

CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, JULY 26, 2022

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The regular meeting of the City Council was called to order by Mayor Kevin Voracek at 6:00 pm. Councilors Sara Caron, Royal Ross Tom Spooner and Jon Wood were in attendance. Councilors Peter van Sluis and Janna Viscomi were absent. Also in attendance were City Administrator Tim Murray, City Clerk Heather Slechta, Police Chief John Sherwin, Public Works Director Travis Block, City Engineer Mark DuChene, Community and Economic Development Director Deanna Kuennen, City Planner David Wanberg, Planning and Zoning Coordinator Peter Waldock, Human Resources Manager Kevin Bushard and City Attorney Scott Riggs.

Presentations/Introductions

Mayor Voracek read and presented the Night to Unite Proclamation to Police Chief John Sherwin. Night to Unite will be held on August 2, 2022. There are currently 13 neighborhood groups that will be hosting events. If your neighborhood would like to host an event contact Doug Delesha for more information and to register.

Approve minutes of July 12, 2022 City Council Meeting and July 19, 2022 Special City Council Meeting

Motion by Ross, seconded by Spooner to approve Minutes of the July 12, 2022 City Council Meeting and the July 19, 2022 Special City Council Meeting and carried unanimously.

Consent Agenda

- A. List of Claims for Release
- B. Authorize Issuance of Request for Qualifications for Professional Design Services for North Viaduct Area Park Improvements
- C. Approve Policy 221 - Mental Health Crisis Data
- D. Resolution 2022-150 Approve Jurisdictional Transfer Agreement with Minnesota Department of Transportation for TH 298 & TH 299
- E. Approve 1-4 Day Temporary On-Sale Liquor License for Faribault Minnesota Chapter, Inc.
- F. Approve 1-4 Day Temporary On-Sale Liquor License for Divine Mercy Catholic School
- G. Approve Resolution 2022-151 Approve Massage Therapist License
- H. Approve LG230 Application to Conduct Off-Site Gambling
- I. Resolution 2022-160 Approve Amendment No. 1 to Joint Powers Agreement with Rice County for Cooperative Transportation Planning Agreement for I-35/CSAH 9 Interchange Analysis
- J. Resolution 2022-161 Approve Hiring of Mechanic
- K. Approve Release Agreement for Early Retirement
- L. Approve the Demolition, Removal and Site Restoration of the Hazardous Residential Structure Damaged by Fire Located at 1811 7th ST NW.

Motion by Caron, seconded by Wood to approve Consent Agenda Items 4A.-4L. and carried unanimously.

Requests to be Heard – None

Public Hearings

Ordinance 2022-22 Annexing Certain Lands from Cannon City Township and Zoning Such Lands in the I-1, Light Industrial District, and the P/I, Public/Institutional District - Second Reading and Approve Summary Publication of Ordinance 2022-22

Community and Economic Development Director Deanna Kuennen explained that Ordinance 2022-22 annexes certain lands from Cannon City Township to the City of Faribault and rezones the property to I-1, Light Industrial, and P/I, Public/Institutional. The City Council approved the first reading of Ordinance 2022-22 at a special meeting of the Council on July 19, 2022. The City Council must now conduct a public hearing to solicit public input on the proposed annexation and ordinance. No substantive revisions were made to the ordinance since its first reading.

Motion by Ross, seconded by Spooner to open the public hearing and carried unanimously. The public hearing was opened at 6:05 pm.

Motion by Spooner, seconded by Caron to close the public hearing and carried unanimously. The public hearing was closed at 6:05 pm.

Motion by Ross, seconded by Wood to approve Ordinance 2022-22 Annexing Certain Lands from Cannon City Township and Zoning Such Lands in the I-1, Light Industrial District, and the P/I, Public/Institutional District - Second Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Wood, and Mayor Voracek.

Nay:

Motion carried 5:0

Motion by Wood, seconded by Spooner to approve the Summary Publication of Ordinance 2022-22 and carried unanimously.

