

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Monday, September 13, 2021

6:00PM
Council Chambers
10801 Town Square Drive

CALL TO ORDER

The meeting was called to order by Mayor Sanders at 6:00PM.

ROLL CALL

PRESENT: Mayor Tim Sanders, Councilmembers Wes Hovland, Julie Jeppson, Chris Massoglia, Jess Robertson, and Jason Smith.

Adjunct Member Drew Brown.

ABSENT: Councilmember Richard Paul.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Police Chief/Safety Services Manager Brian Podany; Fire Chief Charlie Smith; Finance Director Joe Huss; City Engineer Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3.1 Northtown Area Revitalization and Redevelopment Planning Study Update.

Community Development Director Thorvig stated the Northtown Area planning study began in August, 2021 after approval of the contract with Damon Farber. He reported representatives from Damon Farber had an update for the council on the Northtown Area Revitalization and Redevelopment study.

Jeff McMenimen, Damon Farber, provided the Council with information on the Northtown Area study. He discussed the project timeline and highlighted the work that had been done to date. He reported a tour of the mall was conducted with city staff and the mall owner. He indicated their mission at this time was to create an assessment of existing conditions, parking situations, along with a market analysis in order to create a redevelopment strategy for the Northtown Mall and the surrounding area. He stated he was working with city staff on creating a survey for gathering data then commented further on discussions with the mall

owners noting they were very supportive of this effort. He reported the design charette would be held October 26 through October 28 explaining the outcomes from the charette would assist with planning the future for the mall and the surrounding area. Further discussion ensued regarding the ways in which Damon Farber would be reaching out to stakeholders and the public to conduct community engagement.

Tom Whitlock, Damon Farber, described the area that was included within the study. He discussed the feedback he received from the public at World Fest and was noted pedestrian safety and access to the mall would be a large component of the study.

Mayor Sanders thanked the representatives from Damon Farber for their presentation then asked for comments or questions from the council.

Councilmember Hovland discussed the issues underway with Metro Transit. He noted there were local transit opportunities that may provide transportation opportunities to the Northtown Mall. He explained the impacts to property owners near the mall should three and four-story apartment complexes be constructed. He encouraged the consultants to reach out to these adjacent neighborhoods and the two large churches near the mall for their input as the current demographic may not align with some of the proposed concepts such as higher end condos.

Councilmember Smith agreed these were stakeholders who should be included but noted the mall was more of a regional asset. He anticipated the rebuild would take into account more than just the local neighborhoods and wanted to ensure that the city was thinking broadly and big enough.

Councilmember Hovland commented further on the security concerns that have arisen in the mall area.

Councilmember Jeppson thanked the Damon Farber representatives for their detailed report. She stated she looked forward to hearing more from the consultants as this process moves forward.

Councilmember Massoglia commented the mall owners stated they do not believe the mall can succeed going into the future in the current market place. He asked if the mall owners have a plan or priorities going forward. Mr. Whitlock reported these are things they have studied, but understand that something transformational has to happen in order for the mall to survive. He indicated the mall owners understand the challenges in place that have impacted their ability to make quick transformational change. Mr. Thorvig stated there were physical site challenges that make the site difficult and this has to be further explored and discovered for the short term, medium term and long term.

Councilmember Hovland confirmed the fitness center in the mall was attached to the mall but had private ownership then discussed the outlying parking at the mall, noting it was greatly underutilized. He encouraged the city to consider how to develop this space. Mr. McMenimen explained this would be considered through the study then commented further on the infield development that has occurred at the Southdale Mall.

Mayor Sanders discussed how the surrounding commercial areas will have to be financially invested in this process along with the city. Mr. Thorvig stated this was one of the biggest challenges facing the mall at this time. He reported further details regarding the design charette would be forthcoming for the council.

3.2 Council Requested Items for Discussion.

Councilmember Robertson requested that council discuss as a future topic what housing options and housing styles should be considered for the next three to ten years.

Councilmember Jeppson agreed, stating she supported the council being proactive instead of reactive when it comes to housing and encouraged the council to keep in mind it would be important to provide diverse housing options.

Further discussion ensued regarding the development that was recently approved.

Councilmember Hovland noted much of the housing in Blaine over the past 10 years has been market driven and has happened quite rapidly and noted the council has not had sufficient time to discuss a housing vision and said he appreciated being able to address these concepts and concerns.

Council consensus was to include housing development/redevelopment discussions on an upcoming workshop agenda.

3.3 Proposed 2022 SBM Capital Budget.

Fire Chief Smith presented the 2022 SBM capital budget to the council. The capital requests for 2022 were reviewed in detail which included the replacement of Tender 3 at Station 3 and other building improvements. It was noted the department had a seven-year cycle to replace its turnout gear. The potential apparatus changes were described for the fleet. He reported the total capital expenditures for 2022 was \$546,000.

Councilmember Hovland discussed past concerns that were created between the three cities when it came to capital purchases and suggested Chief Smith schedule a workshop in order to allow the three cities to openly discuss the proposed purchases. Chief Smith agreed then commented on the benefit of having an administrative committee in place and explained

each city would be receiving the same presentation the Blaine City Council received this evening.

