in six months.

Councilmember Hovland requested staff create a document that would address the executive orders that were in place for reopening local businesses. He indicated he has received a number of emails regarding Lever Street given the fact there was finishing work that still needed to be done. He recommended staff provide the Council an update on this matter at the City Council meeting.

Councilmember Swanson noted the Bonfire restaurant would not be reopening and questioned if there were any other restaurants that would not be reopening. Mr. Thorvig stated the Elegance Event Center would not be reopening.

30 Minute Discussion

4 Council Calendar Review

City Manager Wolfe reviewed the Council Calendar.

OTHER BUSINESS

None.

ADJOURN

The Workshop was adjourned at 7:31 p.m.

Adjourned