Items for Discussion

Applications related to the Redevelopment of Property South of the Viaduct and East of Willow Street

Community and Economic Development Director Deanna Kuennen explained that the City's Journey to 2040 Comprehensive Plan and Downtown Master Plan guide the existing industrial area south of the 1st Street NE viaduct and east of Willow Street for "downtown" use and "residential-commercial mixed-use." The City acquired the property in this area and is working with developers to redevelop it consistent with the community's vision. The first phase of the redevelopment includes a proposed four-story, 77-unit, market-rate apartment building in the northwest corner of the property. Later phases include memory care and senior housing facilities. The area will also include a City-owned parking lot and a regional stormwater basin. Refer to the attached staff report for additional information.

Kuennen requested that the Council approve Ordinance 2022-23 that would vacate unneeded rights-of-way/easements in the area of the former VP Online site at 55 Willow Street to facilitate redevelopment of the area. The Planning Commission held a public hearing on July 18, 2022, to consider the proposed vacation. No one from the public provided comments, and the Commission recommended approval of the proposed vacation as outlined in Ordinance 2022-23.

Kuennen informed the Council that the existing redevelopment area includes a variety of unplatted parcels and platted lots. Staff proposed to plat the property as RIVERCHASE ADDITION. The proposed plat would contain a lot for the Developer's proposed apartment building; a lot to accommodate the future memory care and senior housing – this lot may be subdivided into two lots in the future; a lot for the future City-owned parking lot; Outlots to accommodate the existing City trail and the proposed regional stormwater basin; and the right-of-way for the proposed Riverchase Court, which will provide street access to the properties. The Planning Commission held a public hearing on July 18, 2022, to consider the proposed RIVERCHASE ADDITION plat. No one from the public provided comments, and the Commission recommended approval of the plat as outlined in the attached Resolution 2022-153.

Additionally, Staff proposed to amend the Comprehensive Plan to guide the entire redevelopment area for "downtown" use. The Planning Commission held a public hearing on July 18, 2022, to consider the Comprehensive Plan amendment. No one from the public provided comments, and the Commission recommended approval of the amendment as outlined in Resolution 2022-15

Kuennen further explained that given the request to guide the entire RIVERCHASE ADDITION plat for "downtown" use, would be appropriate to rezone the property in the plat from I-2, Heavy Industrial, to

CBD, Central Business District. The proposed residential uses in the plat are allowed with a conditional use permit. The proposed zoning is consistent with similar residential projects on the edge of the downtown area. The Planning Commission held a public hearing on July 18, 2022, to consider the proposed rezoning. No one from the public provided comments, and the Commission recommended approval of the rezoning as outlined in Ordinance 2022-24.

Kuennen informed the Council that a small portion of the proposed RIVERCHASE ADDITION plat is in the Shoreland Management Overlay District. The proposed development in the shoreland area includes parking areas for the proposed apartment building and City-owned parking lot. The Minnesota Department of Natural Resources expressed no concerns regarding the proposed development in the shoreland area. The City and the Minnesota Department of Natural Resources will continue to coordinate as the construction documents are finalized. The Planning Commission held a public hearing on July 18, 2022, to consider the conditional use permit request. No one from the public provided comments, and the Commission recommended approval of the conditional use permit as outlined in Resolution 2022-155.

The final piece of the redevelopment of this property is approval of a Condition Use Permit (CUP) for Multi-Family Residential Development. Hamilton Real Estate Group is proposing to develop a four-story, 77-unit, market-rate apartment building on the proposed Lot 1, Block 1, RIVERCHASE ADDITION plat. The Developer is requesting a CUP to allow approval of the following in the CBD, Central Business District; the proposed apartment building to function as a standalone residential use; the proposed apartment building to exceed three stories or 42 feet in height; and the proposed apartment building to exceed the number of residential units based on its floor area. The Planning Commission held a public hearing on July 18, 2022, to consider the Developer's conditional use permit request. No one from the public provided direct comments regarding the request, and the Commission recommended approval of the conditional use permit as outlined in Resolution 2022-156.

