



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, AUGUST 12,
2025

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The City Council meeting was called to order by Mayor Tom Spooner at 6:00 pm. Councilors in attendance included Mandy Barnes, Adama Doumbouya, Royal Ross, John Rowan, and Chuck Thiele. Peter van Sluis was absent. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechta, Community and Economic Development Director David Wanberg, Police Sergeant Dave Dillon, City Engineer Mark DuChene, Communications Manager Brad Phenow, Environmental & Water Resources Coordinator Adam King, City Planning Manager Harry Davis, Public Works Director Travis Block, Fire Chief and Code Services Director Dustin Dienst, Library Services Director Delane James, Finance Director Kindra Papenfus, Parks and Recreation Director Rochelle Anderholm-Parsch and City Attorney Scott Riggs.

Approve Agenda

Motion by Ross, seconded by Doumbouya to approve the agenda as presented and carried unanimously.

Presentations/Introductions

Communications Manager Brad Phenow introduced and presented the following members of the inaugural Residents Academy participants with a plaque; Chole Kucera, Ibrahim Khalif, Jane Egerdahl, Judy Becker, Travis Kath. Mary Pankonin, Mary Jo Weichmann and Brain Peterson were also participants but were unable to attend the meeting.

Approve minutes of the July 22, 2025, City Council Meeting and the July 22, 2025, Special City Council Meeting - Closed Session

Motion by Rowan, seconded by Doumbouya to approve the Minutes of the July 22, 2025, City Council Meeting and the July 22, 2025, Special City Council Meeting - Closed Session and carried unanimously.

Requests to be Heard - None

Consent Agenda

- A. Approve List of Claims for Release
- B. Resolution 2025-189 Accept Donation to the City of Faribault Municipal

Airport Liz Wall Strohfus Field

- C. Resolution 2025-192 Amend the 2025 Adopted Budget to Re-estimate Funds 431 and 437
- D. Approve LG240B Application to Conduct Excluded Bingo for Knights of Columbus 0525 General Shields Assembly
- E. Approve Temporary Liquor License Applications for the Faribault Area Chamber of Commerce and Tourism
- F. Approve Use of Central Park for Hispanic Heritage Month Community Celebration
- G. Resolution 2025-198 Approve Agreement With AT&T for Northern Links Trail Project - Contract 2023-07
- H. Resolution 2025-199 Approve Consent Assessment Agreements for 2025 City Wide Tree Removal Project - Contract 2025-14

Motion by Ross, seconded by Barnes to approve Consent Agenda Items A-H and carried 7:0 with Councilor Thiele abstaining from H. Resolution 2025-199 Approve Consent Assessment Agreements for 2025 City Wide Tree Removal Project - Contract 2025-14.

Public Hearings – None

Items for Discussion

Resolution 2025-191 Approve Findings of Fact and Record of Decision for Archer Datacenters EAW and Negative Declaration Needing an EIS

City Planning Manager Harry Davis and Alison Harwood, WSB Consultant, explained that Archer Datacenters is proposing to develop up to 500,000 square feet of data center buildings on approximately 84 acres south of 150th Street West and east of Acorn Trail in Faribault. The proposed development concept includes up to six data center buildings, each one-story in height. Construction will also include associated parking, utilities, stormwater management ponds, landscape improvements, and one substation. The City of Faribault public water and sanitary sewer will be extended to the site.

The proposed project exceeded the threshold for a mandatory Environmental Assessment Worksheet (EAW) per Minnesota Rules Chapter 4410.4300 Subpart 14. The proposed project does not exceed the threshold for a mandatory Environmental Impact Statement (EIS) as outlined in Minnesota Rule 4410.4400 Subpart 11. The purpose of an EAW is to gather information about a project to assess the potential environmental effects and identify whether those effects may be significant. An EAW is not an approval process, but the information gathered can inform project approvals.

An EAW was prepared and determined to be complete on May 14, 2025. The EAW was filed with the Environmental Quality Board (EQB) and circulated for review and comment to the required distribution list as well as noticed to the public. This notice included a description of the project, information on where copies of the EAW were available, and invited the public to provide comments. Copies of the EAW were available on the City's website and at City Hall. The comment period was open from May 20 to June 20, 2025.

The city received multiple comments during the EAW comment period. Comments were received from two state agencies and nine members of the public. The city's Environmental and Planning Commissions also reviewed and provided comments. The environmentally relevant comments received were related to:

- Potential for impacts to various water resources, including both ground and surface waters.
- Potential for impacts to wildlife and their habitats, including trees.
- Recommendations for native plantings and landscaping.
- Potential for impacts to air quality.
- Potential for noise impacts.

