

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Monday, October 4, 2021

7:30PM
Council Chambers
10801 Town Square Drive

CALL TO ORDER BY MAYOR SANDERS

The meeting was called to order at 7:36PM by Mayor Sanders followed by the Pledge of Allegiance and the Roll Call.

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT: Mayor Tim Sanders, Councilmembers Wes Hovland, Julie Jeppson (participating remotely pursuant to State Statute 13D.02), Chris Massoglia, Richard Paul, Jess Robertson and Jason Smith.

Adjunct Member Drew Brown.

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe (participating remotely); Community Development Director Erik Thorvig; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; City Engineer Dan Schluender; City Attorney Chris Nelson; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

AWARDS - PRESENTATIONS - ORGANIZATIONAL BUSINESS

None.

COMMUNICATIONS

Councilmember Massoglia complimented the Blaine Police Department on their commitment to excellence and professional response to some recent incidents in the city.

OPEN FORUM FOR CITIZEN INPUT

Mayor Sanders opened the Open Forum at 7:38PM.

Mitch McQueen, 8605 Hastings Street NE, shared concerns he had regarding dangerous dog designations in the city. He discussed the incident that occurred three months ago with his neighbor's dog and explained the incident was not his fault but rather the neighbor's dog. He feared the attorney managing this case was biased. He commented on the lengths he has gone to in order to license and register his dogs with the city and encouraged the city to reconsider its dangerous dog requirements due to the costs. He stated he did not want to have to euthanize both of his animals and pleaded with the council to reconsider their policies and procedures.

There being no input, Mayor Sanders closed the Open Forum at 7:47PM.

ADOPTION OF AGENDA

The agenda was adopted as presented.

APPROVAL OF CONSENT AGENDA

Moved by Councilmember Robertson, seconded by Councilmember Smith, that the following be approved:

8.1 Motion 21-140, Schedule of Bills Paid.

8.2 Motion 21-141, Approval of Minutes.

8.3 Resolution No. 21-190, Wetland Credit Sale (0.1782 Acres).

8.4 Resolution No. 21-191, Wetland Credit Sale (0.80 Acres).

8.5 Resolution No. 21-192, Wetland Credit Sale (0.9978 Acres).

8.6 Resolution No. 21-193, Wetland Credit Sale (0.5159 Acres).

8.7 Resolution No. 21-194, Wetland Credit Sale (3.08 Acres).

A roll call vote was taken. Motion adopted unanimously.

7:30PM - PUBLIC HEARINGS AND ITEMS SET FOR A CERTAIN TIME

9.1 Resolution No. 21-195, Granting a Conditional Use Permit Amendment to Change the Current Approval from a 187-Unit Senior Living Building Including Memory Care, Assisted and

Independent Living to a 184 Unit 55+ Independent Living Building in a PBD (Planned Business District) Zoning District. Risor of Blaine (Roers Companies) (Case File No. 21-0067/SLK).

Community Development Director Thorvig stated the applicant is requesting a conditional use permit amendment to allow the construction of a 184 unit 55+ independent living building. In 2018, the City Council granted the approval of a conditional use permit for the development of a Hy-Vee store, a gas station/car wash, liquor store and coffee shop at the southwest corner of Jefferson Street and 125th Avenue. Grading of the entire 40-acre property began in the fall of 2019 and the work was completed in the spring of 2020. A conditional use permit extension for the Hy-Vee development was approved by the city council in April 2021.

Mr. Thorvig explained prior to the conditional use permit being granted for the Hy-Vee store and a gas station/car wash, a comprehensive plan amendment was approved by the city council that changed the land use for the 40 acres on the southwest corner of 125th Avenue and Jefferson Street to High Density Residential/Planned Commercial. When the developer requested this change, it was made known that the developer was marketing a portion of the overall property to senior housing developers. A public hearing was held for this comprehensive plan amendment with this information provided to the public. It was noted in July 2021, Roers Company, received city council approval to construct a 187-unit, senior residential building to be known as Havenwood of Blaine on 6.5 acres. A conditional use permit is required due to the PBD (Planned Business District) zoning of the parcel. Staff commented further on the project and recommended approval of the conditional use permit.

Jeff Koch, Roers Companies, discussed the changes at a state level that have impacted the construction of assisted living and memory care units. He noted there was a shortage of nursing staff and for this reason he shifted his project to a 55+ building with no assisted living or memory care units.

