

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Monday, June 13, 2022

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, Tom Newland, Richard Paul, and Jess Robertson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Deputy Finance Director Ali Bong; City Engineer Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen

3.1 Council Requested Items for Discussion.

None.

3.2 99th Avenue and Baltimore Street Intersection Improvements Project Update.

City Engineer Schluender stated on February 23, Council authorized a contract for design services to improve the intersection of 99th Avenue and Baltimore Street. Since that time staff has worked with our consultant WSB to review the intersection and create a roundabout that will best handle the current traffic conditions and those that will be present in the future upgrades to TH 65/99th Avenue intersection. The concept layout shows the configuration of what the roundabout will look like and how it will fit into the corridor. The design team continues to coordinate the project with several agencies including Federal Highway Administration, Minnesota Department of Transportation, Metropolitan Airport Commission along with any agency that will need to approve the plan for the federal project process. The

current concept layout is nearing the 30% design plan and is being evaluated for impacts to wetlands, right-of-way, geotechnical, and traffic staging.

Nick Hedges, WSB & Associates, discussed the roundabout design in further detail with the Council. He commented on how traffic counts were considered to create the proposed roundabout. The roundabout queuing was described, along with how traffic would move through the roundabout. He commented further on the conversations he has had with MAC and MNDOT. The timeline for the project was reviewed and it was noted construction would begin in the spring of 2023. He discussed how road closures would have to be considered in the future as this would assist in reducing the construction timeline.

Councilmember Hovland asked about the medians. Mr. Hedges confirmed these areas were concrete medians.

Councilmember Hovland expressed concern with how the bypass lane would confuse drivers. He commented further on how stacking becomes a concern at this intersection during rush hour. Mr. Schluender anticipated it would take traffic some time to get acclimated to the roundabout and the bypass lane. He noted while it would be a benefit to solve the problems coming from TH65 this intersection was independent.

Councilmember Jeppson discussed how backups could occur at the roundabout for those trying to head south. She suggested the small jut-out be removed from the roundabout to assist with moving more traffic through the area then indicated support for closing the intersection down fully in order to complete the project in a more timely manner.

Councilmember Robertson agreed the intersection should be fully closed in order to finish the project quicker. She suggested the work be done in May and June, prior to the soccer season in 2023, adding this project would assist with improving TH65.

Councilmember Massoglia asked why the City would not wait to complete this intersection until the rest of TH65 was worked on. Public Works Director Haukaas explained the City received a grant for this project that had an expiration date.

Mayor Sanders questioned if this frontage road would be able to handle the flow of traffic from TH65 once work begins on TH65. Mr. Schluender stated this was not an alternate route for TH65. He anticipated traffic would be disbursed in many different directions.

Councilmember Paul stated he supported the work on the roundabout moving forward.

3.3 Strategic Priorities Policy Discussion.

Finance Director Huss stated the City's strategic priorities fund was last discussed at the January 29 winter Council retreat. The strategic priorities fund was established May 2019 from the proceeds of the dissolution of the North Suburban Hospital District (NSHD). On May 6, 2019, Council directed that the proceeds of \$2,648,000 from the NSDH dissolution be placed in a strategic priorities fund to be used pursuant to Council priorities as established at a later date. Additionally, Council directed that \$100,000 of this amount be set aside as a matching grant to assist in funding the new Veterans Memorial Park. Subsequent levies have included direct allocations to the Strategic Priorities Fund: \$325,000 in the 2021 budget, adopted December 21, 2020; \$250,000 in the 2022 budget, adopted December 19, 2021. An additional transfer of \$4.2 million of unrestricted general fund reserves was approved by Council at the end of 2021, bringing the total strategic priority fund balance to \$7.2 million. Mr. Huss explained while there was not a lot of time to fully discuss the policy at the January retreat, Council did provide sufficient feedback and thoughts as to the formation of the policy. Staff commented further on the current framework for a draft policy based on the information provided to staff and requested feedback from Council.

Councilmember Hovland stated the City seems to have unrestricted funds coming in every year and suggested these funds be placed in the strategic priorities fund. He supported using the strategic priorities fund in times of economic downturns. He asked if the strategic priorities fund was an interest-bearing fund. Mr. Huss stated this was the case.

Councilmember Paul thanked staff for their work on this. He explained he supported the language within the proposed policy and hoped the economic downturn would not continue over the next several years.