Each of the environmentally relevant comments received were considered, responded to and, if necessary, updates were noted in the Findings of Fact and Conclusions document.

Multiple permits and approvals will be necessary prior to site construction. Coordination of these permits and approvals with the various governmental agencies will ensure that the proposed project will be designed consistently with applicable regulations and impacts will be minimized and mitigated appropriately.

Based on the EAW and comments received, adequate information has been received to determine that the project will not have significant environmental impacts and development of an Environmental Impact Statement is not required. Both the Environmental and Planning Commissions unanimously recommend approval of Resolution 2025-191, along with the DRC and City Planning Manager. City Council will likely see this project again for preliminary and final plat approvals. The City and Developer's consultants who worked on the EAW will attend the City Council meeting to present and answer questions about the EAW.

Susan Erickson and Shodo Spring voiced concerns with the speed of the development of AI. Erickson stated that pollinators are being lost due to the loss of their habitat. Spring requested that the Council not move too quickly and do studies first.

Councilor Barnes asked why we do not have noise, air, etc. studies done yet to decide on the EAW, Harwood explained that the EAW is done with the best available information, and those studies may identify other needs to move forward with the project. Barnes also gave Kudos to the Environmental Commission for their work on this. Councilor Ross asked if this resolution approves the receipt of the EAW, Harwood stated that this study states that no EIS is required, and the EAW must be approved prior to other state agencies reviewing applications for the project.

Motion by Ross, seconded by Doumbouya to approve Resolution 2025-191 Approve Findings of Fact and Record of Decision for Archer Datacenters EAW and Negative Declaration Needing an EIS and carried unanimously.

Hofmeister/South of Frederiksen Dr - Comprehensive Plan Amendment; Zoning Map Amendment; Preliminary Plat; Final Plat; Resolution 2025-193 Approve a Comprehensive Plan Amendment to Guide Certain Property on the Southside of Frederiksen Dr to Commercial/Residential Mixed Use, Ordinance 2025-9 Approve Rezoning Property on the Southside of Frederiksen Dr to R-3 (First Reading) and Resolution 2025-194 Approve the Preliminary and Final Plats for Hofmeister Fourth Addition

City Planning Manager Harry Davis stated that Steve Underdahl on behalf of the Ann Hofmeister Trust requests comprehensive plan and zoning map amendments alongside preliminary and final plat approval for property on the south side of Frederiksen Dr between Airport Dr W and Hanson Ave, otherwise known as PID 18.23.1.78.001. The subject property is zoned C-2, Highway Commercial and contains approximately 6 acres of land. The proposal intends to create one single-family residential lot located on the far west side of the subject parcel and two commercial properties in the center and eastern parts. This is accomplished through a comprehensive plan amendment to change the land use designation from commercial to commercial/residential mixed use and from C-2 to R-3 on the west side. The preliminary and final plats are to create the corresponding lot lines for the residential and two commercial properties.

The request for redesignating commercial property to commercial/residential mixed use is in line with criteria for amending the comprehensive plan. Additional residential area in this part of the city will not be detrimental to the nearby area. The request to rezone part of the property from C-2 to R-3 is in line with criteria for a zoning map amendment. R-3 is expected to be compatible with adjacent properties and the remaining C-2 will ensure some commercial development in this area. The preliminary and final plats meet UDO requirements.

At their August 4, 2025, meeting, the Planning Commission voted unanimously to forward and recommend approval of the project. The DRC, Davis, and City Engineer Mark DuChene also recommended approval of the project. Public comment at the Planning Commission public hearing was focused on determining the future use of the residential area and maintaining the existing tree line that acts as a buffer for the property to the adjoining neighborhood on the west side.

Councilor Ross asked if only one home would be on the property, Davis stated that the owners are not planning to add any additional homes, only lot 1 would have a home.

Motion by Thiele, seconded by Barnes to approve Resolution 2025-193 Approve a Comprehensive Plan Amendment to Guide Certain Property on the Southside of Frederiksen Dr to Commercial/Residential Mixed Use and carried unanimously.