Councilmember Jeppson stated she was concerned with the proposed age range for this development and asked if the developer would consider increasing the age range to 62+ in order to address community concerns. Mr. Koch stated the state of Minnesota did not allow discrimination based on age type and therefore 55+ has become the designation. He understood most people moving into a 55+ community were closer to 72.

Councilmember Jeppson inquired if all occupants of the building had to be 55+ or only one person on the lease. Mr. Koch explained every member on the lease had to be 55+.

Mayor Sanders opened the public hearing at 8:01PM.

There being no public input, Mayor Sanders closed the public hearing at 8:02PM.

Councilmember Massoglia explained he liked the original plan better but understood staffing was a concern. He discussed how the original proposal had the west side of the building at three stories which then moved to four stories and questioned if the original building design could be maintained. Mr. Koch indicated the building was pushed to the west to maximize the site and noted a common roofline was pursued for affordability purposes.

Councilmember Massoglia inquired if the developer was open to having three stories on the west. Mr. Koch stated at this point, this was not an option because it would greatly increase the cost of construction which would impact rental rates.

Councilmember Smith asked if additional density could be pursued. Mr. Thorvig reported additional density could not be approved this evening because that would require notice. He indicated he did speak with the developer about what may come forward on the east portion of this site and noted a land use change could be requested for that parcel.

Councilmember Smith encouraged the developer to consider flipping where the open space was on the site. Mr. Thorvig stated the eastern portion could be memory care at some point in the future. Mr. Koch explained if the building were moved all the way to the east, the proof of parking would be lost.

Councilmember Hovland asked if memory care units would be pursued in the future. Mr. Koch commented there was a need and he could foresee memory care units being constructed in the future on the east.

Councilmember Hovland discussed the difficulties of finding memory care options and indicated his only concern with the building was the height and encouraged the developer to consider adding more landscaping to the west side of the building.

Moved by Councilmember Robertson, seconded by Councilmember Smith, that Resolution No. 21-195, "Granting a Conditional Use Permit Amendment to Change the Current Approval from a 187-Unit Senior Living Building Including Memory Care, Assisted and Independent Living to a 184 Unit 55+ Independent Living Building in a PBD (Planned Business District) Zoning District," be approved.

A roll call vote was taken. Motion adopted unanimously.

DEVELOPMENT BUSINESS

10.1 Resolution No. 21-196, Granting a Conditional Use Permit to Allow for the Construction of a Dynamic Sign in an R-1 (Single Family) Zoning District at 641 89th Avenue NE. (Christ Lutheran Church/Think Digital Signs) (Case File No. 21-0060/EES).

Mr. Thorvig stated Christ Lutheran Church is requesting a Conditional Use Permit to install a digital readerboard. A CUP is required for this type of sign in residential zoning districts. Staff commented further on the request and recommended approval.

Moved by Councilmember Robertson, seconded by Councilmember Hovland, that Resolution No. 21-196, "Granting a Conditional Use Permit to Allow for the Construction of a Dynamic Sign in an R-1 (Single Family) Zoning District at 641 89th Avenue NE," be approved.

Councilmember Hovland noted since the sign was located in a residential neighborhood he had some concerns with the brightness of the proposed sign at night and asked if a condition should be placed to prohibit white or light colored backgrounds at night.

Deb Votey, Business Administrator at Christ Lutheran Church, discussed how the electronic sign would be used by the church and confirmed no white background would be used to diminish illumination in the neighborhood. She noted the sign also had automatic dimming capabilities.

A roll call vote was taken. Motion adopted unanimously.

10.2 First Reading – Ordinance No. 21-2484, Granting a Rezoning from PBD (Planned Business District) to I-1 (Light Industrial for the Land Being Proposed to be Added to the Parcels with Existing Buildings on Lots 1 and 2, Block 1 at 104th Lane and Flanders Street NE. The Blaine Back 40 (Aerojet LLC) (Case File No. 21-0026/SLK).

Mr. Thorvig stated the applicant is requesting a rezoning from PBD (Planned Business District) to I-1 (Light Industrial) for the land proposed to be added to existing parcels for potential expansion of existing light industrial buildings. The applicant, Aerojet, LLC, is proposing to plat three parcels into four lots and one outlot. The proposed plat would allow the construction of two new office/manufacturing/warehouse buildings (site plan approval required) and increase the lot sizes (Lot 1 Block 2 and Lot 3 Block 1) for two existing lots that front on 104th Lane NE on the south. The northern 40 acre parcel is currently zoned PBD (Planned Business District) which requires an office/manufacturing use with limited warehousing. The applicant would like to rezone the property just north of his two existing buildings that front 104th Lane NE from PBD (Planned Business District) to I-1 (Light Industrial) to allow for the future expansion of the existing buildings. The remainder of the 40-acre parcel will remain at the PBD zoning (Lot 3 Block 1 and Lot 1 Block 2). The I-1 and PBD zoning does not permit any outside storage on site.

