



## CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, JUNE 23, 2026

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, Royal Ross, John Rowan, Peter van Sluis and Chuck Thiele. Councilor Adama Doumbouya was absent. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechta, Community and Economic Development Director Dave Wanberg, Police Chief John Sherwin, Public Works Director Travis Block, Human Resources Director Kevin Bushard, Planning Manager Harry Davis, Planner 1 Leslie McGillivray-Rivas, Economic Development Coordinator Jake Wiensch, Parks and Recreation Director Rochelle Anderholm-Parsch and City Attorney Scott Riggs.

### **Approve Agenda**

Councilor Ross questioned why items 8B. Faribault Townhomes - 924 1st St. NE - Preliminary and Final Plat; Conditional Use Permit; Variance; CIC Plat was not under 7. Public Hearing; it was explained that the public hearing was held at the Planning Commission meeting as required.

Motion by Barnes, seconded by Rowan to approve the agenda as presented and carried unanimously.

### **Presentations/Introductions – None**

### **Approve minutes of June 9, 2026, City Council Meeting**

Motion by Ross, seconded by van Sluis, to approve the Minutes of June 9, 2026, City Council Meeting and carried unanimously.

### **Requests to be Heard**

Mayor Spooner read the following statement:

Good evening to everyone in attendance tonight. Before we get started, I wanted to take a moment to outline a few items from the adopted City Council Rules and Procedures.

Requests to be Heard is the time for the public to share their comments or ideas with the City Council. This part of our agenda is limited to 15 minutes, with individuals having no more than 3 minutes. Because this is a business meeting with a set agenda, the City Council cannot take immediate action or directly engage in matters brought up by individuals during this time. To communicate with City Council members outside of a business meeting, we recommend attendance at an upcoming Council Chat – held on the

second Wednesday of each month and advertised on our website – or to contact us directly at our City email addresses on the City’s website.

Our adopted Council Rules and Procedures also state that members of the audience are not to engage in clapping, stamping of feet, whistling, using profane language, yelling and similar demonstrations, which conduct disturbs the peace and good order of the meeting. We ask that you respect the rules that we have adopted for the conduct of the meetings.

The City of Faribault values the community’s continued engagement and involvement in City matters. We also firmly believe that respectful and professional interactions are foundational to building and maintaining public trust in local government.

We appreciate your continued presence and greatly value your input. Thank you.

Carolyn Treadway, 631 4<sup>th</sup> Avenue SW, stated that the Environmental Commission changed its stance on data centers since 2025. She requested the Council align with the courts and do an EIS.

Tom Stanley, 1008 1<sup>st</sup> Street NE, stated he was not in opposition of the Faribault Townhomes development, but has concerns regarding the curb appeal, too many buildings in a small space, 1-car garages, available parking, vehicle congestion on the service road and the lack of a playground and green spaces on-site.

Liz Hartman, 116 9<sup>th</sup> Avenue SE, spoke out against data centers, having concerns about polluting our water and air, increasing utility bills and the noise/hum of the data center.

Karen Zeller, 1901 Crystal Lane, spoke out against data centers and the life expectancy of the equipment and buildings.

John Steffens, 1347 170<sup>th</sup> Street, spoke out against data centers, having concerns about the infrastructure in the City.

Elizabeth Wright, 5351 Elkton Trail, spoke out against data centers, requested a moratorium be passed.

### **Consent Agenda**

- A. Claims List
- B. May 2026 Financial Report
- C. Approve LG220 Application for Exempt Permit for Catholic United Financial Council 13SS Lawrence/Anna
- D. Approve Application and Permit For 1 Day to 4 Day Temporary On-Sale Liquor License
- E. Approve Quote to Replace Playground Equipment at North Alexander Park
- F. Resolution 2026-167 Approve Budget Amendment and Purchase of Replacements for Hail Damaged Vehicles
- G. Resolution 2026-176 Approve Hiring Executive Director of HRA

- H. Resolution 2026-177 Approve Pet Parade Street Closures and Parking Restrictions
- I. Resolution 2026-184 Appointing Election Judges for the 2026 Primary and General Elections
- J. Resolution 2026-185 Authorize the Fire Department to Apply for the Staffing for Adequate Fire and Emergency Response (SAFER) Grant
- K. Resolution 2026-191 Approve 2026 CIP Item Final Clarifier Deck Roof Replacement

Mayor Spooner abstained from voting on Consent Agenda item I. Resolution 2026-184 Appointing Election Judges for the 2026 Primary and General Elections.

Motion by Thiele, seconded by van Sluis to approve Consent Agenda items A-K and carried unanimously.

### **Public Hearing**

#### *Use of Small Cities Development Program Income - Retrofitting Streetlights to LED in the Central Business District*

Motion by van Sluis, seconded by Theile to open the public hearing and carried unanimously. The public hearing was opened at 6:21 pm.

