



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, DECEMBER 14, 2021

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 6:00pm. Councilors Sara Caron, Royal Ross, Peter van Sluis, Tom Spooner, Janna Viscomi and Jon Wood were in attendance. Also, in attendance was City Administrator Tim Murray, Assistant to the City Administrator Heather Slechta, Parks and Recreation Director Paul Peanasky, Community and Economic Development Director Deanna Kuennen, Police Chief Andy Bohlen, Fire Chief Dustin Dienst, Public Works Director Travis Block, Human Resources Manager Kevin Bushard, Library and Communications Director Delane James and Finance Director Jeanne Day.

Presentations/Introductions

Allina Health Update by Michael Johnston, President of Allina Hospital System, Faribault was provided to the Council. Mr. Johnston reviewed future goals, as well as new additions to the hospital team. Mr. Johnston also spoke to the Council about COVID-19 and its impacts on the hospital as well as staff.

Approve minutes of November 23, 2021 City Council Meeting, November 23, 2021 Special City Council Meeting and December 7, 2021 Special City Council Meeting

Motion by Ross, seconded by Spooner to approve the minutes of November 23, 2021 City Council Meeting, November 23, 2021 Special City Council Meeting and December 7, 2021 Special City Council Meeting and carried unanimously.

Consent Agenda

- A. List of Claims for Release
- B. Resolution 2021-248 Accept Donations to the Police Department
- C. Approve Local 320 Police Department Supervisory Essential Labor Agreement 2022 - 2024
- D. Resolution 2021-265 Accept Supplemental Coronavirus Local Fiscal Recovery Funds Established Under the American Rescue Plan Act Funds
- E. Resolution 2021-266 Adopting Sidewalk and Trail Improvement Plan 2021 Update
- F. Approve LG 214 Premises Permit Application for Faribault Wrestling Club
- G. Approve City Administrator Employment Agreement
- H. Resolution 2021-271 Adopt 2022 Snow & Ice Control Guidelines
- I. Resolution 2021-272 Approve Off-Sale Liquor License Renewal
- J. Resolution 2021-273 Approve 2022 Tobacco License Renewal
- K. Resolution 2021-274 Authorize Formation of the Buckham Memorial Library Special Revenue Fund
- L. Resolution 2021-275 Accept Donations to Parks and Recreation Department
- M. Resolution 2021-277 Approve Street Closure for Paradise Center for the Arts Celebration
- N. Resolution 2021-278 Receive/File Feasibility Report and Establish Public Hearing for 2022 Street Overlay and Sidewalk Improvements – Contract 2022-02
- O. Approve Purchase and Letter of Understanding with the Faribault Baseball Association for a new Scoreboard for Bell Field
- P. Approve Quote to Replace Holiday Decorations
- Q. Approve Local IAFF 665 Firefighter Labor Agreement 2022 - 2024
- R. 2021-279 Approve Pawnbrokers License Renewal for Pawn Minnesota

- S. Approve 1-4 Day Temporary License for Faribault Minnesota Chapter, Inc
- T. Resolution 2021-280 Approving the Memorandum of Agreement (MOA) Between the State of Minnesota and Local Governments and Authorizing Participation in National Opioid Settlements

Motion by van Sluis, seconded by Wood to approve Consent Agenda Items A-T and carried unanimously.

Requests to be Heard – None

Public Hearings

Approval of 2022 Budget, Tax Levies, CIP, Fee Schedule, and Franchise Fees Distribution

Finance Director Jeanne Day explained that the City Council must formally approve the final 2022 Budget, Tax Levies, Capital Improvement Plan (CIP) and Fee Schedule annually. Day noted that several budget work sessions were held to discuss these items and the final documents were being presented to the Council for approval.

Day Further explained that the CIP is part of the overall budget appropriation process and provides detailed information for all capital expenditures for the 2022 fiscal year. The CIP outlines capital purchases and projects anticipated for the next 5-year period and is a working document that is reviewed and adjusted on an annual basis. The 2022 Fee Schedule provides license fees, charges for multiple services offered by the City, and utility rates. The Franchise Fees are distributed into multiple funds each year.