Declared by Mayor Sanders that Ordinance No. 21-2494, "Granting a Rezoning from PBD (Planned Business District) to I-1 (Light Industrial for the Land Being Proposed to be Added to the Parcels with Existing Buildings on Lots 1 and 2, Block 1 at 104th Lane and Flanders Street

NE," be introduced and placed on file for second reading at the October 18, 2021 Council meeting.

10.3 Second Reading – Ordinance No. 21-2483, Granting a Rezoning from FR (Farm Residential) to DF (Development Flex) for 111 Acres at the 13000 Block of Lexington Avenue NE. Lexington Waters (Sotarra) (Case File No. 21-0061/SLK).

Mr. Thorvig stated the applicant is requesting a rezoning from FR (Farm Residential) to DF (Development Flex) for the construction of 180 single-family homes, 92 detached townhomes, and one existing home. Currently, the property has an existing zoning designation of FR (Farm Residential) and is guided in the Comprehensive Plan as LDR (Low Density Residential). The property is within the MUSA (Metropolitan Urban Service Area) which indicates it is intended to be served with city sewer and water. The zoning is proposed to be DF (Development Flex) to cover all of the residential uses. With the DF zoning, housing products and neighborhood design issues will require and be regulated by a Conditional Use Permit (CUP). Lot 19, Block 5 is being platted for the existing home on Lexington Avenue.

Councilmember Hovland asked how water would drain from this site. City Engineer Schluender discussed how the water would drain from this property to the north into an existing ditch system on the sod farm and into the Coon Creek system.

Councilmember Jeppson stated in theory she did not have a problem with this development, however, she did have a concern with the fact this was a massive parcel of land and she would like to see more variety within this development because single family home living was not trending the way it used to. In addition, she understood the city needed more amenities for these new homeowners.

Councilmember Robertson agreed, stating she appreciated the fact that the developer met with her to hear her concerns. She shared concerns that this project was slightly ill-placed given the fact the council wanted to have a deeper conversation about housing. She thanked the developer for letting her voice her concerns and encouraged the developer to pursue a variety of housing within this project. She asked that some of the lots in the cul-de-sac be widened and that further consideration be made to save trees. Mr. Thorvig reported these matters would be addressed within the final plat.

Ben Schmidt, Sotarra Development, explained he wanted to save more trees along Lexington Avenue. He noted this would impact the grading plan and details would be sorted out in the final plat. He reported the cul-de-sac lots could be adjusted if this was made a condition for approval. He commented further on how he was working to balance lot price against the final home cost for the future home buyers. He commented on how the market has shifted away from townhomes to detached townhomes. He understood the city needed more

housing variety noting he would have a diverse neighborhood in terms of age and income groups.

Councilmember Jeppson explained the city needed more high density housing options especially considering the fact the city only has a finite amount of developable land. She understood this project began in 2018 and she appreciated the fact this developer has hung with the city but noted at this time she would not be able to support this project.

Councilmember Robertson recommended the Council have a further general discussion surrounding housing at a future workshop meeting. She explained she wanted to discuss housing styles and types through the final development of the city in the next 10 to 15 years. Mr. Thorvig reported the Council would be discussing housing at the October workshop meeting.

Mayor Sanders stated he appreciated the fact that the city was looking at the bigger picture.

Councilmember Smith explained he would not like to force the developer to create 85 foot wide lots within the cul-de-sac because this would greatly impact the price points for these homes.

Councilmember Massoglia stated he appreciated the fact the developer was willing to work to save more trees along Lexington Avenue. He explained he could go either way on the larger lot sizes for the cul-de-sacs. He believed the ongoing conversation regarding housing would be important for the council to have.

Moved by Councilmember Smith, seconded by Councilmember Robertson, that Ordinance No. 21-2483, "Granting a Rezoning from FR (Farm Residential) to DF (Development Flex) for 111 Acres at the 13000 Block of Lexington Avenue NE," be approved.

A roll call vote was taken. Motion adopted 6-1 (Councilmember Jeppson opposed).

10.4 Resolution No. 21-197, Granting a Preliminary Plat to Subdivide Approximately 111 Acres into 272 Single-Family Lots, One (1) Lot for an Existing Home, and Seven (7) Outlots to be known as Lexington Waters on the 13000 Block of Lexington Avenue NE. Sotarra (Case File No. 21-0061/SLK).

