

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Thursday, September 20, 2018

7:30 P.M.
Council Chambers
10801 Town Square Drive

CALL TO ORDER BY MAYOR PRO TEM KING

The meeting was called to order at 7:30 p.m. by Mayor Pro Tem King followed by the Pledge of Allegiance and the Roll Call.

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT: Mayor Pro Tem Jason King, Councilmembers Dave Clark, Andy Garvais, Wes Hovland, Julie Jeppson, and Dick Swanson.

ABSENT: Mayor Tom Ryan.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Associate Planner Lori Johnson; Associate Planner Shawn Kaye; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Economic Development Coordinator Erik Thorvig; Public Services Manager/Assistant City Manager Bob Therres; City Attorney Patrick Sweeney; City Engineer Dan Schluender; Senior Engineering Technician Jason Sundeen; Communications Technician Roark Haver; and City Clerk Catherine Sorensen.

APPROVAL OF MINUTES

Workshop Meeting – September 6, 2018

Regular Meeting – September 6, 2018

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that the Minutes of Workshop Meeting of September 6, 2018, and the Minutes of the Regular Meeting of September 6, 2018 be approved.

Motion adopted 4-0-2. Councilmember King and Councilmember Clark abstained on the September 6, 2018 Council and Workshop meeting minutes due to their absence.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

5.1 Proclamation Declaring October as National Domestic Violence Awareness Month.

Mayor Pro Tem King read a proclamation in full for the record declaring October to be National Domestic Violence Awareness Month in the City of Blaine.

COMMUNICATIONS

None.

OPEN FORUM FOR CITIZEN INPUT

Mayor Pro Tem King opened the Open Forum at 7:35 p.m.

There being no input, Mayor Pro Tem King closed the Open Forum at 7:35 p.m.

ADOPTION OF AGENDA

The agenda was adopted as amended moving Item 11.7 to be discussed first under Development Business.

7:30 P.M. - PUBLIC HEARINGS AND ITEMS SET FOR A CERTAIN TIME

9.1 Motion 18-114, Off-Sale 3.2% Malt Liquor and Tobacco Licenses for Northern Tier Retail, LLC DBA SuperAmerica #5056, 2310 Cloud Drive NE, Blaine, Minnesota.

City Clerk Sorensen stated Kimberly Duncan, applicant for Northern Tier Retail, LLC dba SuperAmerica #5056, has submitted applications for Off-Sale 3.2% Malt Liquor and Tobacco licenses located at 2310 Cloud Drive NE, Blaine, Minnesota. The applicant has submitted completed application materials, certificate of insurance including liquor liability, and the appropriate license fees. The Police Department's background check came back successful. The 3.2 Off-Sale and Tobacco Licenses will be issued upon completion of the fire inspection and Certificate of Occupancy. All required information will be submitted to the Department of Public Safety Alcohol and Gambling and the Minnesota Revenue Department upon approval of by the Council.

Mayor Pro Tem King opened the public hearing at 7:36 p.m.

There being no additional public input, Mayor Pro Tem King closed the public hearing at 7:36 p.m.

Moved by Councilmember Swanson, seconded by Councilmember Jeppson, that Motion 18-114, "Off-Sale 3.2% Malt Liquor and Tobacco Licenses for Northern Tier Retail, LLC DBA SuperAmerica #5056, 2310 Cloud Drive NE, Blaine, Minnesota," be approved.

Motion adopted unanimously.

APPROVAL OF CONSENT AGENDA:

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that the following be approved:

10.1 Motion 18-115, Schedule of Bills Paid.

10.2 Motion 18-116, Approve a Special Events License for the Kris Lindahl Team Great Pumpkin Giveaway located at the National Sports Center, 1700 105th Avenue NE.

Motion adopted unanimously.

DEVELOPMENT BUSINESS11.7 First Reading – Ordinance No. 18-2413, Granting a Rezoning from B-2 (Community Commercial), FR (Farm Residential) and DF (Development Flex) to PBD (Planned Business District) for 39.24 Acres at 125th Avenue/Jefferson Street NE. Hy-Vee (Case File No. 18-0048/LSJ).

Associate Planner Lori Johnson stated the City has been presented with development applications for a Hy-Vee store and convenience/gas store and car wash on the southwest corner of Jefferson Street NE and 125th Avenue. In May 2018, the City Council approved a land use amendment for the vacant 40 acres on this corner that resulted in a land use for the property of HDR/PC (High Density Residential/Planned Commercial). This land use change occurred earlier than the current applications due to the timing of the City's 2040 Comprehensive Plan process with the Metropolitan Council. At this time, the applicant needs to obtain a rezoning of the property, a preliminary plat to subdivide the property and a conditional use permit to set up standards of development.