Motion by Spooner, seconded by van Sluis to open the public hearing and carried unanimously. The public hearing opened at 6:40pm.

There were no comments received from the public.

Motion by Spooner, seconded by Ross to close the public hearing and carried unanimously. The public hearing was closed at 6:41pm.

Motion by Spooner, seconded by van Sluis to approve Resolution 2021-258 Adopt 2022 Property Tax Levy and carried unanimously.

Motion by van Sluis, seconded by Wood to approve Resolution 2021-259 Adopt 2022 Budget & Establish Fund Appropriations and carried unanimously.

Motion by Wood, seconded by van Sluis to approve Resolution 2021-260 Adopt HRA 2022 Property Tax Levy and carried unanimously.

Motion by Spooner, seconded by Wood to approve Resolution 2021-261 Adopt EDA 2022 Property Tax Levy and carried unanimously.

Motion by van Sluis, seconded by Caron to approve Resolution 2021-262 Approve 2022 Fee Schedule and carried unanimously.

Motion by Ross, seconded by Viscomi to approve Resolution 2021-263 Approve 2022-2026 Capital Improvement Plan and carried unanimously.

Motion by Ross, seconded by van Sluis to approve Resolution 2021-264 Approve 2022 Franchise Fees Distribution and carried unanimously.

Items for Discussion

Resolution 2021-268 Extend the Deadline to File All Required Documents and to Start Construction on the Proposed Cave Creek Development Near 935 Faribault Road

Community and Economic Development Director Deanna Kuennen explained that on December 27, 2016, the City Council approved resolutions and ordinances related to the proposed Cave Creek Development, commonly known as Faribault Place, located at the former Kmart site near 935 Faribault Road. On December 12, 2017, December 11, 2018, December 23, 2019, and December 8, 2020, the City Council approved resolutions that granted John Cameron, on behalf of Cave Creek, LLC, Faribault Senior Living, LLC, and Faribault Townhomes Association, one-year extensions to file documents related to the proposed development. The resolutions also granted Mr. Cameron a one-year extension to start construction on the development.

Mr. Cameron has strived to move this project forward, but the viability of this project is dependent on financing, which he has not yet secured. Furthermore, the COVID situation has presented hardships related to existing and planned senior housing. Consequently, while Mr. Cameron continues to try to secure financing, he requests that the City Council extend the deadline to December 31, 2022, to record all required documents with Rice County. He also requests that if the City Council approves, in 2022, a Development Agreement for the subject development, that the Development Agreement control the deadline to start construction, which may be later than 2022. However, he is striving to record all documents and start construction in 2022.

Mr. Cameron provided the Council with an update on the status of his project. He stated that they are still dealing with COVID related issues, that include lower occupancy at his other properties, leading lenders to ask him to wait and show demand for the project. Mr. Cameron stated that his expectation is to see this project through, he just needs more time to make it work.

Councilor Spooner asked Mr. Cameron to give him some hope that there will be something there, Mr. Cameron reiterated that he has not given up on the project, and that he is open to ideas to move the project along as he has already paid architects, engineers and people to look at financing options. He believes there is a need for housing, however, the costs do not tie out to revenue. Councilor Viscomi was in favor of the granting the extension. Councilor Wood stated that it is getting harder to make deals come together, and asked what Mr. Cameron's goals were for 2022. Mr. Cameron stated that he has the site plan done, design for the building, increase occupancy community wide and put together a finance plan. Councilor Ross asked if affordable senior housing required other requirements. Kuennen and Mr. Cameron explained the challenges associated with using state funding for this project as well a potential request for creating a TIF district. Councilor Caron asked if the site could be cleaned up, Mr. Cameron explained that it could cost anywhere from \$100,000-\$200,000 to clean-up the site. Caron then requested that the weeds just be cut.