Councilmember Hovland questioned how the SBM Capital Improvement Plan (CIP) was working. Chief Smith stated he believed the feedback from the council was working well and noted large purchases for the department have been spread out. Finance Director Huss commented further on the 20-25 year CIP for the SBM Fire Department noting large purchases would draw off capital reserves. He reported this plan has been agreed to by all three cities.

Councilmember Jeppson recommended the Tahoes not be replaced simply due to the fact it would be more convenient to have a pickup truck and asked that they not be replaced until the end of their useful life. Chief Smith reported the Tahoes were from 2002 and one has lost its transmission.

Councilmember Robertson asked how long it would take to receive a new tender. Chief Smith reported some manufacturing was taking one year to two years to complete.

Councilmember Robertson said she prioritized a new fire station versus replacing other vehicles within the department. She encouraged the fire department to implement a similar plan for its fitness equipment as done in the police department and recommended that ARP funds be used for PPE. Mr. Huss stated he would have to investigate this further.

Councilmember Hovland suggested the city partner with the fire department for larger capital purchases, such as vehicles and fitness equipment purchases. Chief Smith agreed this was a good idea and noted this has been done in the past.

Mayor Sanders requested further information regarding the payroll increases. Chief Smith explained the majority of the large increases were for positions that were reclassified within the department. He commented further on the new hires within the department and noted these positions were funded at a mid-grade level within the pay equity study.

Mayor Sanders asked for an update on the city of Centennial. Chief Smith reported SBM took over administration and management of the Centennial Fire Department. He explained this was a learning process and noted two full time employees were hired. He indicated an audit would be completed over the next 10 months and noted a needs list would be created for the next three years. He stated personnel within this fire service has been positive, which was proving to be productive. Further discussion ensued regarding the history of the Centennial Fire Department.

Mayor Sanders requested further information regarding the financial agreement between the two organizations. Ms. Wolfe explained Centennial was contracting with SBM for leadership

and administrative services. Chief Smith reported Centennial was paying an administrative fee quarterly (\$95,000) and they also covered the expense for the two full-time employees.

Councilmember Robertson discussed the pay study and questioned how the department chose to respond. Chief Smith explained the department chose to have the mid-range as a target.

Mayor Sanders thanked Chief Smith for his detailed presentation.

3.4 2022 Proposed Special Revenue Funds Budget Discussion.

Mr. Huss stated as part of the city's comprehensive budget process, staff will present preliminary budgets for two special revenue funds. He discussed the communication fund and charitable gambling fund in detail with the council. The surplus within the charitable gambling fund was reviewed along with how the council could make increased allocations to organizations within the community. The proposed reduction in the communication fund revenues was described. Staff requested the council review the 2022 proposed budgets for both the Communications Fund and the Charitable Gambling Fund and provide direction for staff to incorporate into a final proposed budget to be adopted later in 2021.

Mayor Sanders asked what the process was for deciding which organizations the council support. Mr. Huss reported the organizations listed make a formal request annually for funding. He indicated the council asked to increase funding for the local food shelves.

Councilmember Jeppson said the food shelves were in need at this time and while she understood she would have to abstain from voting when formally presented for action she encouraged the council to increase the contribution to the food shelves to \$10,000 or greater because they were directly helping Blaine residents.

Councilmember Hovland commented he would be in favor of helping the Veterans Memorial Park. Ms. Wolfe reported the park board has been discussing making a donation to the Veterans Memorial.

Councilmember Robertson explained she would like to better understand if ARP funds can be used to assist local organizations. She indicated she supported increasing the donations made to the local food shelves.

Councilmember Massoglia stated he supported increasing contributions to the food shelves as well then questioned if the city had ever considered giving charitable funds back to the organizations who raise the funds. Mr. Huss explained this could not be done due to state statute.

Councilmember Smith commented he supported increasing the funding to food shelves for the extra reserves.

Councilmember Massoglia suggested an additional \$10,000 be spent on fireworks for Blaine's Blazin 4th Festival from the charitable gambling fund.

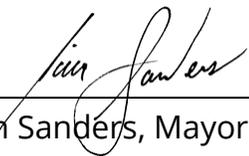
Councilmember Jeppson explained she did not fully embrace the complexity of franchise fees and reported she was confident North Metro TV Executive Director Heidi Arnson was doing everything she can to be fiscally responsible with spending, including being creative in finding new revenue streams.

Ms. Wolfe commented she served on a committee with other city managers and this group met last week where they discussed how franchise fees have been impacted over the past two months noting subscribers were down but fees collected were up.

Councilmember Hovland reported North Metro TV has been battling this for years. He understood there has been litigation in the past and Xfinity/Charter wanted these fees to go away. He stated he would understand if this issue ends up in court again.

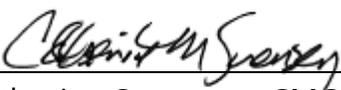
Ms. Wolfe provided the council with an update on the renovations that were occurring at city hall.

The Workshop was adjourned at 8:05PM.



Tim Sanders, Mayor

ATTEST:



Catherine Sorensen, CMC, City Clerk
Submitted by Minute Maker Secretarial