

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Thursday, August 17, 2017

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

CALL TO ORDER BY MAYOR RYAN

The meeting was called to order at 7:38 p.m. by Mayor Ryan followed by the Pledge of Allegiance and the Roll Call.

PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL

PRESENT: Mayor Tom Ryan, Councilmembers Dave Clark, Wes Hovland, Julie Jeppson, Jason King, and Dick Swanson.

ABSENT: Councilmember Andy Garvais.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Associate Planner Lori Johnson; Interim Police Chief/Safety Services Manager Dan Szykulski; Finance Director Joe Huss; Public Services Manager/Assistant City Manager Bob Therres; City Attorney Patrick Sweeney; Communications Technician Roark Haver; Senior Engineering Technician Jason Sundeen; and City Clerk Catherine Sorensen.

APPROVAL OF MINUTES

Workshop Meeting – August 3, 2017

Regular Meeting – August 3, 2017

Moved by Councilmember Hovland, seconded by Councilmember Swanson, that the Minutes of the Workshop Meeting of August 3, 2017 and the Minutes of the Regular Meeting of August 3, 2017 be approved.

Motion adopted unanimously.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

None.

COMMUNICATIONS

Mayor Ryan reported it has been a busy week in the City of Blaine. He stated the 105th Avenue reconstruction project and Invictus Brewing both broke ground and noted the Blaine Wetland Sanctuary had a ribbon cutting ceremony.

Councilmember Hovland commented on the 3M Senior PGA Championship tournament and thanked Blaine residents and business owners for attending this event.

OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 7:43 p.m.

John Caldwell, 4801 125th Avenue NE, shared his concerns with not being allowed to speak on the Lever Street situation at the Council's last meeting. He recommended the Council not deviate from the Northeast Area Assessment Policy for Lever Street as he did not want to see Blaine residents forced out of the community due to large assessments. He suggested the Blaine residents be protected as was the original intent of the Northeast Area Assessment Policy and recommended those that develop pay for the road.

There being no input, Mayor Ryan closed the Open Forum at 7:46 p.m.

ADOPTION OF AGENDA

The agenda was adopted as amended, removing Item 12.1 per the applicant's request.

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

None.

APPROVAL OF CONSENT AGENDA

Councilmember King requested the removal of agenda item 10.4.

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

10.1 Motion 17-97, Schedule of Bills Paid.

10.2 Resolution 17-113, Approve Temporary Road Closure for City Open House.

10.3 Motion 17-98, Approve a Temporary On-Sale 3.2 Malt Liquor Beverage License and a Carnival License for Mad Jax Amusements, (18140 Zane Street NW, Elk River) to be held at Church of St. Timothy's, 707 89th Avenue NE.

~~10.4 Motion 17-99, Approve a Tobacco and Tobacco Products License for MPA, Inc. DBA Fast Trip, 9850 Polk Street NE.~~

10.5 Second Reading – Ordinance 17-2380, Amending Section 6-53. – Further Conditions for Brewer Taproom Licenses; Brew Pub Licenses.

Motion adopted unanimously.

10.4 Motion 17-99, Approve a Tobacco and Tobacco Products License for MPA, Inc. DBA Fast Trip, 9850 Polk Street NE.

Councilmember King asked if the City had any regulations or limits in place for tobacco stores or smoke shops. City Clerk Sorensen stated the City had regulations in place but did not have a limit, adding the Council will be reviewing proposed tobacco ordinance amendments at a future worksession.

Moved by Councilmember King, seconded by Councilmember Clark, that Motion 17-99, "Approval of a Tobacco and Tobacco Products License for MPA, Inc. DBA Fast Trip, 9850 Polk Street NE," be approved.

Motion adopted unanimously.