City Administrator Jessica Kinser stated that the City of Faribault is proposing to use program income from the Small Cities Development Program (SCDP) grant received in 2009 for the retrofitting of City-owned decorative street lighting in the Central Business District to LED fixtures. Starting January 1, 2025, all screw-in light bulbs that are not LED can no longer be ordered in Minnesota. Existing inventories of light bulbs could still be sold, and the City did purchase additional screw-in light bulbs, knowing a project was not planned at that time. This project is to retrofit the existing decorative poles from a screw-in bulb to an integrated LED fixture. This work will occur in the Central Business District, which is an area encompassing most of what is referred to as "downtown". A map of this area can be found on the City's website. The taxpayers of Faribault will benefit from this project by seeing reduced electricity costs paid from the General Fund of the City, and business and property owners, residents and visitors will benefit from this project with more energy efficient lighting in the Central Business District. This project does not propose to displace any residents.

The estimated cost of this project is \$432,000. The SCDP program income is \$330,607, which leaves a balance of \$101,393. The cost not covered by the program income will come from fund balance of the SCDP fund that is not program income.

This project will go through the required procurement process in late 2026 or early 2027, with planned completion of the retrofitting to an LED fixture expected to be complete by year-end 2027.

Councilor Ross asked if the fixtures would be changed, it was explained that just the head on top of it would be changed, and the poles would remain the same.

There were no comments from the public.

Motion by Barnes, seconded by Ross to close the public hearing and carried unanimously. The public hearing was closed at 6:24 pm.

No action was needed from the Council on this item.

Hill Block TIF Items; Resolution 2026-192 Adopting a Modification to the Development Program for Development District No. 1; Establishing Tax Increment Financing District No. 21 (Hill Block) and Adopting a Tax Increment Financing Plan Therefor; and Authorizing an Interfund Loan and Resolution 2026-193 Authorizing an Interfund Loan for Advance of Certain Costs in Connection with Tax Increment District No. 21: Hill Block (A Redevelopment Tax Increment Financing District)

Economic Development Coordinator Jake Wiensch requested that the Council conduct a Public Hearing, pursuant to State Statutes, regarding the TIF modification and establishment request. Upon conclusion of the properly noticed and conducted Public Hearing, the City Council is asked to consider Resolution 2026-192 Adopting a Modification to the Development Program for Development District No. 1; and Establishing Tax Increment Financing District No. 21: Hill Block Herein and Adopting a Tax Increment Financing Plan Therefor; Authorizing an Interfund Loan and Resolution 2026-193 Authorizing an Interfund Loan for Advance of Certain Costs in Connection with Tax Increment District No. 21: Hill Block (A Redevelopment Tax Increment Financing District)

These resolutions support the redevelopment of the Hill Block project in downtown Faribault. The first resolution would modify Development District No. 1 and establish Tax Increment Financing (TIF) District No. 21 – Hill Block to support the redevelopment of three parcels located at 217, 219, and 223 Central Avenue. The proposed project includes the rehabilitation of existing blighted and structurally substandard buildings into a mixed-use development with 19 rental housing units and approximately 9,300 square feet of commercial space. The TIF Plan identifies eligible redevelopment costs such as land/building acquisition, site preparation, utilities, public improvements, and administrative costs, which would be financed using future tax increment generated by the development. The second resolution would authorize an interfund loan to advance certain eligible costs associated with the establishment of the TIF district and related redevelopment expenses until tax increment revenues are available for reimbursement. The district is being established as a redevelopment district because the site meets statutory redevelopment qualifications, and the City has determined the project would not be reasonably expected to occur without TIF assistance.

Motion by Rowan, seconded by Ross to open the public hearing and carried unanimously. The public hearing was opened at 6:30 pm.

There were no comments from the public.

Motion by van Sluis, seconded by Rowan to close the public hearing and carried unanimously. The public hearing was closed at 6:30 pm.

Councilor Ross asked if the HRA and EDA funding was intended to be loans, Wiensch stated that it is loans. Ross then asked if this would be the only city funding, Wiensch stated that it would be. Councilor Barnes asked if any work has started, Wiensch stated that no work has started, and cannot start until the TIF agreement is approved. Councilor Rowan asked if this will be substantially complete by the end of summer, Wiensch stated that the timeline is delayed.

Motion by Thiele, seconded by Barnes to approve Resolution 2026-192 Adopting a Modification to the Development Program for Development District No. 1; Establishing Tax Increment Financing District No. 21 (Hill Block) and Adopting a Tax Increment Financing Plan Therefor; and Authorizing an Interfund Loan and carried 5:1 with Councilor Rowan voting Nay.