Councilor Ross asked if the property would be split into four separate PID, City Administrator Tim Murray stated that it would be split into six. He also asked if Riverchase Court is a public or private street, City Engineer Mark DuChene stated that it is a public street. Ross questioned where any overflow parking would be, DuChene stated that there are public parking lots, Ross asked if the proposed parking lot at the new Viaduct Park would be completed, City Administrator Murray stated that the Council could push the parking lot project up, there is parking located in the library lot.

Motion by Spooner, seconded by Wood to approve Ordinance 2022-23 Vacate Unneeded Easements and Rights-of-Way South of the 1st Street NE Viaduct and East of Willow Street - First Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Wood and Mayor Voracek

Nay:

Motion carried 5:0

Motion by Ross, seconded by Caron to approve Resolution 2022-153 Approve the Preliminary Plat and the Final Plat of RIVERCHASE ADDITION and carried unanimously.

Motion by Wood, seconded by Spooner to approve Resolution 2022-154 Approve a Comprehensive Plan Amendment related to Future Land Use South of the 1st Street NE Viaduct and East of Willow Street and carried unanimously.

Motion by Ross, seconded by Spooner to approve Ordinance 2022-24 Rezone Property South of the 1st Street NE Viaduct and East of Willow Street from I-2, Heavy Industrial, to CBD, Central Business District - First Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Wood and Mayor Voracek

Nay:

Motion carried 5:0

Motion by Spooner, seconded by Caron to approve Resolution 2022-155 Approve a Conditional Use

Permit for Development in the Shoreland Management Overlay District South of the 1st Street NE Viaduct and East of Willow Street and carried unanimously.

Motion by Ross, seconded by Wood to approve Resolution 2022-156 Approve Conditional Use Permits for a Proposed Multi-Family Residential Development on Lot 1, Block 1, RIVERCHASE ADDITION and carried 4:1 with Councilor Caron voting Nay.

Resolution 2022-152 Order Improvements, Approve Plans and Specifications and Establish Bid Date for 2022 Riverchase Court Improvements - Contract 2022-13

City Engineer Mark DuChene explained that Resolution 2022-152 orders the improvements and approves the construction plans and specifications for the proposed Riverchase Court Improvements - Contract 2022-13 project including removals, watermain, sanitary sewer, lot services, storm sewer construction, grading, aggregate base, bituminous paving, turf restoration and related improvements on the following streets:

Riverchase Court (Willow Street to East End)

The improvements are part of the redevelopment plat proposed as Riverchase Addition which encompasses the properties at 55 Willow Street, 217 Mill Street and 127 Willow Street. Per the pre-development agreement with the developers, the City is to complete the design and construction of the public street and utility extensions for the proposed plat. The City has hired Widseth, a private engineering consulting firm to complete the plans for the project and City staff has completed the remainder of the bidding documents and will be administering the bidding and construction administration portions of the project.

The preliminary total estimated cost of the improvements, including 10% contingency and 15% engineering, that covers both consultant and in-house engineering, is \$1,054,400. Proposed funding for the project is as follows:

Street Improvement Fund (401)	\$ 390,900.00	37.1%
Water Utility Fund (601)	\$ 342,200.00	32.5%
Sewer Utility Fund (602)	\$ 119,500.00	11.3%
Storm Water Utility Fund (603)	\$ 201,800.00	19.1%
Total	\$ 1,054,400.00	100.0%

A portion of these costs may be reimbursed to their respective funds through the creation of one or more tax increment financing districts for eligible projects.

The resolution also establishes a bid date of August 17, 2022 for the project. Construction is scheduled to begin this fall, with substantial completion by July 1, 2023.

Motion by Wood, seconded by Spooner to approve Resolution 2022-152 Order Improvements, Approve Plans and Specifications and Establish Bid Date for 2022 Riverchase Court Improvements - Contract 2022-13 and carried unanimously.