DEVELOPMENT BUSINESS

11.1 Resolution No. 17-114, Granting a Conditional Use Permit to allow for the Operation of a Yoga Studio in a Multi-Tenant Retail Building, located at 10611 Baltimore Street NE #140, Blisstopia Yoga. (Case File No. 17-0030/LSJ)

Moved by Councilmember King, seconded by Councilmember Jeppson, that Resolution No. 17-114, "Granting a Conditional Use Permit to allow for the Operation of a Yoga Studio in a Multi-Tenant Retail Building, located at 10611 Baltimore Street NE #140," be approved.

Associate Planner Johnson stated there is an existing 16,200 square foot multi-tenant building at 10611 Baltimore Street that is currently home to the United States Post Office, a running store and a nutrition store. At this time, the owner of the building is requesting the approval of a conditional use permit to allow for a yoga studio in one of the vacant tenant spaces in this building. The City considers such studios to fall under the use of amusement and recreation, and this use requires a conditional use permit according to the PBD (Planned Business District) zoning district requirements. Last year, the City Council approved a conditional use permit for Milo's Strength gym in this tenant space. Since this use is very similar in nature to that gym that was approved, this item has been presented directly to the City Council for approval to change the name on the conditional use permit.

Associate Planner Johnson reported Blisstopia Yoga is a yoga studio with two studios and a small retail area. Classes will start as early as 6 a.m. and go until 8:00 p.m. Monday through Friday. There will be an average of four classes per day. Weekends will generally have two to three classes on Saturday and Sunday mornings. Classes will consist of 10-15 students. Staff provided further comment on the request and recommended approval of the Conditional Use Permit.

Motion adopted unanimously.

ADMINISTRATION

12.1 Motion 17-100, Consider a Special Events License for a 5K Run located at the National Sports Center, 1700 105th Avenue NE, Night Nation, October 7, 2017.

This item was removed from the agenda per the applicant's request.

12.2 First Reading – Ordinance No. 17-2381, Ordinance Amending Chapter 70 – Streets, Sidewalks and Other Public Places Article II. – Special Events of the Municipal Code of the City of Blaine.

City Clerk Sorensen stated staff has seen an increase from event planners promoting their special events prior to obtaining City approval. This ordinance would provide a mechanism for the City to deny or revoke a special event license if the event is promoted prior to receiving City approval. She reported the proposed Ordinance amendment language came from the City of St. Paul.

Mayor Ryan believed this Ordinance amendment would greatly benefit the City and its staff.

Councilmember King asked when the Ordinance would take effect and if it would impact any potential events. City Clerk Sorensen reported the Ordinance would take effect 30 days after being approved and published by the City Council. She noted she was not aware of any outstanding events that would be impacted.

Councilmember Clark questioned if this Ordinance amendment had been considered with respect to First Amendment rights. City Attorney Sweeney advised he has not reviewed this with respect to a First Amendment challenge.

Councilmember Clark encouraged staff to review the proposed amendment and if there were any First Amendment implications prior to this Ordinance being introduced. He stated he was going to struggle to support this given the fact some events have to be promoted prior to being approved by the City.

Councilmember Jeppson inquired how impromptu cancer support events would be handled. She stated she did not want to see the City ward off these types of community events. City Clerk Sorensen commented this was not the City's intent.

Councilmember Clark commended the Blaine Police Department for always accommodating these events in a highly professional manner.

Mayor Ryan stated it would be a great benefit to the City to begin working more closely with the events coordinator at the National Sports Center. City Clerk Sorensen agreed and stated this has occurred already and would continue to occur going forward.

City Clerk Sorensen recommended the Council postpone the First Reading in order for staff to review the Ordinance amendment with respect to the First Amendment and expediting approval of events when necessary. The Council was in agreement.

