

UNAPPROVED

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Thursday, February 16, 2017

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

CALL TO ORDER BY MAYOR RYAN

The meeting was called to order at 7:31 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, Andy Garvais, Wes Hovland, Julie Jeppson, Jason King, and Dick Swanson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Finance Director Joe Huss; Police Chief/Safety Services Manager Chris Olson; Economic Development Coordinator Erik Thorvig; Public Services Manager Bob Therres; City Engineer Jean Keely; Assistant City Engineer Dan Schluender; Recreation Manager Jerome Krieger; Communications Technician Roark Haver; Senior Engineering Technician Al Thorp; and City Clerk Catherine Sorensen.

APPROVAL OF MINUTES

Workshop Meeting – January 19, 2017

Regular Meeting – January 19, 2017

Workshop Meeting – February 2, 2017

Regular Meeting – February 2, 2017

Moved by Councilmember Hovland, seconded by Councilmember Swanson, that the Minutes of the Workshop Meeting of January 19, 2017, the Minutes of the Regular Meetings of January 19, 2017, Minutes of the Workshop Meeting of February 2, 2017 and the Minutes of the Regular Meetings February 2, 2017 be approved.

Motion adopted 6-0-1 (Councilmember Garvais abstained from voting on the February 2nd meetings).

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

5.1 17-01, Proclamation for Firefighter Jim Becker.

Fire Chief Smith congratulated Firefighter Jim Becker on his 22 years of service as a volunteer firefighter to the SBM Fire Department and wished him well in his retirement. He noted the number of drills, public relation events and calls Firefighter Becker had attended and stated his wealth of knowledge would be greatly missed.

Mayor Ryan read a proclamation in full for the record recognizing Firefighter Becker for his dedicated service to the SBM Fire Department of the past 22 years.

Firefighter Becker thanked the Mayor and City Council for their continued support of the volunteer fire department. He appreciated Chief Smith and Chief Zikmund and stated he would greatly miss the other firefighters. A round of applause and standing ovation was offered by all in attendance.

5.2 17-02, Proclamation Recognizing Park Board Chair Jeffrey Bird – Recipient of the State of Minnesota's Park & Recreation Park Board/Commission Award.

Mayor Ryan read a proclamation in full for the record recognizing Park Board Chair Jeffrey Bird for receiving the State of Minnesota's Park & Recreation Park Board/Commission Award. A round of applause was offered by all in attendance.

Jeffrey Bird thanked the Park & Recreation Board members for their great efforts. He thanked the Mayor and City Council for their continued support. He encouraged the residents in Blaine to take advantage of the City's great parks.

5.3 17-03, Proclamation Recognizing Recreation Manager Jerome Krieger for Election in the Minnesota USSSA Hall of Fame.

Mayor Ryan read a proclamation in full for the record recognizing Recreation Manager Jerome Krieger for his election into the Minnesota USSSA Hall of Fame.

Recreation Manager Krieger thanked the Mayor and City Council for the award. A round of applause was offered by all in attendance.

COMMUNICATIONS

Councilmember Clark apologized to the citizens for the recent water delivery issues on behalf of the City. He explained the Council was doing everything in its power to ensure this would not occur again.

OPEN FORUM FOR CITIZEN INPUT

Mayor Ryan opened the Open Forum at 7:52 p.m.

Brandon Tate, resident of Blaine, expressed concern regarding the lack of communication the City had during the recent water delivery events. He explained that wages were lost due to forced school and daycare closures. He feared how the City's reputation was being impacted and recommended the Council consider creating a Communication Commission.

Councilmember Jeppson stated she understood the water issue was extremely important and explained the Council was addressing the concern. She explained she was in favor of the Council further addressing the communication issue and recommended the City hire a consultant to assist with this matter.

Moved by Councilmember Jeppson, seconded by Mayor Ryan, to direct staff to hire a communications consultant to help outline a communication process and public relations to help restore citizen and business trust.

Councilmember Clark suggested a friendly amendment authorizing the City Manager to hire a communications consultant to review how to move forward with proposed communication.

Councilmember Hovland stated he was in favor of the Council discussing this further prior to hiring a consultant.

