



# City of Blaine Anoka County, Minnesota Minutes

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

## City Council Workshop

*While this is a public meeting where interested persons are welcome to attend, it is a work session for Council and staff to discuss issues before them. It is not for the purpose of receiving public input.*

*To participate in the meeting join the Zoom Webinar at  
<https://blainemn.zoom.us/j/97951894637>*

*Questions? Email - [Communications@BlaineMN.gov](mailto:Communications@BlaineMN.gov)*

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Monday, April 6, 2020

6:00 PM Due to the COVID-19 pandemic, city meetings will now be held as virtual meetings until further notice.

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### NOTICE OF WORKSHOP MEETING

#### 1 Call to Order

The meeting was called to order by Mayor Ryan at 6:00 p.m.

#### 2 Roll Call

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; Public Services Manager/Assistant City Manager Bob Therres; City Engineer Dan Schluender; City Planner Lori Johnson; City Attorney Chris Nelson ; Water Resources Manager Rebecca Haug; Human Resources Director Cassandra Tabor; Communications Technician Roark Haver; Communications Manager Ben Hayler; and City Clerk Catherine Sorensen.

**Present:** 7 - Councilmember Garvais, Councilmember Jeppson, Mayor Ryan, Councilmember Swanson, Councilmember Robertson, Councilmember Paul, and Councilmember Hovland

#### 3 New Business

3-1

### **NORTH MEADOWS LAND USE DISCUSSION REGARDING APARTMENTS**

Attachments: [Attachment](#)  
[PPT Presentation](#)

City Planner Johnson stated North Meadows includes 258 lots on 174 acres on the

northwest corner of Lexington Avenue and 109th Avenue. Staff reported Wellington Management and JPL were proposing a high-density apartment project on one of the commercial lots in North Meadows. Their proposal includes the development of 150 market rate apartment units and 6 carriage homes on 5.4 acres, for an overall density of 28 units per acre. In order to accommodate this use, the City Council would need to approve a land use amendment for these parcels to HDR (High Density Residential), and that amendment would subsequently need to be approved by the Metropolitan Council. This land use is different than what was envisioned within the 2040 Comp Plan approval process so the applicant is trying to determine whether or not the land use change might be supported by the City. Staff commented further on the proposed project and requested feedback from the Council on how to proceed.

Elwyn Tinklenberg, developer's representative, thanked the City for their effort to set up this meeting. He discussed the benefits of working with JPL noting this company was based out of St. Louis and had three partners that have been in the development business for 30 to 40 years. He explained JPL had a very sound financial backing and would be able to construct what they promise with high quality finishes and amenities. He indicated JPL builds to own and maintains all of its properties. He reported the City has an advantage because JPL had several projects underway in the State of Minnesota, one in Lakeville and the other in Shoreview. He commented further on the benefits of the proposed development site and noted there was a tremendous market for rental housing in the north metro.

Mayor Ryan reported this property was originally owned by Rehbein Companies and was slated for commercial development. He explained after the Pulte development was completed, the plans for this property changed. He understood the City of Blaine was short on apartments and he supported the proposed development.

Mr. Tinklenberg stated after he completed a market study he learned the Blaine rental housing market was very strong.

Mayor Ryan questioned what the rental rates would be for the new apartments. Mr. Tinklenberg indicated the rental rates would range from \$1,000 to \$2,200.

Councilmember Hovland requested clarification on which portion of land was being re-guided. Ms. Johnson discussed the property in further detail noting the areas that were being proposed to be re-guided. He reported in order to allow for apartments, a new land use was required. She indicated the townhome lots would have a DF zoning designation.

Councilmember Hovland asked if a signalized intersection would be installed in the

vicinity of this project. City Engineer Schluender stated discussions with the County have been held and noted a signalized intersection at Austin Street was being proposed.

Councilmember Hovland indicated he liked the proposal but anticipated traffic would be a concern with this project.

Councilmember Robertson agreed traffic would be a concern for this neighborhood given the level of new developments in the area. She stated she liked the proposal and appreciated the classic, modern look. She supported the City receiving further input from the neighborhood regarding traffic concerns.

Councilmember Garvais commented he liked the project and was not too concerned about the traffic along 112th. He supported high density on this corner as it would help support The Village and Wellington developments. He suggested if the City was going to request a land use change that this be combined with the land swap needed at 125th Avenue.

Mayor Ryan believed this development would be positive for this area of the City.

Councilmember Hovland stated he would like to see a traffic study completed for this entire area and recommended 109th Avenue be widened. He indicated he also had concerns with the internal roads within this development. Mr. Tinklenberg supported a traffic study being completed. Ryan Bloom, engineer for the project, commented on the traffic in the area and how the adjacent Pulte development would impact traffic.

Councilmember Jeppson explained she supported this project but noted her only concern was a high density development would be introduced to a more quiet neighborhood and feared concerns from those neighbors. She questioned how the developer would communicate with the neighbors regarding the proposed development. Mr. Tinklenberg discussed how he had successfully communicated with neighbors in Lakeville and Shoreview regarding new developments and reported after speaking directly with those neighbors they ended up being very supportive. He encouraged the Blaine City Council to speak with Mayor Martin in Shoreview to learn more about the process that was followed.

Mayor Ryan anticipated the proposed development would allow the property to the east to stay open. Community Development Director Thorvig commented on the 2030 Comprehensive Plan for this area. He indicated a much larger development was originally planned with more commercial development, which would have created more traffic. He explained the proposed development was scaled back from these plans.

Councilmember Robertson recommended the City properly engage the residents in this area prior to moving forward with this development. While she believed this was a beautiful development she wanted the developers and resulting development to be a good neighbor.

Mayor Ryan recommended 114th Avenue remain barricaded.