12.3 First Reading – Ordinance No. 17-2382, Chapter 38, Fire Prevention and Protection, Article III. – Ignition Devices.

City Clerk Sorensen stated the City was recently contacted by The Lighter Association, Inc. with concerns regarding current City Code that requires businesses to limit access to minors to ignition devices such as matches and lighters. This ordinance was adopted in 2000 as a way to decrease juvenile fire play by limiting access to minors. The Lighter Association, on behalf of some of the big box retailers, requested the City consider amending the ordinance removing the requirement that businesses limit access of ignition devices. They stated it is cumbersome for customers to purchase items such as lighters for grills or candles as they have to contact a store employee prior to check out.

City Clerk Sorensen reported staff met and reviewed the Ordinance and original intent and agrees that removing the requirement that businesses limit access does not diminish the original intent of the ordinance which would still allow for prosecution of a minor in possession of an ignition device and/or enrollment in an educational program. In addition, removing this requirement would be beneficial for the businesses as well as decrease staff time for inspections and enforcement.

Councilmember Clark stated he was pleased to see this change being brought before the City Council.

Declared by Mayor Ryan that Ordinance No. 17-2382, "Chapter 38, Fire Prevention and Protection, Article III. – Ignition Devices," be introduced and placed on file for second reading at the September 7, 2017 Council meeting.

12.4 Motion 17-101, Proposed Funding Source for Lever Street Improvements North of 125th Avenue, Improvement Project No. 17-07.

Moved by Councilmember Swanson, seconded by Councilmember King, that Motion 17-101, "Proposed Funding Source for Lever Street Improvements North of 125th Avenue," be approved.

Finance Director Huss stated at the July 13, 2017 City Council meeting, the Council ordered the Lever Street improvements and reduced the proposed street assessments on the preliminary assessment roll for non-petitioning parcels by 50%. This reduction results in a funding gap of \$282,161. Council directed staff to bring back a proposed funding source by August 17, 2017.

Finance Director Huss explained typically, assessed road improvement projects are funded through a combination of assessments and the City's Pavement Management Program (PMP). Therefore, staff's recommendation is to fund the gap through PMP. Historically, PMP itself has been funded via three sources: (1) a PMP levy; (2) with bonding (borrowing) proceeds; and (3) through the transfer of unrestricted General Fund reserves. Staff expects that 2017 will conclude with positive performance in the General Fund and that unrestricted reserves would be available to transfer to PMP for use in street improvement projects. Council could further direct staff to supplement the PMP Fund with additional unrestricted reserves once it has been determined that adequate reserves exist. This determination will not likely occur until shortly after the 2017 fiscal year concludes in December. Staff reported adequate funds currently exist in the PMP Fund to cover pavement management commitments through the end of 2017.

Councilmember Jeppson commented the Council was approving the 50% reduction and how to fund the shortfall. She asked if there was anything else up for discussion. City Manager Arneson reported at the last City Council meeting, the Council accepted the Feasibility Report and ordered the project. In addition, the Council entered into a contract with Bolton & Menk for project design services. He stated the project was underway. He explained staff was directed to come back to the Council with a funding mechanism for the shortfall, which was now before the Council.

Councilmember King questioned if other measures were available to further reduce the assessments. City Manager Arneson reported the high limit on the assessments has been set but noted if engineering and project costs come in lower than expected, the assessments could be lowered. City Attorney Sweeney advised the assessment hearing be held in one year and the numbers would be set at that time.

Councilmember Jeppson asked if there were assistance programs available to homeowners. She inquired if this type of large assessment has been put on homeowners in the past. City Manager Arneson stated the only

program he was aware of was the senior citizen deferral program. He indicated financial counseling was not offered by the City.

Councilmember Hovland commented on the City's assessment policy along with the general repayment terms for special assessments.

Councilmember Swanson stated once the levies were set, the City had to show there was a benefit equal to the assessment amount.

Mayor Ryan asked if the City was setting a precedent with this project by supplementing the assessments. He stated he does not recall the City ever doing this in the past 30 years. City Attorney Sweeney reported the Council was simply reviewing how to fund the financial gap on this specific project.

