



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 City Council and staff to discuss issues before them. It is not for the purpose of receiving public input.

Monday, February 7, 2022

6:30 PM

Cloverleaf Farm Room A

NOTICE OF WORKSHOP MEETING

1 Call to Order

The hybrid meeting was called to order by Mayor Sanders at 6:40PM.

2 Roll Call

PRESENT: Mayor Tim Sanders, Councilmembers Wes Hovland, Julie Jeppson, Chris Massoglia (participating remotely 2390 Surfside Boulevard, Cape Coral, FL), Richard Paul, (participating remotely), and Jason Smith.

ABSENT: Councilmember Jess Robertson.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; City Engineer Dan Schluender; City Attorney Chris Nelson; Communications Manager Ben Hayle; Deputy HR Director Sheri Chesness; and City Clerk Catherine Sorensen.

Present: 6 - Councilmember Paul, Councilmember Hovland, Massoglia, Smith, Sanders, and Councilmember Jeppson

Absent: 1 - Councilmember Robertson

3 New Business

3-1

Legislative Update

Mayor Sanders reported representatives from Lockridge Grindal Nauen were attending virtually to provide the council with a legislative update.

Cullen Sheehan, Lockridge Grindal Nauen, thanked the council for their time. He reported the legislative session started last week and the state had an extremely large surplus of \$7.8 billion. He indicated the governor has a budget proposal that would utilize \$7.5 billion in spending with \$2.7 billion being used in a bonding bill. He stated committees were meeting and the first deadline was the last week of March. He expected there would be a focus on redistricting.

Ann Lenszewski, Lockridge Grindal Nauen, explained she and her team have been making headway on TH65. She stated there would be a virtual hearing in the House next Thursday on this topic and she would continue to seek opportunities to get the council involved at the state level. She commented the Senate has also committed to a hearing which would occur during the second or third week of March. She noted the bonding committee has also been reviewing the TH65 project. She discussed how federal dollars would come into play at a later time.

Mayor Sanders thanked the representatives for their presentation and for their efforts on behalf of the city.

Discussed

30 Minute Discussion

3-2

Industrial Development Proposal for 10601 Naples Street

Attachments: [Developer Narrative](#)
 [Concept Site Plan](#)
 [Building Elevation](#)
 [Existing Zoning Map](#)
 [Existing Land Use Map](#)
 [2007 Concept Development Plan](#)

Community Development Director Thorvig stated staff has been approached by Capital Partners, a Twin Cities based real estate investment, development and management company, regarding potential redevelopment of the Metro Gun Club property located at 10601 Naples Street. The developer has a signed purchase agreement with the landowner. Development of the property requires significant due diligence related to zoning, wetland impacts, property conditions, Environmental Impact Statement (EIS), etc. The project is still in its very early stages, however staff felt it was appropriate to introduce the project to the city council to obtain feedback regarding the proposal and what regulatory issues exist at the city level.

Tim McShane, Capital Partners, thanked the council for their time. He

introduced his team members to the council and discussed the business park he was proposing for Blaine. He indicated he was looking forward to hearing from the council and if they were interested in rezoning this property to light industrial. He commented further on how the office market was shifting and changing.

Jason Simek, Capital Partners, discussed the industrial real estate market in the metro area. He indicated there was an unprecedented demand for light industrial space at this time and noted there was only a 4% vacancy factor. He reported the metro area needs more buildings to support the growth that was occurring in this area, especially along the I-35W corridor. He commented on the amount of space his tenants require and noted the split between finished office/industrial space.

Peter Mork, Capital Partners, thanked the council for hearing from him and his partners regarding their office park project. He reported the demand for office users was non-existent post-COVID while there was a strong demand for light industrial. He explained his company specializes in industrial developments and knows this market. He indicated the proposed industrial development project would be constructed fast and would fill fast.

Mr. Thorvig stated this would be an early conversation between the council and the developer to gauge the city's level of interest. Mayor Sanders indicated this part of the city (109th and Lexington Avenues) was the development corridor of Blaine. He reported there was a lot of development being planned and shared the council's concern with making this development look cohesive. He said he did not want future development to be patchwork or piecemealed together but rather wanted developments to work together with surrounding properties. He explained he appreciated the number of jobs that this development would bring to Blaine, but was concerned with how this development would look to the adjacent neighborhoods and those visiting the community. He stated he would like to see this development made more aesthetically pleasing to soften the view to those passing by the proposed development.

