

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Monday, March 22, 2021

6:00PM
Council Chambers
10801 Town Square Drive

CALL TO ORDER

The meeting was called to order by Mayor Sanders at 6:00PM. Due to the COVID-19 pandemic this hybrid meeting was held both virtually and in person.

ROLL CALL

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

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; City Engineer Dan Schluender; City Planner Lori Johnson; City Attorney Chris Nelson; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3.1 Roers Companies Apartment Project in Lexington Meadows.

City Planner Johnson stated at the March 1, 2021 city council meeting, the council voted to table the approval of the Roers Companies North Meadows Apartment project so that the applicant could submit plans for an apartment project on the south side of 109th Avenue at the Austin Street intersection (Lexington Meadows). At this time, the applicant has provided written confirmation that they wish to remove their items for the North Meadows project from the city council agenda to allow the site south of 109th Avenue to be vetted. The items could be placed back on the agenda at any time, based on the discussion at this workshop. Staff provided the council with an overview on the Roers project, the approvals that would be required for the project and requested feedback on how to proceed.

Jeff Koch, Roers Companies, thanked the council for their time. He commented on the history of this project and discussions with staff, noting his first choice would be the south side of 109th Avenue. He understood he was requesting a plethora of variances but noted there were

markets that have supported higher densities. He explained he was proposing to build a four-story above ground grade building in close proximity to commercial and retail. He noted he liked the walkability and would provide a better option for future tenants. He stated this was a higher density project and the parking would be outside city standards.

Councilmember Hovland asked if the city had been installing oversized sewer lines in this area. He questioned why this area could not handle the capacity of this project. City Engineer Schluender explained the trunk line was not sized to serve three apartment complexes but rather sized to serve a commercial corner and single-family housing with a small commercial development on the north side.

Councilmember Robertson questioned if the land use change would have to happen in order for this project to move forward. Ms. Johnson reported a land use amendment was needed for this site and was the same process that would be followed for North Meadows. She indicated she was uncertain if the Metropolitan Council would require the city to create a new land use for this project given the fact it would have over 25 units per acre.

Councilmember Massoglia inquired if Roers was open to commercial space within this project. Mr. Koch commented he would prefer to not have commercial in this development. He stated more often than not, this type of development does not work.

Councilmember Smith asked if the city has ever done high density next to commercial. Ms. Johnson reported the Cedar Green development on 117th Avenue and Ulysses Street was a high density development right across the street from commercial and noted Emberwood was another development adjacent to commercial.

Mayor Sanders explained the council previously discussed this project on the north side of 109th Avenue, which led to this discussion and moving the project to the south side. He commented on the project vision for Roers Companies and indicated he would like to see the council get to a place where this development can be supported. He understood that concessions would have to be made but he was willing to work through this. He indicated he supported the land use change and recommended staff pursue this further with the Metropolitan Council. He asked how the council felt about the lack of greenspace within the proposed development.

Councilmember Jeppson commented the proposed development was across from one of the largest open spaces in the metro area and indicated her appreciation of the concept of an elevated greenspace in this development.

Councilmember Robertson agreed noting it may be an amenity to not have a park onsite, especially given how close this development was to Lochness Park and 500 acres of wetland. She believed the elevated greenspace sounded like a unique amenity and was of the opinion

that Roers Companies wanted to be a good neighbor and explained this development made sense being located right in the middle of a commercial area.

Councilmember Smith explained he would want to ensure there was a safe crossing for cars and pedestrians to 109th Avenue from this development.

Councilmember Paul discussed parking requirements and noted he did not want to have tenants from this development and their guests parking in the adjacent commercial areas. He stated he drove around this area of Blaine and noted the north side was already quite improved with great projects and appreciated the fact this development was proposed for the south side. He commented further on the value of spreading out apartment units in this area and believed having more apartment units in the area would reduce taxes for all residents of Blaine. He stated he could support this development on the south side if this was the consensus of the council.

Councilmember Jeppson requested further information from the developer regarding parking. Mr. Koch explained he was proposing the full footprint of the building be used for underground parking, which was 161 parking stalls. He noted the site would have 257 total parking stalls and believed that was adequate.

Councilmember Jeppson questioned how the developer would remedy the situation should the proposed parking not be adequate. She noted a gate may be one way to separate the apartment building from the surrounding commercial space. Mr. Koch stated parking arms have been used at other developments and noted "private property" signs could be posted on the site.

Councilmember Smith commented the apartment complex was heavily studio and one bedroom apartments and was of the opinion the proposed parking was adequate.