Ms. Johnson explained the approximately 40-acre property on which the development will occur has three different zoning designations at this time. The northeast corner (approximately 5.5 acres) of the property has a B-2 (Community Commercial) zoning designation. The area immediately west of that corner is zoned DF (Development Flex) and the southern half of the property is zoned FR (Farm Residential). The proposed zoning, to provide consistency over the entire 40 acres, is PBD (Planned Business District). The PBD allows gas station/convenience store with car wash, grocery store, liquor store and general retail with approvals of a conditional use permit. The PBD zoning would also accommodate the other potential uses that could occur on the 40-acre site in the future such as office or higher density residential. The site has the land use designation of HDR (High Density Residential)/PC (Planned Commercial). The PBD zoning is the correct zoning to implement the proposed land uses and conditional use permits that are requested.

Matthew Elhadad, 508 122nd Avenue, thanked the Council for responding to resident emails and calls. He explained his efforts were not against Hy-Vee but rather with safety concerns if 125th Avenue were connected to Jefferson Street through Crescent Ponds. He stated that while this road may meet the minimum engineering standards to act as an urban collector street this was a residential roadway. He discussed how traffic would increase in his neighborhood from 600 cars to 3,000 cars per day. He feared how this increase in traffic would impact the safety for neighborhood children. In addition, he did not believe this roadway could handle the increased volume of traffic. He discussed how the land change would impact traffic volumes stating there was no longer a minor business focus within the proposed development. He believed the traffic increases were drastic and did not seem reasonable. He encouraged the Council to support the Hy-Vee development, but to not proceed with the roadway connection.

Allen Schlipp, M&P Associates, explained he was an engineer and was asked by the Crescent Ponds neighborhood to review the traffic study for this project. He discussed several areas that he disagreed with, the first being on Page 9 noting the new roadway connection would be used as a short cut, would have similar travel times as adjacent roadways and therefore diversion traffic would be higher than 5%. Second, on Page 11 it states the number of cars would increase from 600 to 1,300. However, this number would increase over time and once the Hy-Vee development was completed. He explained the proposed traffic increases were over the maximum allowed on a local roadway, which was the classification for Jefferson Street. He commented on Page 12 of the study and stated the level of service at Main Street and Jefferson was poor already (Grade D). He indicated on Page 24 the Hy-Vee trip impacts were discussed and it was his opinion the residential neighborhood would be impacted more than the adjacent local roadways. He described how the increased traffic volume would hinder safety conditions and noted this would also reduce property values.

Mayor Pro Tem King understood the public had a great deal to say about this matter and encouraged the residents to come back to the Thursday, October 4th City Council meeting.

Councilmember Garvais stated he had received a large number of emails regarding this proposal. He commented one suggestion was to have traffic run one-way or northbound out of the neighborhood. He requested staff review this potential and report back to the Council at their next meeting.

Mayor Pro Tem King reported he lives close to this neighborhood and noted he was open to addressing all options for this development. He was of the opinion this was not the best connection Blaine could make at this time.

Councilmember Jeppson thanked the public for sharing their comments, calls and emails. She explained the Council takes these comments very seriously and noted her priority was safety.

Councilmember Garvais encouraged Mr. Schlipp to provide the Council with a formal written report prior to the October 4th Council meeting.

Declared by Mayor Pro Tem King that Ordinance No. 18-2413, "Granting a Rezoning from B-2 (Community Commercial), FR (Farm Residential) and DF (Development Flex) to PBD (Planned Business District) for 39.24 Acres at 125th Avenue/Jefferson Street NE," be introduced and placed on file for second reading at the October 4, 2018 Council meeting.

11.1 Resolution No. 18-183, Granting Final Plat Approval to Subdivide Three (3) Parcels (7.5 Acres) into 19 Lots and Two (2) Outlots to be known as Glen Cove (Case File 17-0043/LSJ).

Moved by Councilmember Jeppson, seconded by Mayor Pro Tem King, that Resolution No. 18-183, "Granting Final Plat Approval to Subdivide Three (3) Parcels (7.5 Acres) into 19 Lots and Two (2) Outlots to be known as Glen Cove," be approved.

Ms. Johnson stated the final plat of Glen Cove contains 19 single family detached townhome lots. The lots will be accessed through one access on Radisson Road. There are two outlots in the plat. Outlot A will be used for a private Road and Outlot B will be used for storm drainage purposes.

Motion adopted unanimously.

11.2 Resolution No. 18-184, Granting a Final Plat to Subdivide 14.72 Acres into 43 Lots and Two (2) Outlots to be known as Wicklow Woods located at 1130, 1160 and 1170 113th Avenue NE. Lennar Corporation (Case File No. 18-0042/LSJ).