Motion by Ross, seconded by Viscomi to approve Resolution 2021-268 Extend the Deadline to File All Required Documents and to Start Construction on the Proposed Cave Creek Development Near 935 Faribault Road and carried 6:1 with Councilor Spooner voting Nay.

Ordinance 2021-14 Amend Northgate Business Park PUD - First Reading

Community and Economic Development Director Deanna Kuennen explained that Bhavesh Amin, on behalf of Radhe Krishna, Inc. has a purchase agreement with GPT Development Co., LLC for Lots 3, 4, and 8, Block 1, NORTHGATE SECOND ADDITION, and a purchase agreement with Gray Family Investments Limited Partnership for Lot 7, Block 1, NORTHGATE SECOND ADDITION. Radhe Krishna, Inc, in consultation with GPT Development Co., LLC and Gray Family Investments Limited Partnership, requests that the City Council remove Lots 3, 4, 7, and 8, Block 1, NORTHGATE SECOND ADDITION from the planned unit development (PUD) associated with NORTHGATE SECOND ADDITION.

The current Northgate Business Park PUD, initially approved by Ordinance 2000-06 and amended by Ordinance 2002-23, identifies Lots 1-6 and Lot 8 for office/retail use and Lot 7 for restaurant use. Radhe Krishna, Inc requests City Council approval of Ordinance 2021-14, which would remove the subject property from the PUD and allow the subject property to develop per the permitted and conditional uses in the underlying C-2 Highway Commercial zoning district. At this time, Radhe Krishna, Inc. does not have detailed development plans for the subject property.

The City's Development Review Committee (DRC) reviewed and recommended approval of the Applicant's request on November 23, 2021. The DRC noted that the subject property has remained undeveloped for the past 20 years. Therefore, it is reasonable to allow other permitted or conditional uses in the C-2, Highway Commercial zoning district on the subject property. The Planning Commission held a public hearing on December 6, 2021. Mark Zeller, a property owner on Lot 6, expressed that the shared driveway easement between Lots 6 and 7 would have to remain. An adjacent property owner submitted a letter expressing concerns about the potential development of the site. With a 5-0 vote, the Planning Commission recommended that the City Council approve Ordinance 2021-14. Like the DRC, the Planning Commission found that the subject property had not developed in 20 years. Consequently, it is appropriate to remove the subject property from the PUD and allow it to develop consistent with the underlying C-2, Highway Commercial District. City Staff understands the Property Owners and the Applicant are working together to revise the private easements, restrictions, and covenants associated with the subject property.

Motion by van Sluis, seconded by Wood to approve Ordinance 2021-14 Amend Northgate Business Park PUD - First Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay:

Motion carried 7:0

Resolution 2021-269 Approve a Comprehensive Plan Amendment to Guide Property Located at 1440 Willow Street to Commercial - Industrial Mixed Use, Ordinance 2021-16 Rezoning from R-1, Single Family Residential to C-2 Highway Commercial District at 1440 Willow Street - First Reading and Resolution 2021-270 Approve a Conditional Use Permit for Major Auto Repair in the C-2 Highway Commercial District at 1440 Willow Street

Community and Economic Development Director Deanna Kuenen explained that the property located at 1440 Willow Street has an existing 2-unit commercial building with paved parking lot and an accessory building. The building was originally built for a snowmobile dealership and repair shop, prior to being annexed into the city. Recently, the space was being operated as a glass business and was leased to a locksmith business. The property is now being leased to Mad-Chassis, a car customization business.

In order for Mad-Chassis to continue operating at 1440 Willow Street a few actions related to zoning are required. Since Mad-Chassis is considered major auto repair, a change of use is required. The applicants are requesting that a Comprehensive Plan Amendment be approved. The newly adopted Comprehensive Plan established this area Residential, the request is to change this to Commercial/Industrial Mixed Use. They are also requesting that the property be rezoned from R-1, Single Family Residential to C-2 Highway Commercial and the final request is for a Conditional Use Permit (CUP) to allow major auto repair in the C-2 district.

