

**UNAPPROVED**

**CITY OF BLAINE  
BLAINE ECONOMIC DEVELOPMENT AUTHORITY**

Monday, July 8, 2019  
7:15 P.M.

Blaine City Hall  
Council Chambers  
10801 Town Square Drive

**CALL TO ORDER/ROLL CALL**

The meeting was called to order at 7:19 p.m. by President Ryan followed by the Roll Call.

**PRESENT:** President Tom Ryan, Commissioners Andy Garvais, Wes Hovland, Julie Jeppson, Richard Paul, Jess Robertson, and Dick Swanson.

**ABSENT:** None.

Quorum Present.

**ALSO PRESENT:** City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Economic Development Coordinator Erik Thorvig; Public Services Manager/Assistant City Manager Bob Therres; City Engineer Dan Schluender; Senior Engineering Technician Jason Sundeen; and City Clerk Catherine Sorensen.

**APPROVAL OF THE MINUTES**

Moved by Commissioner Hovland, seconded by Commissioner Robertson, that the Minutes of June 17, 2019, be approved.

Motion adopted unanimously.

**NEW BUSINESS**

**4.1 EDA Resolution No. 19-05, Approval of Austin Street Improvements Design Contract.**

Moved by Commissioner Jeppson, seconded by Commissioner Robertson, that Resolution No. 19-05, "Approval of Austin Street Improvements Design Contract," be approved.

Economic Development Coordinator Thorvig stated the City of Blaine is considering the option of constructing the planned Austin Street connection between Pheasant Ridge Drive and the Lexington Meadows project at the corner of 109th Avenue and Lexington Avenue. Pheasant Ridge Drive was completed in the late 1980s and a north/south connection identified as Austin Street was platted by the Blaine EDA in 1993, however never constructed as development to the north was unknown. In 2016 a utility improvement project was completed along the proposed Austin Street right-of-way which provided sewer and water services from Pheasant Ridge Drive to the Sanctuary residential development north of 109th Avenue and other development sites north and south of 109th Avenue. The developer for the Lexington Meadows project will be completing Austin Street within the development; however, a 625-foot portion remains between Lexington Meadows and Pheasant Ridge Drive which would be the responsibility of the EDA/City to

construct.

Mr. Thorvig explained the initial step is for surveying, engineering and environmental work to be completed. Staff has received a quote from Carlson McCain to complete the work. The quote is \$49,500. The contract also includes preparation of construction documents, project administration during construction and completion of as-built plans once the project is complete. If the contract is approved, design work would start immediately however it's anticipated this would be a 2020 construction project.

Councilmember Hovland asked if the intersection at 109<sup>th</sup> Avenue and at Lexington Avenue would have full access. Mr. Thorvig reported the Lexington Avenue access would be a right-in, right-out. He anticipated the intersection at 109<sup>th</sup> Avenue would be a fully signalized intersection.

Motion adopted unanimously.

4.2 EDA Resolution No. 19-06, Approve Purchase of Vacant Lot on Highway 65 and 105<sup>th</sup> Avenue NE. (PID 20-31-23-13-0019).

Moved by Commissioner Hovland, seconded by Commissioner Jeppson, that Resolution No. 19-06, "Approve Purchase of Vacant Lot on Highway 65 and 105<sup>th</sup> Avenue NE," be approved.

Economic Development Coordinator Thorvig stated there is a vacant lot directly south of Culver's on Highway 65, north of 105th Avenue that is for sale. The asking price is \$375,000 and has been for sale for over a year. Last August, the EDA purchased the property at 1409 105th Avenue to plan for redevelopment of the corner of 105th Avenue and Highway 65. The area is identified as a redevelopment area in the 2040 Comprehensive Plan with the specific strategy of assembling properties from willing sellers. When the area was discussed at a City Council workshop last summer, the Council discussed whether it made sense to purchase this property. Staff supported the purchase of the property to prevent a standalone development that could compromise the redevelopment of the corner properties. Several developers have looked at this corner and having additional land under control of the EDA will make redevelopment of the corner more feasible. At the June 10, 2019 workshop, direction was given to staff to negotiate a purchase price. The agreed upon purchase price is \$350,000. The owner would also like a deed restriction on the property to prevent a quick-serve restaurant. The owner also owns the Culver's property and wants to prevent future competition. Funds for the purchase will come from pooled redevelopment TIF.

Motion adopted unanimously.

4.3 EDA Resolution No. 19-07, Approve Purchase of 8550 Van Buren Street NE.

Moved by Commissioner Hovland, seconded by Commissioner Swanson, that Resolution No. 19-07, "Approve Purchase of 8550 Van Buren Street NE," be approved.

Economic Development Coordinator Thorvig stated the property at 8550 Van Buren Street is currently for sale. This property is the former Jimbo's restaurant. Staff have had inquiries from people about opening another restaurant. Any new user will be required to bring the site into compliance with current zoning standards related to setbacks, landscaping, parking, etc. The building also has fire and building code issues that would need to be addressed prior to occupancy relating to handicap accessibility, kitchen equipment and plumbing, and fire suppression. Given the issues and condition of the building, staff believes that a purchase by the EDA and demolition of the building is the most logical solution. The property is only one-third of an acre which would make it difficult to redevelop as a commercial use. The best long-term use of the site is for stormwater ponding, a single-family house or part of a long-term redevelopment plan for the area. At the June

10 workshop, direction was given to staff to negotiate a purchase price. The list price is \$207,777 and the Anoka County assessor's value is \$172,200. The agreed upon purchase price is \$180,000 with the owner contributing \$5,000 towards closing costs which includes approximately \$10,000 in outstanding taxes. Funds for the purchase will come from pooled redevelopment TIF.

Commissioner Hovland stated he supported the purchase of this property and the demolition of the building.

Motion adopted unanimously.

## **OTHER BUSINESS**

Economic Development Coordinator Thorvig thanked the City Council, Police and Fire Departments for their assistance and service during the 3M Open. He explained this was a great event that highlighted the City of Blaine.

## **ADJOURNMENT**

Moved by Commissioner Jeppson, seconded by Commissioner Garvais, to adjourn the meeting at 7:31 p.m.

Motion adopted unanimously.

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Tom Ryan, President

ATTEST:

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Catherine Sorensen, City Clerk  
*Submitted by TimeSaver Off Site Secretarial, Inc.*