Moved by Councilmember Swanson, seconded by Councilmember Garvais, that Resolution No. 18-184, "Granting a Final Plat to Subdivide 14.72 Acres into 43 Lots and Two (2) Outlots to be known as Wicklow Woods located at 1130, 1160 and 1170 113th Avenue NE," be approved.

Ms. Johnson stated Lennar is proposing to develop 14.72 acres into 43 single family lots and two outlots and the development will be known as Wicklow Woods. The 43 single family lots have a minimum lot width of 60 feet, with setbacks listed in the conditional use permit resolution. The outlots will be used for storm water ponding and wetlands.

Councilmember Hovland asked if this development would have sidewalks. Ms. Johnson commented the development would have six-foot sidewalks and noted the location of these sidewalks for the Council.

Motion adopted unanimously.

11.3 Resolution No. 18-185, Granting a Conditional Use Permit Amendment to Expand an Existing Chapel to Allow for More Audio Visual Equipment Installation at Kozlak-Radulovich Funeral Chapel at 1385 107th Avenue NE. (Case File No. 18-0061/SLK).

Moved by Councilmember Clark, seconded by Mayor Pro Tem King, that Resolution No. 18-185, “Granting a Conditional Use Permit Amendment to Expand an Existing Chapel to Allow for More Audio Visual Equipment Installation at Kozlak-Radulovich Funeral Chapel at 1385 107th Avenue NE,” be approved.

Associate Planner Shawn Kaye stated the property (3 acres) located just west of Highway 65 and north of 107th Avenue is zoned B-2 (Community Commercial). At this time, the applicant wishes to expand an existing 1,747 square foot chapel to an expanded chapel of approximately 3,000 square feet. A Conditional Use Permit is required for a funeral home in the B-2 Zoning District. Therefore, the applicant is requesting approval of a Conditional Use Permit amendment for the small funeral home expansion at this time.

Motion adopted unanimously.

11.4 Second Reading – Ordinance No. 18-2412, Granting a Rezoning from B-4 (Office Park) to DF (Development Flex) located at 10267/10299/10301 University Avenue NE. Shade Tree Construction. (Case File No. 18-0039/SLK).

Moved by Councilmember Garvais, seconded by Mayor Pro Tem King, that Ordinance No. 18-2412, “Granting a Rezoning from B-4 (Office Park) to DF (Development Flex) located at 10267/10299/10301 University Avenue NE,” be approved.

Ms. Kaye stated the site that is being developed currently has a zoning of B-4 (Office Park) and a land use of CC (Community Commercial), neither of which support residential development. In order to have a residential use on this site the land use designation on the property must be changed to HDR (High Density Residential) to match the density (between 12 and 25 units per acre) of the proposed development. In addition, a rezoning will be required to match the residential development. The City has long used the DF (Development Flex) zoning designation for multi-family residential projects and that is what is proposed for this parcel.

Motion adopted unanimously.

11.5 Resolution No. 18-186, Preliminary Plat to Subdivide 3.21 Acres into 43 Townhome Lots to be known as South Terrace Cove at 10267/10299/10301 University Avenue NE. Shade Tree Construction. (Case File No. 18-0039/SLK).

Moved by Councilmember Clark, seconded by Councilmember Hovland, that Resolution No. 18-186, “Preliminary Plat to Subdivide 3.21 Acres into 43 Townhome Lots to be known as South Terrace Cove at 10267/10299/10301 University Avenue NE,” be approved.

Ms. Kaye stated three existing office buildings with rear yard storage buildings are currently located on the northeast corner of University Avenue and 102nd Lane. The three buildings are located on three separate

parcels. The applicant, Shade Tree Construction is proposing to construct nine (9) townhome buildings with a total of 43 units. The 3.2-acre parcel will be subdivided into a total of 44 lots (one for each unit and one common lot).

Councilmember Swanson explained he typically does not support small townhome developments, however, because the City would be assisting this development financially, he stated he would be offering his support.

Mayor Pro Tem King stated he too would be offering his support to this development, noting the project proposal was very well done.

Councilmember Jeppson asked for comment from the developer on how the neighbors feel about the proposed townhouse development.

Mark Strandlund, Shade Tree Construction, explained he has had discussions with some neighbors and noted the price of the units would be approximately \$300,000. He provided further comment on the townhome units that would be constructed.

Motion adopted unanimously.

11.6 Resolution No. 18-187, Conditional Use Permit to Allow for the Construction of 43 Townhome Units and a Private Street in a DF (Development Flex) Zoning District (Shade Tree Construction – South Terrace Cove).

Moved by Councilmember Clark, seconded by Councilmember Jeppson, that Resolution No. 18-187, “Conditional Use Permit to Allow for the Construction of 43 Townhome Units and a Private Street in a DF (Development Flex) Zoning District,” be approved.