Councilmember Massoglia stated he supported the proposed policy then asked how much the City wants to have set aside for an economic downturn. He commented he was not supportive of overtaxing and transferring money into this fund but supported the Council having clear goals or policies in place for this fund. Mr. Huss said staff was suggesting there be \$2.5 or \$3 million set aside initially. He reported the goal was not to grow the fund or even maintain but rather to have a thoughtful process determined and in place on how to use these funds.

Councilmember Massoglia commented if the City was not going to create two separate accounts then suggested the balance on this account not go below \$3 million in order to be prepared for an economic downturn.

Mayor Sanders questioned if these dollars could be used to purchase lots in the 105th Avenue area and if these dollars should be returned upon the sale of these lots. Mr. Huss stated this could be done and recommended the dollars should be returned to the strategic priorities fund after the lots were sold.

Councilmember Newland indicated he supported half of the fund being set aside and suggested the remainder be used for economic redevelopment.

Deputy Finance Director Bong explained another way to utilize these funds would be to infuse dollars into the NSC for a value generator.

Mr. Huss thanked the Council for their feedback. He understood the Council's intention would be to not go under a certain amount in the strategic priorities fund in the event of an economic downturn and noted a blanket clause would be written into the policy that would allow funds to flow into the strategic priorities fund. He reported staff would make these changes and would report back to the Council with a revised draft policy at a future meeting.

3.4 City of Blaine Economic Development Authority Fund Balances.

Community Development Director Thorvig stated the City established an Economic Development Authority (EDA) in 1988. An EDA is a legal entity created by a city to facilitate well-rounded programs for business assistance, development, and redevelopment. The Blaine EDA also has various programs to assist in maintaining a strong housing stock. Minnesota Statute 469 establishes EDA powers and laws related to those powers. The primary powers of an EDA are to serve to promote business and to recruit new businesses, issue revenue and general obligation bonds, purchase and sell land for development and redevelopment, serve as a financial partner through loans, tax increment financing (TIF), and other financial mechanisms, and to carry out marketing and promotional efforts on behalf of the City. Staff reviewed the EDA's fund balances for the redevelopment pooled TIF, housing pooled TIF, the EDA wetland bank, the general EDA capital fund and miscellaneous funds. Staff commented further on the redevelopment that would occur at 105th Avenue and surrounding the Northtown Mall and described how TIF funds could be used to assist with these redevelopment projects.

Councilmember Newland requested staff send him a map of the EDA owned properties in Blaine.

Councilmember Robertson asked what fund would be reimbursed when the properties in the 105th Avenue area were sold. Mr. Thorvig reported the goal would be to refund the capital fund.

Mayor Sanders believed the EDA had a very healthy start as they begin working on the 105th Avenue and Northtown Mall redevelopment projects.

3.5 Blaine Festival – Council Update.

City Manager Wolfe updated the Council on the Blaine Festival stating there would be an addition of a City tent on Saturday from 10AM to 6PM. Multiple staff will be present, there will be various informational handouts as well as City logo items. This will be an opportunity to share information on several City projects and programs. City Council is invited join staff at any time during the event on Saturday. Staff commented further on the items that will be given away at this event.

3.6 Fire Station 6 Update.

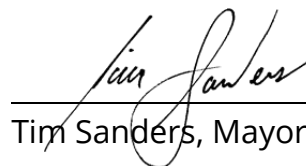
Mr. Thorvig reported the Council previously discussed this topic in March when the Council discussed making an offer on a property for Fire Station 6. He reported there was hesitancy to extend an offer until the Council reviewed the EDA fund balances. He stated around the time of the Council retreat Fire Chief Retka expressed some concerns regarding the site and met with staff. He reported a much bigger discussion was held regarding the future needs of the fire department and at this time the City is postponing site selection for Fire Station 6 at this time.

Councilmember Robertson supported the City postponing this decision to allow for further discussions with the fire department and their future needs. Ms. Wolfe noted there may also be a change to the duty crews within the fire department which would also have an impact on any new station.

Councilmember Massoglia indicated he was disappointed that Pioneer Park was not placed on this agenda and requested this matter be added to a future agenda in August.

Mr. Thorvig reported there would be a joint City Council/Planning Commission meeting on Tuesday, June 14 from 6PM to 7PM.

The Workshop was adjourned at 7:30PM.



Tim Sanders, Mayor

ATTEST:



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