Councilmember Swanson understood the motion to be to begin the process of hiring a consultant. He explained that the City used to have a communication consultant but this position was eliminated due to budget cuts.

Councilmember Jeppson wanted to see the City take action now and not wait until the March worksession meeting.

Councilmember Garvais stated that a consultant would also assist with City communication during the process.

Motion adopted unanimously.

Mayor Ryan thanked Police Chief Olson and Fire Chief Smith and everyone involved for their assistance during the recent water delivery events.

There being no input, Mayor Ryan closed the Open Forum at 8:10 p.m.

ADOPTION OF AGENDA

The agenda was adopted as amended, postponing Item 12.3 to March 2, 2017.

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 10.1.

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

~~10.1—Motion 17-23, Schedule of Bills Paid.~~

10.2 Motion 17-24, Grant a Permanent Utility Easement on Outlot A, Sunrise Oaks to Connexus Energy.

Motion adopted unanimously.

10.1 Motion 17-23, Schedule of Bills Paid.

Councilmember King requested further information on the Barr Engineering bills. Finance Director Huss explained these bills pertained to the City's current well system and the potential new water plant. He noted the City would be receiving additional invoices from Barr Engineering for the comprehensive review of the City's water system.

Moved by Councilmember King, seconded by Mayor Ryan, that Motion 17-23, "Approval of the Schedule of Bills Paid," be approved.

Motion adopted unanimously.

DEVELOPMENT BUSINESS

11.1 Second Reading – Ordinance No. 17-2372, Granting a Rezoning from FR (Farm Residential) to R-1AA (Single Family) at 11983 London Street NE. Woodland Development Co. (Case File No. 16-0054/SLK).

Moved by Mayor Ryan, seconded by Councilmember Clark, that Ordinance No. 17-2372, "Granting a Rezoning from FR (Farm Residential) to R-1AA (Single Family) at 11983 London Street NE," be approved.

Planning and Community Development Director Schafer stated Woodland Development is proposing to develop a small infill plat (9 lots) on a 3.7-acre property that is on the southeast corner of London Street and Cloud Drive NE. The proposal requires a rezoning of the property and approval of a preliminary plat. In order to plat the property into 9 lots, the subject property must be rezoned from FR (Farm Residential) to R-1AA (Single Family). Since the minimum lot size in the FR zoning district is 10 acres, the rezoning is necessary to create the smaller lot sizes allowed in the R-1AA zoning district. Staff reviewed the rezoning requesting in further detail with the Council and recommended approval of the rezoning.

Councilmember Clark asked if the City had looked into deer control. Police Chief/Safety Services Manager Olson explained staff would be coming back to the Council on March 2nd with a deer management plan.

Motion adopted unanimously.

11.2 Resolution No. 17-023, Granting Preliminary Plat Approval to Subdivide 3.7 Acres into Nine (9) Single Family Lots to be known as Woodland Cove, located at 11983 London Street NE. Woodland Development Co. (Case File No. 16-0054/SLK).

Moved by Councilmember Clark, seconded by Councilmember King, that Resolution No. 17-023, "Granting Preliminary Plat Approval to Subdivide 3.7 Acres into Nine (9) Single Family Lots to be known as Woodland Cove, located at 11983 London Street NE," be approved.

Planning and Community Development Director Schafer requested the Council stated Woodland Development is proposing to develop a small infill plat (9 lots) on a 3.7-acre property that is on the southeast corner of London Street and Cloud Drive NE. The proposal requires a rezoning of the property and approval of a preliminary plat. Staff reviewed the request in further detail and recommended approval of the Preliminary Plat.

Mayor Ryan questioned how the stormwater ponding would be managed. He feared that the nine homeowners would not be able to manage this situation. Byron Westlund, Woodland Development, explained he was working with the watershed district to have them manage this situation and noted a special taxing district would be created to cover the expense.

Luther Gerlach, 1879 Cloud Drive, expressed concerns with the amount of truck traffic that would be generated by this project. Mayor Ryan explained 119th Avenue was an MSA street and noted truck traffic could not be ticketed on Cloud Drive. He stated he did not anticipate a great deal of truck traffic would be generated by the proposed development.