Ms. Kaye stated the developer is proposing to construct townhome units that are 1,600 square feet (finished floor area). A floor plan and building elevations are included for your review. There will be five (5) buildings with private front entrances and rear garages. The other four (4) building styles will be back to back with 4 units in each building. The exteriors of the units include stone accents, vinyl siding and architectural roof shingles. The interior features of the units are also included for your review. The applicant has indicated that preliminarily the units could be approximately valued at \$250,000+ per unit.

Motion adopted unanimously.

ADMINISTRATION

12.1 Resolution 18-188, Receive Petition and Order Public Hearing for Vacation of Easements for Road Purposes as Described in Exhibit A, Vacation No. V18-09.

Moved by Mayor Pro Tem King, seconded by Councilmember Swanson, that Resolution 18-188, “Receive Petition and Order Public Hearing for Vacation of Easements for Road Purposes as Described in Exhibit A,” be approved.

City Engineer Schluender stated a petition received September 7, 2018, was submitted to the City by Joshua Metzger, representing Lennar Family of Builders, requesting vacation of easements to allow for the subdividing of the property into the plat of Wicklow Woods. The easement will be replaced in the new plat. The applicant represents a majority of the affected property abutting this easement.

Motion adopted unanimously.

12.2 Resolution 18-189, Adjusting Certain Tax Levies for Bonded Indebtedness for Fiscal Year 2019.

Moved by Councilmember Swanson, seconded by Councilmember Jeppson, that Resolution 18-189, "Adjusting Certain Tax Levies for Bonded Indebtedness for Fiscal Year 2019," be approved.

Finance Director Huss stated adoption of a resolution to adjust tax levies certified for bonded indebtedness is requested. The resolution includes adjustments to scheduled levies for the City's General Obligation (G.O.) Special Assessment Improvement Bonds, G.O. Capital Improvement Bonds, and the City's Capital Equipment Certificates of Indebtedness. For G.O. Debt issues that are primarily funded through special assessments against the improved property, an analysis of deferred special assessments collections is made by the City's financial consultant at the time the bonds are issued. This can result in a calculated deficit of available funds, thus requiring a tax levy to fund repayment of the debt. This calculated levy is certified to the County at the time the bonds are issued as a general ad valorem levy for each year. These levy amounts are reviewed annually to verify their necessity. Finance staff has reviewed the financial position of the City's debt service funds in 2018 and has determined that certain levies should be adjusted in 2019.

Motion adopted unanimously.

12.3 Resolution 18-190, Certify Proposed General Fund Budget and Tax Levy for Fiscal Year 2019.

Moved by Councilmember Jeppson, seconded by Councilmember Garvais, that Resolution 18-190, "Certify Proposed General Fund Budget and Tax Levy for Fiscal Year 2019," be approved.

Mr. Huss stated Minnesota Statutes require that cities annually certify preliminary budget and property tax levies to county auditors by September 30. As discussed at previous budget workshops, the preliminary budget may be adjusted either up or down, however, once set, the property tax levy can only be lowered. Thus, the Council does have the ability to reduce the preliminary tax levy as the 2019 budget process unfolds. The levy proposed in the attached resolution would, per the best estimates of staff given data currently available, result in a combined 2019 net tax capacity rate that equals the 2018 combined net tax capacity rate for the City and EDA of 36.842%. The proposed General Fund expenditure budget totals \$32,266,450. Preliminary revenue sources provide a safe margin of revenues over expenditures of \$112,950.

Mayor Pro Tem King questioned assessment trends from Anoka County. Mr. Huss discussed the projected 2019 figures were fairly consistent and while they were still waiting for some property valuations from the State that could result in adjustments projects were close to the proposed full increase in total tax base of 8%.

Motion adopted unanimously.

12.4 Resolution 18-191, Establishing 2018 Public Hearing Dates for the Proposed 2019 General Fund Budget and Tax Levy.

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution 18-191, "Establishing 2018 Public Hearing Dates for the Proposed 2019 General Fund Budget and Tax Levy," be approved.

Mr. Huss stated Minnesota Statutes requires cities to establish future public hearings on the proposed budget and tax levy by September 30, and to hold the public hearings at a regularly scheduled Council meeting. The

proposed Resolution calls for two public hearings: The first for discussion on the proposed 2019 General Fund Budget and Tax Levy on December 13, 2018 at 8:00 p.m.; and the second public hearing for the adoption of the 2019 Tax Levy and General Fund Budget at 7:30 p.m. on December 20, 2018.

Motion adopted unanimously.

OTHER BUSINESS

None.

ADJOURNMENT

Moved by Councilmember Swanson, seconded by Councilmember Jeppson, to adjourn the meeting at 8:12 p.m.

Jason King, Mayor Pro Tem

ATTEST:

Catherine Sorensen, CMC, City Clerk
Submitted by TimeSaver Off Site Secretarial, Inc.