Ron Tamblyn, 4601 125th Avenue NE, asked what policy the City was following for the Lever Street project. He questioned how the City could proceed with this project when there was nothing in "black and white". He believed the Northeast Area Assessment Policy would have to be amended if the Council was going to proceed with this project. He commented on a sign situation he dealt with in the past with the City and expressed frustration that the Mayor and City Councilmembers had not returned his phone calls.

Mayor Ryan commented on the history of this project and noted it was a City initiated versus developer initiated project.

Mr. Tamblyn expressed frustration with how the Council had diverted from the original policy created for the Northeast Area. He said he believed the Council had started on a path that would be difficult to make go away.

Councilmember Hovland stated the primary difference with this project was that it was petitioned by property owners.

Mayor Ryan said he understood that new developments and assessments were a difficult topic.

Mr. Tamblyn explained he knew the road was coming but said it was his opinion the assessments should be borne solely by the developer.

John Caldwell, 4801 125th Avenue NE, encouraged the Council to do the right thing and take another look at this project.

Mayor Ryan requested a copy of the adopted assessment policy be made available to the public. City Manager Arneson stated he could make this policy (Chapter 429) available to the public.

Michael Klaas, 12551 Lever Street, stated he has two acres within the project area and was being assessed \$53,000 for 290 feet of proposed improvements on Lever Street. He understood development was coming, but recommended the developer be responsible for covering these costs and that the City follow its adopted Northeast Area Assessment Policy.

Chuck Marohl, 1101 Lohstreter Road in Mandan, North Dakota, explained he was a property owner on Lever Street. He asked if his property would be appraised in order to justify the proposed assessment. City Manager Arneson reported the City would be completing assessments. He explained the City cannot charge more in assessments than the increase in property value from the proposed improvements. He indicated the

work was authorized by staff today. He requested Mr. Marohl leave his address in Mandan, North Dakota with the City Clerk.

ROLL CALL:

Councilmember Clark – no

Councilmember Hovland – aye

Councilmember Jeppson – no

Councilmember King – aye

Councilmember Swanson – aye

Mayor Ryan - aye

Motion adopted 4-2 (Clark and Jeppson opposed).

12.5 Resolution 17-115, Authorize 2017 Budget Amendment for Additional Street Light Funds.

Moved by Councilmember Swanson, seconded by Councilmember King, that Resolution 17-115, “Authorize 2017 Budget Amendment for Additional Street Light Funds,” be approved.

Finance Director Huss stated on July 13, 2017, Council authorized a budget amendment and appropriated an additional \$10,000 in the General Fund to install additional streetlights in 2017. Annually, the City Council appropriates funds in the General Fund for the purchase and installation of streetlights. The process is typically initiated by a resident requesting that a streetlight be installed at a certain location. The July amendment brought 2017 appropriations for streetlights to \$15,000. Total costs for streetlights installed thus far in 2017 total about \$12,000 and there is another request to install a streetlight at 123rd Lane and Marina Circle Drive. The cost for this project is \$7,100. Council has expressed a desire to fund the project and complete this and staff is recommending an additional budget amendment of \$5,000 for 2017.

Funding for the budget amendment would be from the General Fund contingency account. Staff reported the proposed Resolution would provide staff the authorization to use contingency funds.

Mayor Ryan reported the Council discussed this item at a recent workshop meeting.

Councilmember Swanson explained he was receiving comments from the public that were interested in seeing more lights along Lexington Avenue.

Motion adopted 5-1 (Mayor Ryan opposed).

OTHER BUSINESS

City Manager Arneson provided the Council with an update on the 105th Avenue reconstruction project. He noted weekly updates will be shared on the City’s website and through social media.

ADJOURNMENT

Moved by Councilmember Jeppson, seconded by Councilmember Hovland, to adjourn the meeting at 8:39 p.m.

Tom Ryan, Mayor

ATTEST:

Catherine Sorensen, CMC, City Clerk

Submitted by TimeSaver Off Site Secretarial, Inc.