Gail Brown, 1931 Cloud Drive, shared concerns regarding the amount of increased traffic in her neighborhood, including commercial trucks since the installation of the stop signs on 119th Avenue. She requested signage be posted to slow the commercial traffic down along Cloud Drive. She recommended the Transportation Committee review this issue.

Motion adopted unanimously.

11.3 Resolution No. 17-021, Granting Final Plat Approval to Subdivide 12.84 Acres into Four Outlots to be known as Parkside North 9th Addition, located at 122nd Avenue NE/Fraizer Street NE. Paxmar, LLC. (Case File No. 17-003/SLK).

Moved by Councilmember King, seconded by Councilmember Hovland, that Resolution No. 17-021, "Granting Final Plat Approval to Subdivide 12.84 Acres into Four Outlots to be known as Parkside North 9th Addition, located at 122nd Avenue NE/Fraizer Street NE," be approved.

Councilmember Clark left at 8:22 p.m.

Planning and Community Development Director Schafer stated the final plat for Parkside North 9th Addition will consist of four outlots on Fraizer Street NE. The proposed outlots are consistent with the approved preliminary plat that was issued by the City Council in 2014. The proposed outlots will be used for future development. Staff explained the applicant is creating four outlots so that the individual parcels can be sold to potential developers of the outlots. The outlots will be required to be re-platted for future development. Outlot B, at just over six acres, is proposed to be sold to Renovation Church. The church has been operating out of North Pointe Elementary for several years and currently holds two Sunday morning services. The church hopes to come forward with a plan within the next nine to twelve months as part of their zoning and site approvals. Building may not occur until late 2018 or 2019. Staff discussed the final plat further and recommended approval.

Councilmember King questioned if approval of the final plat would lock the City into approving the church. Planning and Community Development Director Schafer explained the vision for these parcels was commercial and noted this would include churches through a conditional use permit.

Motion adopted 6-0-1 (Councilmember Clark absent for vote).

11.4 Resolution No. 17-022, The Applicant is Requesting Final Plat Approval to Subdivide .49 Acres into Two Single Family Lots to be known as St. Clair Park 8th Addition, located at Dunkirk Street NE/94th Avenue NE. Boulder Contracting, LLC. (Case File No. 17-004/SLK).

Moved by Councilmember Hovland, seconded by Councilmember Garvais, that Resolution No. 17-022, "Final Plat Approval to Subdivide .49 Acres into Two Single Family Lots to be known as St. Clair Park 8th Addition, located at Dunkirk Street NE/94th Avenue NE," be approved.

Planning and Community Development Director Schafer explained the applicant owns a parcel that is approximately .49 acres. The applicant's proposal is to subdivide the parcels into two single-family lots, consistent with the R-1 (Single Family) zoning district standards. The proposed parcels will exceed the 10,000-square foot lot size minimum in the R-1 zoning district. Also, the parcels would have lot depths meeting the 125-foot minimum lot width requirement in the R-1 zoning district. The corner lot will be 85-feet in width, which is 5-feet narrower than standard 90-foot wide R-1 corner lot. The plat and proposed lots are however consistent with the adopted Southeast Area Development Guide Plan, how the lots were serviced with utilities and consistent with a number of other plats with small deviations in lot widths or depths in this in-fill area.

Planning and Community Development Director Schafer reported the development will require that custom grading be accomplished to preserve existing trees. Grading of infiltration basins/rain gardens will be required, and must be constructed prior to any Certificates of Occupancy being issued in the plat. The developer will be required to maintain the plantings and landscaping in the infiltration basins/rain gardens for a minimum of three years after the project construction work is accepted by the City. Staff recommended approval of the final plat.

Councilmember Clark returned at 8:27 p.m.

Motion adopted unanimously.

11.5 Resolution No. 17-024, Granting a One-Year Extension for a 22-Foot Variance to the 30-Foot Front Yard Parking Setback Along a Portion of Sunset Avenue and a 19-Foot Variance to the 25-Foot Rear Yard Parking Setback at 10130 Sunset Avenue NE. Francois Zongo (Kingdom Baking). (Case File No. 15-0050/LSJ).