Motion by Ross, seconded by Rowan to approve Ordinance 2025-9 Approve Rezoning Property on the Southside of Frederiksen Dr to R-3 (First Reading)

Roll Call:

Aye: Councilor Barnes, Doumbouya, Ross, Rowan, Thiele and Mayor Spooner

Nay:

Motion carried 6:0

Motion by Thiele, seconded by Barnes to approve Resolution 2025-194 Approve the Preliminary and Final Plats for Hofmeister Fourth Addition and carried unanimously.

Rice County/128 3rd St NW - Comprehensive Plan Amendment; Zoning Map Amendment; Preliminary Plat; Final Plat: Resolution 2025-195 Approve a Comprehensive Plan Amendment to Guide Certain Property at the Corner of 4th St NW and 2nd Ave NW, Ordinance 2025-10 Approve Rezoning Property at the Corner of 4th St NW and 2nd Ave NW to CBD (First Reading) and Resolution 2025-196 Approve the Preliminary and Final Plats for Henry M Rice Square

City Planning Manager Harry Davis explained that Sarah Folsted on behalf of Rice County requested a comprehensive plan amendment, zoning map amendment, preliminary plat, and final plat approval for the entire city block between 4th St NE, 2nd Ave NW, 3rd St NW, and 1st Ave NW. The subject property is zoned primarily P-I, Public Institutional with some CBD, Central Business District. The property contains approximately 109,600 square feet of land partially occupied by the Rice County Law Enforcement Center, Rice County Friendship House, and the Rice Soil and Water Conservation District. The proposed comprehensive plan amendment, rezoning, and plats seek to facilitate development on the northern half of the property by reconfiguring property lines for the entire block from 12 lots into five lots and rezoning part of the property to CBD from P-I. The redevelopment of the northern half is intended to include a new office building and a parking lot on Lot 1 and 2, respectively. The existing buildings on the southern half will remain in Lots 3, 4, and 5.

The request for redesignating part of the subject property from institutional to downtown is consistent with the comprehensive plan. The change is in the best interest of the public and will have little negative impact on adjoining properties. The request to rezone part of the property from P-I to CBD meets the criteria of a zoning map amendment. The CBD zoning is found elsewhere in the same block and subject property in addition to across the street. CBD will be compatible in terms of land uses with surrounding properties in terms of land use and zoning. The preliminary and final plats meet UDO requirements

At their August 4, 2025, meeting, the Planning Commission voted unanimously to forward and recommend approval of the project. The DRC, Davis, and City Engineer Mark DuChene also recommended approval of the project.

Motion by Doumbouya, seconded by Barnes to approve Resolution 2025-195 Approve a Comprehensive Plan Amendment to Guide Certain Property at the Corner of 4th St NW and 2nd Ave NW and carried unanimously.

Motion by Ross, seconded by Barnes to approve Ordinance 2025-10 Approve Rezoning Property at the Corner of 4th St NW and 2nd Ave NW to CBD (First Reading)

Roll Call:

Aye: Councilor Barnes, Doumbouya, Ross, Rowan, Theile and Mayor Spooner

Nay:

Motion carried 6:0

Motion by Barnes, seconded by Rowan to approve Resolution 2025-196 Approve the Preliminary and Final Plats for Henry M Rice Square and carried unanimously.

Resolution 2025-197 Approve an Interim Use Permit to Allow Storage Containers at 1512 30th Street NW

City Planning Manager Harry Davis stated that Michele Keller for Living Greens Farm on behalf of Ben Eastep from Van East Land Development Company requests an Interim Use Permit (IUP) to allow six (6) storage containers, currently located on the property, to remain at 1512 30th Street NW for no greater than two years. The subject property is zoned I-P, Industrial Park and contains 4.10 acres. The storage containers will be along the Industrial Dr right-of-way and be compliant with front building setbacks. The property received a similar IUP, Resolution 2020-017, that allowed storage containers in the same location. The justification for the IUP is to allow time for establishing a new business on the property and inventorying the contents of the storage containers, then either repurpose, reuse, or recycle the containers off-site.

The proposed Interim Use Permit is consistent with aspects of the City's Unified Development Ordinance. The corner side yard retains one of the two direct accesses to the public right-of-way for the subject property. The location of the containers is reasonably placed in proximity to the shipping and receiving area, the building itself, and the site's trash enclosure.

At the August 4, 2025, meeting, the Planning Commissioners unanimously supported forwarding and recommending approval of the project. The DRC and Davis also recommended approval of the project.

Councilor Ross stated that he did not see an issue with approving the IUP. Mayor Spooner stated that the business is in the industrial park, and did not see an issue with it. Councilor Rowan stated he was not in favor of the IUP as one was previously granted, however, after Council discussion his stance changed.