Councilmember Robertson stated she could go either way on this topic, however, she did not want the complex to have a lack of parking because this would impact surrounding properties. She said she wanted to ensure there was some measure in place to provide additional parking if the site was improperly parked. Community Development Director Thorvig explained the reason there are calculations in place for parking was to provide adequate parking per unit and for their guests.

Mayor Sanders questioned how parking was addressed with prospective residents. Mr. Koch stated lease agreements identify to residents their assigned stall under the building and noted all surface spaces were on a first come, first serve basis.

Mayor Sanders asked if it was a concern there would be a loss of a commercial site if this development were to move forward.

Councilmember Robertson indicated this seemed like an invalid argument given the fact this development was going to occur on the north side.

Todd Kaufman, Wellington, commented how they have a restaurant user in mind for the lot immediately to the east of Roers' proposed development and was waiting to move forward until he learned what would happen with this project. He indicated he did not have any more land available for shared parking and explained he would hate to lose this amenity.

Mr. Thorvig reported if this project moves forward and parking was still a concern, conditions could be placed on the project in order to address what would have to be done in the future.

Mayor Sanders indicated the developer was not interested in having commercial within the proposed development.

Councilmember Robertson stated it was not the city's role to tell businesses how to conduct business and said she supported the proposed concept and wanted this project to be successful.

Councilmember Massoglia commented if the developer was open to commercial he felt this would be a great fit. He indicated he could even support the use of TIF in order to get specific commercial uses to this site. Mr. Koch stated he was open and receptive and explained about other mixed use projects in other markets and if the right grocer were interested, he would be willing to create a relationship but did not want to be required to include commercial.

Mayor Sanders discussed the numerous agencies the city and developer would have to work with in order to move this project forward and given the time it would take would the developer want to move forward with this project on the south side. Mr. Koch stated he has had preliminary conversations with the Metropolitan Council and Rice Creek Watershed and said it would be his goal to move this project forward yet this fall versus spring of 2022.

Mayor Sanders stated much of this was unfortunate noting Roers was left picking up the pieces after the JPL withdrawal. He said in addition there were three new members on the city council to bring up to speed and commented he would be willing to consider financial options for this project.

Councilmember Jeppson explained she believed it was a reasonable request to speed things up wherever possible and by doing this possibly create cost savings. She indicated she was willing to have a conversation regarding costs and finances.

Councilmember Massoglia reported he would also be willing to discuss finances for the Roers project and said he appreciated how Roers has handled this project and indicated it was an

extenuating circumstance to move the project from the north side to the south side. He said he understood the developer incurred costs when planning for the north side.

Councilmember Smith agreed and said he would support a financial conversation as well.

Councilmember Robertson stated she would like to see the costs further vetted noting she understood there were extenuating circumstances with this project.

Mayor Sanders recommended staff speak with Roers further about the costs to move this project forward at the new location. He explained he did not see the proposed assistance as an incentive given the fact the city was requesting the location of the project to be moved.

Councilmember Robertson cautioned the council as a precedent could be set if the council were to offer financial assistance to this developer, even though there were extenuating circumstances. She stated she wanted to be sure the council was consistent with this type of matter going forward.

Councilmember Jeppson understood a precedent would be set but added if the council did their job going forward, this type of situation should not occur again.

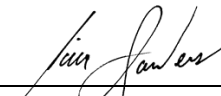
Mayor Sanders stated development may not always be easy for the remaining undeveloped parcels in the city and noted the council would have to ask the appropriate questions in order to not end up in this situation again. He said he believed the council would be offering mitigations and not incentives to the developer and said he wanted to see the city having great relationships with its builders and developers. Mayor Sanders stated he was optimistic about Blaine's potential. He summarized the comments from the council and stated the council was willing to support this project moving forward with the potential lack of green space, including the variance for the number of parking stalls and proposed density. He noted the council would not require first floor commercial but rather leave this up to the developer and reported the council was in favor of expediting the approval process for this project.

Councilmember Massoglia stated he would be willing to consider financial incentives for a high end grocer in the Roers development or on the north side of this development. He indicated this would be a great location for a high end grocer and the community wanted this type of use.

Councilmember Hovland commented it has not been a matter of making an offer but rather these companies moving into the community when they feel there is enough rooftops to support the business and recommended the city be more conservative when considering TIF requests.

Mr. Koch thanked the council for their feedback and for considering the financial request. He commented on the financial benefits the city would receive from this project long-term noting the tax generation would help the city.

The Workshop was adjourned at 7:25PM.



Tim Sanders, Mayor

ATTEST:



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