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution No. 17-024, "Granting a One-Year Extension for a 22-Foot Variance to the 30-Foot Front Yard Parking Setback Along a Portion of Sunset Avenue and a 19-Foot Variance to the 25-Foot Rear Yard Parking Setback at 10130 Sunset Avenue NE," be approved.

Planning and Community Development Director Schafer stated there is currently a vacant gas station on the northwest corner of Sunset Avenue and 101st Lane that has been unoccupied for many years. The site is currently nonconforming in terms of setbacks, landscaping and other zoning ordinance requirements related to site development. The applicant currently owns the site and is proposing to locate a new bakery/coffee shop at this location. He would renovate the building and rehabilitate the site to make them as conforming as possible to the Zoning Ordinance. In order to make it a conforming site, two variances are required and are detailed below. In addition, he would like to have outdoor seating at the new bakery/coffee shop so a conditional use permit for outdoor dining is also included in this review.

Planning and Community Development Director Schafer reported the owner of Kingdom Bakery, Francois Zongo, currently has a bakery in Lino Lakes and he has purchased this site to add a second location. The bakery/coffee shop would be open on Monday-Friday from 6:00 a.m. to 5:30 p.m. and Saturday from 7:00 a.m. to 2:00 p.m. The business would be closed on Sundays. There would be 3 employees at this location. Staff explained the two variances required for the redevelopment of the site as the applicant has proposed are as follows:

- A 22-foot variance to the 30-foot front yard setback requirement (east) along Sunset Avenue
- A 19-foot variance to the 25-foot rear yard setback requirement (west)

Planning and Community Development Director Schafer stated the applicant is making an effort to pull out existing pavement, add new landscaping and renovate the building and in doing so is making the site conforming to most of the setback requirements of the zoning ordinance. Staff reviewed the request in further detail and recommended approval of the request.

Motion adopted unanimously.

11.6 Resolution No. 17-025, Granting a One-Year Extension for the Conditional Use Permit to Allow for Outdoor Dining for 12 People at a New Business, Kingdom Baking, located at 10130 Sunset Avenue NE, Francois Zongo (Kingdom Baking). (Case File No. 15-0050/LSJ).

Moved by Councilmember Clark, seconded by Councilmember Hovland, that Resolution No. 17-025, “Granting a One-Year Extension for the Conditional Use Permit to Allow for Outdoor Dining for 12 People at a New Business, Kingdom Baking, located at 10130 Sunset Avenue NE,” be approved.

Planning and Community Development Director Schafer stated there is currently a vacant gas station on the northwest corner of Sunset Avenue and 101st Lane that has been unoccupied for many years. The site is currently nonconforming in terms of setbacks, landscaping and other zoning ordinance requirements related to site development. The applicant currently owns the site and is proposing to locate a new bakery/coffee shop at this location. He would renovate the building and rehabilitate the site to make them as conforming as possible to the Zoning Ordinance. In order to make it a conforming site, two variances are required and are detailed below. In addition, he would like to have outdoor seating at the new bakery/coffee shop so a conditional use permit for outdoor dining is also included in this review.

Planning and Community Development Director Schafer indicated the new bakery/coffee shop will have a drive-thru with the menu board being adjacent to the drive-thru window. The site plan indicates that there will be a curb located adjacent to the drive-thru lane on the north side of the site. Staff is recommending that this curb be removed as it will make it too difficult for cars to make the turn around the northeast corner of the building with a curb in this location.

Planning and Community Development Director Schafer reported the site meets parking requirements for this use. On the site plan a change was noted which involves removing the northeast parking stall on the north side of the site and moving the curb to the south to meet setback requirements and make it a safer entrance to the site at this location. This will reduce conflicts with those entering the site and those coming through the drive-through. Staff reviewed the plans for the project in further detail and recommended approval of the request.

Motion adopted unanimously.

11.7 Resolution No. 17-026, Releasing Park of Lot 4, Block 1, North Central Commons Development Agreement (Case File No. 17-002/BKS).

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution No. 17-026, “Releasing Park of Lot 4, Block 1, North Central Commons Development Agreement,” be approved.

Planning and Community Development Director Schafer stated Lot 4, Block 1 of the North Central Commons Development was platted in 2007 as part of North Central Commons and was subsequently split with a waiver of platting a few years later (as part of the Goodwill development). The undeveloped portion of Lot 4 that remains is subject to a Development Agreement that was executed and recorded as part of the Plat. The lot now has a buyer that does not have any responsibility for the previous plat development that was covered by that Development Agreement.