Rick Wilder, Metro Gun Club, reported this project came to him unexpectedly but he believed the developer had the means and ability to make changes. He discussed how this project would better the community and encouraged the council to move forward with the proposed development.

Mayor Sanders thanked Mr. Wilder for all he has done for the community. He stated he wanted Mr. Wilder to win with this development but also wanted the development to be a big win for the community.

Mr. Mork explained this development would have a nice wetland setback, which would create a natural buffer between the development and 109th Avenue.

Councilmember Hovland discussed the history of this property and its zoning. He reported one of the concerns from the previous council was that this site would generate too much truck traffic. He indicated he did not have a big issue with allowing trucks on the site now so long as they stayed away from the residential neighborhoods. He asked if this project would require the Army Corps of Engineers to be involved or could the project be managed by the watershed district. Mr. Mork indicated he was in discussions with all agencies at this time.

Councilmember Smith commented he liked the wetland maintenance buffer and questioned who would be owning and maintaining this wetland. He indicated having this large of a wetland along this corridor would be inconsistent with the property that was on the other side of the street.

Councilmember Jeppson stated she wanted the property owner to win on this project but explained that at this time, if these were the final plans, she would not be in support of the project. She had concerns with the look of the project from 109th Avenue and encouraged the developer to soften the projects appearance. She said she appreciated the buffer that was in place with the wetland but noted this entire area was flat and the buildings would be viewed from the adjacent neighborhood. She said she liked that the business park would not be accessed from 109th Avenue but questioned if Lexington Avenue could handle the semi-truck traffic that would be generated by the business park. Mr. Thorvig reported a traffic study would have to be completed for this project which would investigate traffic impacts for Lexington Avenue.

Councilmember Paul thanked the property owner for attending this meeting as well as the developers. He said he hoped this development would be a positive for all parties involved then commented he did not have any objection to the project at this time.

Councilmember Massoglia stated while he would miss the gun club he respected Mr. Wilder's decision to sell. He thanked Mr. Wilder for being a part of the community. He indicated he has a lot of questions about the wetland and how it would be tied into the neighborhood. He explained he would not support any type of financial request either through wetland credits or a TIF district. He reported this was prime real estate and did not believe financial incentives were necessary in order to develop this

property. He indicated he would like to know more about the plans for the wetland area and if it could be restored at some point in the future.

Mayor Sanders indicated he was not opposed to rezoning the property and believed the proposed project would be an asset to the community. However, he stated the council would need to know more about the wetlands, how the wetlands would be maintained and if the building facades could be softened.

Mr. McShane thanked the council for their feedback. He stated he would like to bring a fantastic industrial park to Blaine. He understood the comments from the council and noted these plans were not the final product. He said they intended to work together with the city on this project. He was of the opinion this site would lean towards industrial and not office or retail. He stated he was not proposing a major distribution center but rather the site would be broken down to smaller buildings in order to address trucking concerns.

Councilmember Hovland explained he was not opposed to the zoning change. He reported the gun club had to be one of the first businesses in Blaine and discussed how the area around it has changed over the years. He said he was pleased with how the proposed development would bring new jobs to the community.

Councilmember Jeppson asked what the restrictions or limitations were for light industrial. Mr. Thorvig explained light industrial zoning did not allow outdoor storage. He noted light industrial functions are very similar to a planned office district, but allows for more flexibility between the office/warehouse space.

Councilmember Smith stated he supported rezoning and indicated he would like the developer to work more on the proposed finishes.

Councilmember Jeppson indicated she supported the rezoning with the understanding more conversations would have to be had regarding the building aesthetics and wetlands.

Councilmember Paul stated he supported the rezoning.

Councilmember Massoglia commented he would like to see more detail on the plan. He explained in order for him to support the rezoning he would need to understand if there was going to be a financial ask.

Mayor Sanders noted Councilmember Robertson was not available at this time to comment and noted while he supported the rezoning he

wanted to understand better how the development would look and feel from 109th Avenue.

Council consensus was to support the rezoning but requested more information surrounding project finishes, the exterior elevations, wetlands/wetland maintenance.

30 Minute Discussion

ADJOURN

The Workshop was adjourned at 7:45PM.

Adjourned