Motion by Barnes, seconded by Doumbouya to approve Resolution 2025-197 Approve an Interim Use Permit to Allow Storage Containers at 1512 30th Street NW and carried unanimously.

Ordinance 2025-11 Approve a Zoning Text Amendment to Accessory Structure Requirements (First Reading)

City Planning Manager Harry Davis explained that the City Council directed City Staff and the Planning Commission to review the accessory structure ordinance and make amendments that would allow larger accessory structures on large lots. In addition to addressing Council's request, staff identified over time several issues with the accessory structure ordinance that hinder its administration, clarity, and purpose.

The changes include:

- Clarify “area” when reviewing principal and accessory uses and structures
- Allowance for City Planner to waive drive-way requirement for accessory structures not built for vehicular access
- Exception for accessory structure positioning on the lot if there is shoreland, floodplain, steep slopes, or bluffs, or if the principal structure is more than 200 feet from ROW
- Allowance for property owner to remove garage unless home is remodeled cumulatively more than 50% of floor area/assessed value
- Clarification of requirements for different-sized accessory structures, including greenhouses
- Clarify membrane-covered structures and carports
- Clarify “area” when reviewing attached accessory structures and uses
- Remove restrictions on wall height for accessory structures

On August 4, 2025, the Planning Commission unanimously forwarded and recommended approval of the ordinance. The DRC and Davis also recommended the proposed amendments.

Councilor Barnes thanked Davis for his work on this and removing barriers.

Motion by Thiele, seconded by Barnes to approve Ordinance 2025-11 Approve a Zoning Text Amendment to Accessory Structure Requirements (First Reading)

Roll Call:

Aye: Councilor Barnes, Doumbouya, Ross, Rowan, Thiele, Mayor Voracek.

Nay:

Motion carried 6:0.

Resolution 2025-190 Approve Revised Purchase and Development Agreement for Property described as Lot 1, Block 2, Riverchase Addition

Community and Economic Development Director David Wanberg explained that on June 10, 2025, the City Council approved Resolution 2025-155, which approved a Purchase and Development Agreement involving the sale of City-owned property, described as Lot 1, Block 2, RIVERCHASE ADDITION, to Riverchase Faribault II LLC, for the purpose of developing a roughly 76-unit apartment building. While the Resolution allows the parties to make minor revisions to the Agreement as mutually agreed to, significant changes to the Agreement require City Council approval.

The revised agreement includes the following revisions that the City Council should be aware of before the parties execute the Agreement:

- Closing Date. The City and Developer originally intended to close on the Property, and the Developer intended to start construction this year. However, the parties agree that construction cannot realistically begin until the spring of 2026. Consequently, Section 4.05., F. of the Revised Agreement states that the

conveyance of the Property will occur no later than April 1, 2026.

- Potential Soil Correction. Section 4.08, F. of the Revised Agreement states that if the Developer encounters conditions that require soil correction, the parties will negotiate to determine if additional TIF assistance is available for the Project beyond any initial determination established in the Contract for Private Development.

If the Council supports the revisions described above, the Council should approve Resolution 2025-190, which approves the revised agreement. However, please note that the parties made clarifications and other minor changes to the Agreement that do not substantially change the purpose of the Agreement.

Mayor Spooner asked if it is okay closing in 2026, City Administrator Jessica Kinser stated that she removed it from the 2025 budget, and more discussion will be had at next Tuesdays Work Session.

Motion by Doumbouya, seconded by Ross to approve Resolution 2025-190 Approve Revised Purchase and Development Agreement for Property described as Lot 1, Block 2, Riverchase Addition and carried unanimously.

Bids - None

Boards and Commissions Reports, Announcements and Project Updates

Councilor Barnes stated that the Paradise Theater will have their last Holy Smokes event on Thursday, there is a new gallery opening on August 15 and Musical Trivia will be on August 21. City Administrator Jessica Kinser stated that the Council Chat is tomorrow at Central Park, there is a Chamber Joint Board meeting on Friday at Buckham West. She also reminded the Council of the upcoming HRA/EDA/Council meeting Monday.

Adjournment

Motion by Barnes, seconded by Doumbouya to adjourn the City Council meeting and carried unanimously.

The meeting was adjourned at 7:07 pm.

Respectfully Submitted,

Signed by:



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Heather Slechta
City Clerk