Planning and Community Development Director Schafer reported the City is requested to release Development Agreements on a fairly regular basis but Anoka County Property Records (Torrens Division) has required the City Council adopt a resolution that authorizes the Mayor and Clerk to execute the release. There are no development agreement related issues with this parcel.

Motion adopted unanimously.

ADMINISTRATION

12.1 Motion 17-26, Consider Special Events License for the Music Legends Summer of Celebration Concert Series located at the National Sports Center, 1700 105th Avenue NE.

City Clerk Sorensen stated Gregory Hartman, Academic Solutions, has filed an application for a Special Events License to hold a concert series at the National Sports Center (NSC), 1700 105th Avenue NE on Thursday, June 29, Friday, June 30 and Saturday, July 1, 2017. She explained the event, entitled Music Legends Summer of Celebration, would include classic rock bands from the 70s and 80s. Each day would feature three different bands performing at 4:00, 6:00, and 8:00 p.m. and conclude at 10:00 p.m. with fireworks following the last performance each evening. Ticket sales would be presold through area schools for \$40/day with \$10 going to the schools and \$5 to going to help homeless single mothers in the north metro area.

City Clerk Sorensen reported Mr. Hartman has deposited with the City a \$100 license fee, a \$750 deposit fee and a certificate of insurance covering this event. The City has been named as an additional insured on the certificate of insurance. The Special Event license is contingent on receiving required permits for fireworks displays, tents and/or canopies. Food concessions would be provided by the NSC (Hat Trick Café) who holds a food handlers/restaurant license from Anoka County; proof that they can serve outdoors outside their restaurant would be required.

City Clerk Sorensen indicated the applicant is proposing that 56 Brewery of Minneapolis provide 3.2 craft beer for sale. While allowed by State Statute, currently City Code does not allow for brewers to be issued temporary malt liquor licenses. Staff has included a code amendment later in the agenda for Council consideration, not only for this event but for future requests. If Council is not supportive of this code amendment the applicant will be informed that alcohol would need to be provided through another allowable avenue, such as a caterer's license or through the NSC's current 3.2 liquor license. Any sale of alcohol, if approved by Council, would require appropriate liquor liability insurance naming the City as additional insured and a detailed plan approved by the Police Department that ensures no sales are made to minors, no alcohol will be brought on site, and no tailgating will occur onsite before, during or after the event. A background has not yet been conducted on Mr. Hartman or his company, Academic Solutions. Approximately 15,000 spectators are expected to attend the event per day and preferred seating will be offered to encourage most to utilize shuttle from area schools; remaining would park onsite. Staff reviewed their concerns with the event in further detail with the Council and requested feedback from the Council on how to proceed.

Councilmember Clark questioned when the KTIS event would be held at the National Sports Center. City Clerk Sorensen stated this event would be held on June 9-10. She noted alcohol would not be served at this event.

Greg Hartman, Academic Solutions, introduced himself and provided the Council with a handout on the proposed event. He explained he had not planned an event like this before but would be surrounding himself with experienced and highly qualified vendors. He stated Integrity Events would be assisting him with the proposed musical event and had a great deal of experience. He believed the event had been very well thought through.

Councilmember Clark questioned if the concert series was already being promoted. Mr. Hartman reported tickets were not sold and the event would not be promoted until he received approval from the City of Blaine.

Councilmember Jeppson asked what organization the funds for homeless mothers would be donated to. Mr. Hartman stated this had yet to be decided.

Councilmember Hovland expressed concern with the fireworks displays that were being proposed for each night of the concert series. Mr. Hartman anticipated the fireworks displays would be 10 to 15 minutes in length and would be Class B.

Councilmember Swanson indicated the National Sports Center has held concerts in the past, but these were one day events and had no alcohol. He questioned how the crowds would be managed and asked why alcohol should be allowed. Mr. Hartman stated he was proposing to have 70's and 80's classic rock bands at the event. He explained the event would be changing from three concert days to two. He believed he had a very good concept to assist with reducing parking concerns by offering preferred seating for those that arrived by bus or limousine.