Mr. Thorvig stated this application is a request to preliminary plat 111 acres into 272 single-family lots, seven outlots, and one lot for an existing home. The preliminary plat proposal consists of subdividing approximately 111 acres into a subdivision with a total of 272 new dwelling units and a lot for an existing home. The preliminary plat also includes outlots for ponds, drainage, a park and wetlands. This application proposes single-family homes and detached townhomes. Since the developer is proposing different housing styles with different

design issues, platting requirements, lot sizes, markets and price ranges, the DF (Development Flex) zoning will establish the minimum standards for each of these areas.

Moved by Councilmember Robertson, seconded by Councilmember Hovland, that Resolution No. 21-197, "Granting a Preliminary Plat to Subdivide Approximately 111 Acres into 272 Single-Family Lots, One (1) Lot for an Existing Home, and Seven (7) Outlots to be known as Lexington Waters on the 13000 Block of Lexington Avenue NE," be approved.

A roll call vote was taken. Motion adopted 6-1 (Councilmember Jeppson opposed).

10.5 Resolution No. 21-198, Granting a Conditional Use Permit to Allow for the Construction of 272 Single-Family Homes in a DF (Development Flex) Zoning District on the 13000 Block of Lexington Avenue NE. Lexington Waters (Sotarra) (Case File No. 21-0061/SLK).

Mr. Thorvig stated the applicant is requesting a conditional use permit to allow the construction of 272 single family homes in the DF (Development Flex) Zoning District. The single-family lots are proposed to be 55 and 65 feet in width, and the typical depth being 135 feet. These homes will be enhanced with exterior architectural details. The homes will include brick, stone, Hardie/LP (fiber cement) siding on the front elevation, and varying gables and hip rooflines. The floor plans would provide 1,200-1,600 square feet of finished area. The estimated price range will start at \$450,000 to \$650,000 for the 65 and 55-foot wide lots. All single-family (55 and 65-foot wide lots) units are proposed to be constructed with a minimum 25-foot front yard setbacks and 30-foot rear yard setbacks.

Moved by Councilmember Robertson, seconded by Councilmember Hovland, that Resolution No. 21-198, "Granting a Conditional Use Permit to Allow for the Construction of 272 Single-Family Homes in a DF (Development Flex) Zoning District on the 13000 Block of Lexington Avenue NE," be approved.

A roll call vote was taken. Motion adopted 6-1 (Councilmember Jeppson opposed).

ADMINISTRATION

11.1 Motion 21-142, Appoint the City's External Audit Firm and Approve Auditing Services Contract.

Finance Director Huss stated the Council is asked to appoint the city's external auditing firm and approve a five-year contract for audit services. In August staff sent a Request for Proposals for audit services to eight audit firms that currently audit municipalities in the State of Minnesota. Five proposals were received. Firms were required to propose fees not only for standard audit services, but also for three other items: conducting a federal single audit; preparation of required information regarding PERA; and assistance in financial statement

preparation. Staff held initial discussions with the respondents and formal interviews with two finalist firms. Based on the proposals, interviews, and references, staff recommends that the firm of Redpath and Company, Ltd. be re-appointed to perform the city's financial audit for the upcoming five-year period with years ending December 31, 2021 through 2025.

Mr. Huss explained Redpath and Company has been the city's auditors since 2009 and has performed exceptionally during their tenure. The 2021 proposed amount reflects a \$2,500 reduction from the 2020 full audit cost. Additional services required for the implementation of any new Governmental Accounting Standards Board (GASB) pronouncements would be performed by Redpath and Company, Ltd. under a separate engagement and could result in additional fees. A formal contract and engagement letter will be brought before the Council for approval before the audit work has begun. Staff commented further on contract and recommended approval.

Moved by Councilmember Hovland, seconded by Councilmember Smith, that Motion 21-142, "Appoint the City's External Audit Firm and Approve Auditing Services Contract," be approved.

A roll call vote was taken. Motion adopted unanimously.

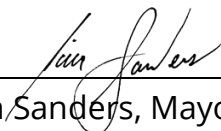
OTHER BUSINESS

None.

ADJOURNMENT

Moved by Councilmember Hovland, seconded by Councilmember Massoglia, to adjourn the meeting at 8:55PM.

A roll call vote was taken. Motion adopted unanimously.



Tim Sanders, Mayor

ATTEST:



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