Applications Related to the Development of Malecha Auto Body Shop at 2005 2nd Avenue NW

Community and Economic Development Director Deanna Kuennen explained that William Malecha is the owner of a vacant commercial lot at 2005 2nd Avenue NW. The property is comprised of a commercial lot and two Outlots that will be combined into one lot. The site is Zoned C-2, Highway Commercial District and the east portion is within the revised Shoreland Overlay District for the Cannon River. The owner proposes to construct a 10,400 SF building on this site for use as an auto body repair business & car sales lot. Parking will be provided for 32 cars and a vehicle sales display area is planned for the paved lot area on the west side of the building with the ability to accommodate 40 cars. The building will have nine repair bays, a paint booth, wash bay, offices, storage, and mechanical area. Associated with this development proposal, the property owner has submitted applications for vacation of a public drainage and utility easement, preliminary and final plat approval and Conditional Use Permit (CUP) for major auto repair in a commercial district and a CUP for Development in the Shoreland Overlay District.

Ordinance 2022-25 will allow for the vacation of un-needed public drainage and utility easements that were platted as part of the Kuntze Addition. The Development Review Committee and Planning Commission both recommended approval of the request. The Planning Commission approved a draft of the ordinance with findings for approval and recommended conditions.

Resolution 2022-157 Approving the Preliminary and Final Plat of MAB Addition at 2005 2nd Ave NW. The subdivision will replat two outlots and combine them with an adjoining commercial lot. Again, the Development Review Committee and Planning Commission are recommending approval of the request. The Planning Commission approved the draft resolution with findings for approval and recommended conditions in this matter.

Resolution 2022-158 Approving a Conditional Use Permit for a Major Auto Repair Use in the C-2 Highway Commercial District at 2005 2nd Avenue NW will permit for a mayor auto repair use in the C-2 Highway Commercial District. The Development Review Committee and Planning Commission are supported approval of this request. The Planning Commission approved a draft resolution with findings for approval and recommended conditions related to this application. In addition to a CUP for major auto repair in the C-2, Malecha also was required to get a CUP for development in the Shoreland Overlay district at 2005 2nd Avenue NW. Resolution 2022-159 approves the CUP for development within the Shoreland Overlay District. Both the Development Review Committee and Planning Commission recommended approval of the request. The Planning Commission approved a draft resolution with findings for approval and recommended conditions related to this application.

Councilor Ross asked if the sales lot would be striped, Kuennen explained that it would not be, he also asked how many cars would be allowed in the sales lot, Planning Coordinator Peter Waldock stated that it is unlimited. Councilor Spooner congratulated Malechas on moving forward with the project.

Motion by Ross, seconded by Caron to approve Ordinance 2022-25 Vacate an Unneeded Public Drainage and Utility Easement on the east side of Lot 1, Block 1 of Kuntze Addition located at 2005 2nd Avenue NW - First Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Wood and Mayor Voracek

Nay:

Motion carried 5:0

Motion by Spooner, seconded by Wood to approve Resolution 2022-157 Approving the Preliminary and Final Plat of MAB Addition at 2005 2nd Ave NW and carried unanimously.

Motion by Ross, seconded by Caron to approve Resolution 2022-158 Approving a Conditional Use Permit for a Major Auto Repair Use in the C-2 Highway Commercial District at 2005 2nd Avenue NW and carried unanimously.

Motion by Wood, seconded by Ross to approve Resolution 2022-159 Approving a Conditional Use Permit for Development within the Shoreland Overlay District at 2005 2nd Avenue NW and carried unanimously.

Bids - None

Boards and Commissions Reports, Announcements and Project Updates

The Monthly Financial Report was provided to the Council prior to the meeting as part of the meeting materials.

Councilor Ross gave kudos to City and Lakes Disposal for completing the renovation on their building, it looks great.

Councilor Spooner stated that he attended the Annual meeting for the River Bend Nature Center, the new Executive Director was also in attendance.

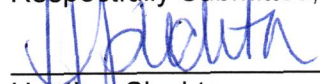
Mayor Voracek thanked all the volunteers that helped with the Rice County Fair.

Adjournment

Motion by Ross, seconded by Wood to adjourn the meeting and carried unanimously.

Meeting adjourned at 6:38 pm.

Respectfully Submitted,



Heather Slechta
City Clerk