On November 15, 2021, the Planning Commission held a public hearing on the proposed Comprehensive Plan amendment. The Planning Commission recommended approval of findings to support the amendment. At that same public hearing the Planning Commission recommend approval of findings to support rezoning. A condition has been added to require a separate driveway as the

driveway is currently shared when the residential or commercial parcel is sold. The Planning Commission also recommended the approval of the CUP.

Councilor Wood asked if Mad-Chassis has been in this location for awhile now, Kuennen explained that they have been, however, they have not had the proper zoning until it was brought to Staffs attention. Councilor Ross stated that there are only two houses in this area, and asked what the new definition was, Kuennen explained that this is a hybrid, and it is considered commercial/industrial. City Planner David Wanberg informed the Council that it was considered residential since the trail divides it. It would have continued as a non-conforming lot. Councilor Caron asked if changing zoning is a lot of work, since it has already been twice since she has been on the Council. Kuennen explained that the property owners did not go through a change of use, and that this process is a requirement. It was also relayed that changing zoning does create more work for the staff. Mayor Voracek asked if the site would need to be brought up to code, Planning Coordinator Peter Waldock explained that the property is currently paved, and they will be required to bring it closely aligned to the code.

Motion by Spooner, seconded by Ross to approve Resolution 2021-269 Approve a Comprehensive Plan Amendment to Guide Property Located at 1440 Willow Street to Commercial - Industrial Mixed Use and carried unanimously.

Motion by Wood, seconded by van Sluis to approve Ordinance 2021-16 Rezoning from R-1, Single Family Residential to C-2 Highway Commercial District at 1440 Willow Street - First Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay:

Motion carried 7:0

Motion by Ross, seconded by Viscomi to approve Resolution 2021-270 Approve a Conditional Use Permit for Major Auto Repair in the C-2 Highway Commercial District at 1440 Willow Street and carried unanimously.

Ordinance 2021-15 Repeal and Replace Chapter 13, Article 2, Sec. 13-90 of the City's Unified Development Ordinance related to Floodplain Management Districts - First Reading

Community and Economic Development Director Deanna Kuennen explained that the Federal Emergency Management Agency (FEMA) recently updated a flood insurance rate map (FIRM) related to the Zumbro River, east of Faribault. While the updated map does not directly affect property in Faribault, the map includes a small part of Faribault. Consequently, FEMA requires that the City amend its ordinance to reflect the updated map. Ordinance 2021-15 amends Chapter 13, Article 2, Section 13-90 of the City's Unified Development Ordinance as requested by FEMA.

The Planning Commission held a public hearing on November 15, 2021, to consider the ordinance amendment. No one from the public provided comments. The Planning Commission unanimously recommended that the City Council approve the ordinance amendment.

Motion by van Sluis, seconded by Ross to approve Ordinance 2021-15 Repeal and Replace Chapter 13, Article 2, Sec. 13-90 of the City's Unified Development Ordinance related to Floodplain Management Districts - First Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay:

Motion carried 7:0

Ordinance 2021-12 Repeal and Replace Chapter 15, Article 7 of the City's UDO related to Park Dedication - Second Reading and Approve Summary Publication - Ordinance 2021-12 and Ordinance 2021-13 Repeal Chapter 7, Article 1, Section 7.07 of the Faribault Code of Ordinances related to a Park Development Surcharge - Second Reading and Approve Summary Publication - Ordinance 2021-13

Parks and Recreation Director Paul Peanasky informed the Council that since the first reading for Ordinance 2021-12 and Ordinance 2021-13 on November 23, 2021 there have been no comments received and no changes have been made.

Motion by Ross, seconded by Spooner to approve Ordinance 2021-12 Repeal and Replace Chapter 15, Article 7 of the City's UDO related to Park Dedication - Second Reading

Roll Call Vote:

Aye: Councilor Caron, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay:

Motion carried 7:0

Motion by Ross, seconded by Viscomi to approve Summary Publication - Ordinance 2021-12 and carried unanimously.