Mayor Ryan stated he feared how the City would be impacted by the noise and traffic that would be created by the proposed event. He reiterated that alcohol has never been considered by the Council for an event at the National Sports Center.

Councilmember Clark questioned what events would be held at the National Sports Center for Blaine's Blazin' Fourth. Police Chief/Safety Services Manager Olson reported the City routinely holds fireworks on the Fourth of July and these were shot off at the NSC.

Councilmember Clark believed there was a good portion of the population that would support the proposed concert series. However, he was uncertain about how to address the alcohol component. He stated he supported the preferred seating option and did not want to have parking from the NSC spilling over to adjacent businesses.

Mayor Ryan feared the public would not support the event and explained the NSC was supposed to be used for sports purposes and not entertainment.

Councilmember Garvais supported staff engaging in further conversations with the applicant. He stated he wanted to see a more robust parking plan. In addition, he was not opposed to alcohol sales but wanted to see a more detailed security and policing plan. He suggested the fireworks plan also be further addressed. Mr. Hartman commented that if the fireworks were a major sticking point for the City this could be eliminated from the event. He explained that the original vision for this event was to have people taking in great music outdoors, sitting on lawn chairs while raising money for local schools.

Councilmember Swanson feared the Council was moving down a very slippery slope by proposing to hold a three-day concert event at the NSC. He commented that the NSC was not designed to handle this much traffic and the roads could not handle the congestion. He stated he did not know if the Police Department could handle the overtime that would be generated by this event. Mr. Hartman clarified that the event had been reduced to two nights. He understood that the KTIS event (Joyful Noise) had 18,600 people attending last year. He stated he was proposing to have 6,000 less cars on site by offering bussing to those that opted to have preferred seating.

Councilmember Garvais asked if the County Sheriff's had been brought in to assist with covering large events that required overtime in the City. Police Chief/Safety Services Manager Olson explained the City had County assistance when the USA Cup and 3M Golf Championship overlapped several years ago. He anticipated that the security for this event would handle things internally while the Police Department would manage traffic externally.

Councilmember Garvais questioned if the vendor would be billed for the overtime hours. Police Chief/Safety Services Manager Olson described how the overtime hours would be billed back to the vendor.

Councilmember Jeppson stated she was not at the point of saying no at this point. She believed there were a lot of unanswered points, such as which schools would be benefiting from the concert series, along with which non-profit. She requested the applicant remove the concert series event from their website. Mr. Hartman explained that all ticket sales would be conducted by local schools and \$10 of the ticket price would be kept by the school.

Mayor Ryan questioned why the City had not heard anything about this event until last week.

Sherry LeMire, Hospitality Director for the National Sports Center, stated her department deals with event planning. She reported the proposed concert series came to her a month ago and Darren Thompson was contacted in December. She explained she had put the dates on her calendar in order to hold the campus. She believed the Council had not heard about it due to the fact details and plans were still being put in place. She indicated that she had encouraged the applicant to contact the City in order to receive a permit for the event.

Mayor Ryan stated he would support an outdoor concert series if he understood this was what the public wanted, otherwise he would not be offering his support.

Councilmember Garvais suggested this matter be discussed further at the March 2nd worksession meeting.

Councilmember Swanson stated he would like to understand that the local schools were supportive of the event. Mr. Hartman discussed how the event would be promoted to local schools and estimated \$150,000 could be raised.

Austin Seman, Fairline Security Systems, described the proposed parking and security plan for the concert series. He reported each parking lot within the NSC would have to be used for the event. He explained the busses would remain onsite during the event.

Councilmember Clark appreciated the thoughtful security and parking plan. However, he believed there would be a strain on the City's roadways and that overflow parking would impact the adjacent shopping centers. He stated he wanted this event notified to the public in order to make them aware of the noise and traffic that would be generated.

City Clerk Sorensen questioned how the Council wanted to proceed with the alcohol permit request.

Councilmember Clark said he did not support the event having alcohol.

Councilmember Garvais stated he could support the event having 3.2 malt liquor.

Councilmember Swanson explained he had more of an issue with the traffic that would be generated by the event than the alcohol request. Mr. Seman stated he would like to push traffic towards 35W and not to Highway 65.