Councilmember Robertson supported this recommendation.

Mr. Tinklenberg thanked the City Council for their feedback and stated he wanted to be a good neighbor as well, noting he would do everything he could to work with the neighbors.

**Discussed**

**30 Minute Discussion**

**3-2**

**DISCUSS LEVER STREET (125TH AVENUE AND 132ND AVENUE) IMPROVEMENT PROJECT 17-07 ASSESSMENT AND PROJECT UPDATE**

**Attachments:**    [Lever Street \(17-07\)](#)  
[17-07 Final Assessment Roll](#)

Mr. Schluender reviewed the project timeline for the Lever Street improvement project. It was noted the public hearing was currently scheduled for May 4, 2020. He provided further comment to the Council regarding the assessments for the parcels within the project area for both petitioning and non-petitioning properties. Staff anticipated three parcel owners would be appealing their assessments.

Councilmember Hovland asked if Beth and Ronald Tambllyn owned one parcel or separate parcels. Mr. Schluender explained the Tambllyns owned one piece of property.

Councilmember Garvais believed the recommendation was a fair and equitable way to proceed with the assessments. He thanked staff for all of their hard work on this project.

**Discussed**

**15 Minute Discussion**

**3-3**

**PRIORITIZING THE 2020 CHARITABLE GAMBLING FUND BUDGET**

**Attachments:**     [2020 Charitable Gambling Prioritization Process](#)

Councilmember Jeppson abstained from discussion on this item.

Finance Director Huss stated staff is requesting that the City Council establish a prioritization process for 2020 payments being made out of the City's Charitable Gambling Fund. Organizations participating in charitable gambling are required to submit 10 percent of their net profits to the city within 15 days of the end of a calendar quarter. Budgeted revenues for 2020 are \$150,950 and the fund ended 2019 with roughly \$94,000 in reserves. He explained the City typically begins paying receiving organizations in the second quarter of the year, funding those payments with reserves on hand as well as first-quarter revenue. Payments are made only up to the amount of funds on hand in order to maintain the fund's solvency and prevent a cash deficit. Typically, the payments sent in the April to May timeframe will fund the food shelves, the high schools, and the shelter organizations. Payments to the remaining groups are sent in July after the second quarter charitable proceeds are received.

Mr. Huss reported the outbreak of the COVID-19 pandemic and the impact it has had on the economy has placed great stress on local food shelves, and the decision was made to fund the food shelves with reserves on hand rather than wait for first quarter proceeds. The decision was also made to fully fund the Alexandra House, the only sheltering organization located within Blaine and the organization that annually receives the largest donation of charitable funds. Sufficient reserves were on hand to make these payments. Roughly \$16,000 remain in reserves. With the March 17 closure of bars and restaurants, staff is anticipating a reduction in first quarter charitable gambling proceeds and an even steeper decline in second quarter receipts as the closure order has now been extended to May 4.

Mr. Huss stated the issue before the Council is to prioritize the remainder of the payments. First quarter charitable gambling receipts have averaged \$38,000 over the last two years. A reasonable, conservative estimate would be that first quarter proceeds would be half of the two-year average, or \$19,000. If that is the case there would be sufficient funds on hand - \$35,000 - to pay the remaining three shelter organizations their full appropriation (\$10,000 each; \$30,000 total). There would still be sufficient funds for Council to approve the funding of the three high school's graduation events. An alternative to this plan would be to remit to the shelters half of their 2020 appropriation (\$5,000) immediately with the remainder paid after collection of any first half proceeds. Staff commented further on the charitable gambling fund budget and requested direction from the Council on how to proceed.

Councilmember Hovland asked if unrestricted funds could be used to cover the food shelf donations for 2020. Mr. Huss reported this could be done and the City

Attorney agrees this would be allowed. He commented staff was just starting to get a picture on what revenues will look like for 2020 and the need to draw on reserves was being considered. He stated a staff imposed restriction has been put in place to not allow for any additional capital purchases until receiving review from the City Council. He indicated the Council would have to prioritize making the food shelf donations versus hanging onto the reserves for operations.

Mayor Ryan stated he did not want to see the City Council spending down its reserves. He understood the charitable gambling fund could disappear at any time. He did support the food shelves being the City's number one priority and he anticipated the State would be sending out funds to assist these organizations.

Councilmember Garvais agreed the food shelves were a priority and he advocated for using the half of the charitable gambling funds for the shelters. He understood if revenues were not coming in the Council may need to review the budget in order to make cuts. He recommended the charitable gambling be set aside for core functions, which meant the food shelves and shelters would remain funded.

Councilmember Swanson supported the food shelves and Alexandra House being funded. He commented if the other organizations wanted 50% of their funding the City could pass along these funds. He suggested staff reach out to these organizations to see if there was a need. He asked if the hospital funds could be used to assist with covering donations to the food shelf and shelters. Mr. Huss explained the hospital funds were considered general unrestricted funds and could be used for funding the food shelves. City Attorney Nelson discussed the statutory authority for public purpose expenditures for food shelves. He noted youth and senior centers also had special statutory authority.

Mayor Ryan reported Lowe's had contacted him and this organization wanted to help the community. He indicated Lowe's could be encouraged to assist the local food shelves. Mr. Huss commented on how staff was working to create an economic downturn strategy to assist with planning for the upcoming year. He indicated the Council could consider using the hospital funds for the food shelves. He explained he would reach out to each of the local organizations to see how they wanted funds appropriated.

**Discussed**

### **15 Minute Discussion**

#### **4      Council Calendar Review**

City Manager Wolfe reviewed the Council Calendar.

## **OTHER BUSINESS**

None.

## **ADJOURN**

The Workshop was adjourned at 7:25 p.m.

**Adjourned**