Motion by van Sluis, seconded by Caron to approve Ordinance 2021-13 Repeal Chapter 7, Article 1, Section 7.07 of the Faribault Code of Ordinances related to a Park Development Surcharge - Second Reading and

Roll Call Vote:

Aye: Councilor Caron, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay:

Motion carried 7:0

Motion by van Sluis, seconded by Ross to approve Summary Publication - Ordinance 2021-13 and carried unanimously.

Resolution 2021-276 Order Improvements, Approve Plans, and Establish Bid Date for Buckham Memorial Library and Community Center Roof Replacement

Parks and Recreation Director Paul Peanasky informed the Council that Resolution 2021-276 orders the improvements, approves the plans, and establishes the bid date for the replacement of the roof on Buckham Memorial Library and the Community Center. This project is included in the approved 2022 Capital Improvement Plan; however, Staff are requesting bids now to hopefully get better bid pricing this time of year. The project will not be accepted until the January 25, 2022, City Council Meeting. Bid opening is scheduled for Tuesday, January 18, 2022, at the Faribault Community Center and the City Council will receive those bids at their January 25, 2022, City Council Meeting for approval. The anticipated start date would be late February or early March.

Motion by Ross, seconded by van Sluis to approve Resolution 2021-276 Order Improvements, Approve Plans, and Establish Bid Date for Buckham Memorial Library and Community Center Roof Replacement and carried unanimously.

Resolution 2021-267 Approve New 2021 On-Sale Intoxicating/Sunday Liquor License and 2022 Renewal for Small Circle, LLC dba Sawmill Bar and Grill

City Administrator Tim Murray explained to the Council that the applicant, Small Circle, LLC dba Sawmill Bar and Grill has submitted an application for an On-Sale Intoxicating Liquor License and Sunday Liquor License. The applicant would be operating at 28 3rd Street NW. The applicant will abide by State statutes and City ordinances regarding all requirements and the hours of sale of alcoholic beverages.

The Police Department conducted a background check and a review of the Certificate of Liability Insurance by the City Attorney has been completed. Murray explained that since the time of the application concerns by members of the public have been raised in regards to who the actual applicant may be. Murray stated that Lisa Zarza, the owner of the now closed Alibi in Lakeville was rumored to be part of the business. Jordana Zannmiller, owner of Small Circle stated that she is the sole owner of the Sawmill Bar and Grill and Tyler Marvets will be serving as the general manager and Ms. Zarza is only a consultant who is helping her get started as she has opened a number of bars and restaurants.

Murray informed the Council that they can table the license application for further investigation or they can approve the license as presented. Councilor Caron was in favor of tabling the request and conducting further investigations. Councilor Ross stated that he could not find a reason to deny the application. Councilor Viscomi did not want to see any problems from the Sawmill. Through much discussion it was determined that there was not a reason for the Council to deny the application.

Motion by Ross, seconded by van Sluis to approve Resolution 2021-267 Approve New 2021 On-Sale Intoxicating/Sunday Liquor License and 2022 Renewal for Small Circle, LLC dba Sawmill Bar and Grill

Roll Call Vote:

Aye: Councilor Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay: Councilor Caron

Motion carried 6:1 with Caron voting Nay

Bids - None

Boards and Commissions Reports, Announcements and Project Updates

Councilor van Sluis stated that the Paradise Theater mortgage burning will be on Friday and that only those individuals that are part of the "100 Club" are invited to the event. He also stated that the Paradise is doing much better financially than they were a year ago.

Councilor Ross thanked Scott Amundson, C & S Vending and the Paradise Center for the Arts for sponsoring a fundraiser for the Police Department. They raised over \$19,000.

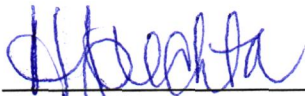
Mayor Voracek received an email regarding the Wild Scenic Ordinance and asked if this would be coming to the Council in the future, Staff stated that it would be.

Adjournment

Motion by van Sluis, seconded by Viscomi to adjourn the meeting and carried unanimously.

Meeting adjourned at 8:03 pm.

Respectfully Submitted,



Heather Slechta
Assistant to the City Administrator