Councilmember Swanson recommended this matter be further discussed by the Council at the workshop meeting on March 2nd.

Council consensus was to discuss this item further at the March 2nd workshop meeting and to direct staff to hold a Public Hearing on March 9th.

12.2 First Reading – Ordinance No. 17-2373, Amending Chapter 6 – Alcoholic Beverages, Article II. – Intoxicating Liquor and 3.2 Percent Malt Liquor, Sec. 6-38 – Kinds of Liquor Licenses.

City Clerk Sorensen stated with the increasing popularity of craft beer, staff is seeing requests for the ability to serve malt liquor at special events. This amendment, if approved, would allow a brewery the ability to obtain a temporary on-sale liquor license to serve malt liquor in connection with a social event sponsored by the brewery.

City Clerk Sorensen explained currently City Code only allows temporary on-sale liquor licenses to be issued to clubs or charitable, religious or nonprofit organizations. In 2016 City Council approved an amendment to expand the definition of a temporary on-sale license to include intoxicating liquor as well as 3.2 malt liquor and no concerns have occurred as a result of that addition. State Statute does allow a municipality the ability to issue a temporary on-sale malt liquor license to a brewer who manufactures fewer than 3,500 barrels of malt liquor in a year in connection with a social event. In anticipation of Invictus and possibly other brewers who may wish to hold special events and serve their beer, staff is proposing that temporary on-sale liquor licenses include small brewers.

City Clerk Sorensen reported the same terms for clubs and nonprofit organizations would also apply to a brewer; they would have to provide proof of required liquor liability insurance, name the City as additional insured, and abide by the limits on the number of days allowed not to exceed four consecutive days and no more than 12 days in one calendar year. Staff would ensure that any event where a temporary license is issued to a brewer would include food vendors.

Council consensus was to discuss this item further at the March 2nd workshop meeting.

12.3 Motion 17-25, 2017 Boards and Commissions Mayoral Appointments.

This item was postponed to the March 2, 2017 City Council meeting.

12.4 Resolution 17-027, Calling for Public Hearing to Refinance 2009 Allina Health System Conduit Debt.

Moved by Councilmember Swanson, seconded by Councilmember Hovland, that Resolution 17-027, "Calling for Public Hearing to Refinance 2009 Allina Health System Conduit Debt," be approved.

Finance Director Huss stated in 2009, Allina Health Systems, a Minnesota non-profit corporation, requested the City of Minneapolis and the St. Paul HRA to issue conduit bonds on behalf of Allina and its affiliates. Included in that issue was \$2,000,000 that was used to finance improvements and acquisition of capital equipment at the Blaine Allina Medical Clinic located at 10705 Town Square Dr. NE. Since a portion of the proceeds were used for facilities located in Blaine, the City provided consent pursuant to Minnesota Statutes, Chapter 471.656 and the Internal Revenue Code.

Finance Director Huss reported Allina Health Systems is in the process of refinancing the 2009 bonds and again is seeking consent from Blaine pursuant to Minnesota statutes and IRS code. The resolution presented below calls for a public hearing to take place on March 16, 2017 to consider providing this consent. The debt is considered conduit debt and, as such, is payable solely from the revenues of Allina Health Systems. The debt is neither a general nor moral obligation of the Cities of Blaine or Minneapolis, or the St. Paul HRA. Staff explained the Public Hearing for the debt refinancing would be held on March 16th.

Councilmember Clark questioned how much conduit debt the City could issue on a yearly basis. Finance Director Huss explained the City could issue \$10 million per year in conduit debt.

Councilmember Clark asked if the City had any other conduit debt projects planned for 2017. Finance Director Huss reported the City had no other projects planned.

Motion adopted unanimously.

OTHER BUSINESS

Councilmember Garvais stated he would be recusing himself from the Closed Session due to a potential perceived conflict of interest.

ADJOURNMENT

Moved by Councilmember Swanson, seconded by Mayor Ryan, to adjourn the meeting at 9:11 p.m.

Tom Ryan, Mayor

ATTEST:

Catherine Sorensen, CMC, City Clerk

Submitted by TimeSaver Off Site Secretarial, Inc.