

**UNAPPROVED
CITY OF BLAINE
PLANNING COMMISSION MEETING MINUTES
June 14, 2022**

The Blaine planning commission met in the City Hall Chambers on Tuesday, June 14, 2022. Chair Goracke called the meeting to order at 7:00PM.

Members Present: Commission Members: Deonauth, Gorzycki, Halpern, Olson, Swanson, and Chair Goracke.

Members Absent: Commission Member Homan.

Staff Present: Shawn Kaye, Planner
Elizabeth Showalter, Community Development Specialist
Shelia Sellman, City Planner
Teresa Barnes, Project Engineer

NEW BUSINESS

Item 4.5 – Case File No. 22-0030 – Public Hearing – The city is requesting the following:

- 1.) Code amendment to Chapter 28 of the zoning code creating a Redevelopment District (RD).
- 2.) Rezoning certain parcels from I-2 Heavy Industrial, PBD-A and Regional Creation to 105th Avenue Redevelopment District (RD) and certain properties from I-2 Heavy Industrial and Planned Business District (PBD).
- 3.) Comprehensive plan amendment to land use designations on certain parcels from Planned Industrial/Planned Commercial (PI/PC) and Regional Recreation to Planned Commercial (PC) and certain properties from PI/PC to High Density Residential 2/Planned Commercial (HDR2/PC).

CITY OF BLAINE.

The report to the planning commission was presented by Sheila Sellman, City Planner. The public hearing for Case File 22-0030 was opened at 8:58PM.

Chair Goracke read a letter in full for the record from attorney Jeffrey Jones who represents Ernst Property, LLC who owns 2043 105th Avenue NE. It was noted Ernst Property, LLC opposes the proposed rezoning because it was an unconstitutional taking of the property without just compensation. They respectfully requested the commission not support the rezoning or comprehensive land use plan amendment.

Jacob Steen, Larkin Hoffman Attorneys, explained he represented Nassau Street Properties NE, LLC. He noted his clients own 10550 Nassau Street which was central to the new district. He indicated he provided the commission with a letter and his clients primary concerns were with the rezoning and rezoning of the property. He reported this zoning code amendment would render the long-standing industrial use of this property into a legal non-conforming use. He stated moving forward it would limit the reuse of the property. He explained this was problematic because it would substantially reduce the value of the property and sends the wrong message to the industrial community. He noted his client has owned this building since the 1980's and the jobs he has created will be chased out of the city. He indicated his clients understand change is coming but asked that changes be allowed to be made going forward. He requested his client's property be excluded from the new redevelopment district or that the city explore options that would allow some additional flexibility for existing industrial uses to turn them not into legal non-conforming uses.

Jim Detterman, 10550 Nassau Street, stated he purchased his property in 1995 because it was zoned heavy industrial. He noted this property was in disrepair at the time and he brought the property into compliance with city code. He believed it was not fair for the city to rezone his property because all of the improvements he made would go to waste.

Mike Richards, 2170 106th Lane, explained he was in the overhead door business. He reported his building was set up for heavy industrial. He indicated he purchased his building in 2004 and he was told the city would not be addressing a redevelopment of this area until 2028. He commented further on how the rezoning of his property would hurt the resale value of this building. He stated he sees hurt coming for him, his employees and his business. He feared how his retirement would be impacted by the proposed change.

The public hearing was closed at 9:20PM.

Chair Goracke asked if this were to pass would these properties turn into legal non-conforming properties.

City Planner, Sheila Sellman stated this was correct.

Chair Goracke questioned if the property could sell to another industrial use.

City Planner, Sheila Sellman explained the gentleman with an overhead door company could sell to another overhead door company and this would be allowed. However, if the use for the property were to expand or change, then the property would have to come into conformance with city code.

Chair Goracke stated his hearts go out to these business owners but he thanked staff for the clarification.

Commissioner Swanson explained she has lived in Blaine for almost 30 years. She discussed how the 105th Avenue area has evolved over time and she believed the city needed to move forward with this redevelopment district. She indicated she wanted residents in Blaine to be able to eat, shop and recreate in Blaine instead of having to go to Maple Grove. She understood these businesses would be impacted by the proposed change and this breaks her heart.

Chair Goracke requested further information about the businesses that were approached by the city to sell.

City Planner, Sheila Sellman reported in 2018 the city sent a letter to all of the property owners explaining that this change was being considered and several property owners decided to sell, others chose not to sell.

Commissioner Olson stated there were comments made regarding the value of these properties. She asked if these property owners have had their properties appraised or valued under both scenarios. She indicated these types of changes don't always lead to negative effects.

Chair Goracke commented this was a good point and reiterated that businesses would be allowed to remain in place until they wish to expand or change their use.

Motion by Commissioner Olson to recommend approval of Planning Case 22-0030A a code amendment to the Blaine Zoning Ordinance based on the following rationale:

Case 22-0030A:

1. This area has been identified as a priority redevelopment area in the 2040 Comprehensive Land Use Plan and part of the “Growth Management” portion of the Strategic Plan.
2. The intent for the 105th Avenue Redevelopment District is to promote development and redevelopment consistent with the master plan for the 105th Avenue Redevelopment Area by encouraging residential uses in conjunction with commercial and expanded recreational activities to create an entertainment district, and to create greater flexibility in land uses, and at the same time protect the interest of surrounding properties.

Motion by Commissioner Olson to recommend approval of Planning Case 22-0030B a rezoning from I-2 Heavy Industrial, PBD-A and Regional Recreation to 105th Avenue Redevelopment District (RD) and certain properties from I-2 Heavy Industrial to Planned Business District (PBD) based on the following rationale:

Case 22-0030B:

1. This area has been identified as a priority redevelopment area in the 2040 Comprehensive Land Use Plan and part of the “Growth Management” portion of the Strategic Plan.
2. A zoning district has been created for this purpose and in order to implement the plan a rezoning is necessary.

Motion by Commissioner Olson to recommend approval of Planning Case 22-0030C a comprehensive plan amendment based on the following rationale:

Case 22-0030C:

1. The proposed land use amendment meets the goals of the land use chapter of the comprehensive plan by maintaining flexibility in land use districts to

respond to market conditions regarding mixed use in this area and encouraging density through appropriately designed and located apartments.

Motion seconded by Commissioner Deonauth. The motion passed 6-0.

Chair Goracke noted this would be on the agenda of the July 6, 2022 city council meeting.