Motion by Ross, seconded by van Sluis to approve Resolution 2026-193 Authorizing an Interfund Loan for Advance of Certain Costs in Connection with Tax Increment District No. 21: Hill Block (A Redevelopment Tax Increment Financing District) and carried 5:1 with Councilor Rowan voting Nay.

### **Items for Discussion**

#### Ordinance 2026-9 Amending Regulations Related to Cannabis and Hemp Businesses in the City of Faribault (First Reading)

City Clerk Heather Slechta stated that at the June 2, 2026, City Council Work Session, the Council was in favor of updating the current ordinance regarding Cannabis and Hemp Businesses to allow for the City Clerk to administratively issue Low Potency Hemp Edible registrations. While reviewing the ordinance with the city attorney's office, it was also advised to simplify the language related to the Accela certifications and to make minimal terminology changes throughout the ordinance.

Motion by Ross, seconded by Thiele to approve Ordinance 2026-9 Amending Regulations Related to Cannabis and Hemp Businesses in the City of Faribault (First Reading)

Roll Call Vote:

Aye: Barnes, Rowan, Ross, van Sluis, Thiele, Mayor Spooner.

Nay:

Motion carried 6:0

#### Faribault Townhomes – 924 1<sup>st</sup> St. NE – Preliminary and Final Plat; Conditional Use Permit; Variance; CIC Plat; Resolution 2026-186 Approve the Preliminary and Final Plats for Faribault Townhomes; Resolution 2026-187 Approve CUP for Multi-family Use in C-2, Highway Commercial District at 924 1<sup>st</sup> St NE; Resolution 2026-188 Approve Variance for Faribault Townhomes and Resolution 2026-189 Approve CIC Plat 104 for Faribault Townhomes

Due to a conflict-of-interest Mayor Spooner recused himself from discussing this matter.



Vice Mayor Mandy Barnes led the discussion.

Planner I Leslie McGillivray-Rivas explained that Dan Gatchell on behalf of ThinkBiz LLC requested approval of preliminary and final plats, a conditional use permit (CUP), variances, and a common interest community (CIC) plat for a 37-unit town home development. The property is located in the NW ¼ of Section 32 Township 110, Range 20W whose parent parcels are Lots 3-5, Block 1 Erblang's Addition and unplatted metes and bounds parcels. This is the site of the former Faribault Branch of the Mayo Clinic, which closed in 2017.

To facilitate the project, it was requested to combine the parcels by way of the preliminary and final plat process. A conditional use permit is necessary to support multifamily residential development of the lot zoned C-2, Highway Commercial. A variance request accompanies the application to request relief from the southwestern corner side street side yard setback and the southernmost front yard setbacks along 1st Street. Additionally, ThinkBiz LLC requested approval for the creation of a common interest community-final plat (CIC). The CIC serves to define the area of each individual residential unit with the driveway access and to provide residents with a contractual basis for future residents to utilize the balance of the site in a shared manner.

At the public hearing on June 16, 2026, at the Planning Commission meeting after the presentation by staff and the applicant, community members voiced concerns about the proposed project. Public comment requested clarification regarding the increase in traffic generation, car headlights which may project onto adjoining residences, overflow or visitor parking of future residents on adjoining public streets, grading activity near property lines and the CIC plat. Planning Commission members asked questions regarding the project, asking for clarification of points which were brought up by the public and noting that the properties C-2 zoning could permit a wide range of commercial uses and that multifamily was approvable through the CUP process.

Councilor Ross stated that he thought the only thing that the Council could deny was the 5-foot variance, that everything else is pretty basic, he then asked Mike Kappers of Rebound Properties to speak. Ross asked if there would be one meter for the entire property, Kappers stated that there would be individual meters for each dwelling. Ross stated that the roads are private and asked if there will there be curb and gutter, McGillivray-Rivas stated that she believed it was curb and gutter. Kappers stated that there is no way to make the road wider, however, most are 2 car garages with stacked side by side parking in the driveway as well as seven additional parking spots on-site. McGillivray-Rivas stated that the Planning Commission recommended a traffic study be done. Councilor Rowan asked if the units will be market rate rentals, Kappers stated that they would be. Rowan then asked if the city was obligated to change zoning to C-2, City Attorney Scott Riggs stated that the City is not obligated to do anything.

A motion for more time to review this was made by Councilor Rowan. There was no second and the motion died.

Councilor Barnes asked why there will be these rentals, Kappers stated that is a need in the community and referenced the housing study that was recently completed. Barnes asked if these could be sublet, Kappers stated that he did not believe they could be. Barnes asked if the management company would be on-site, Kappers stated that if they were not they would be in the area. She also asked about HOA fees, Kappers stated that there would not be HOA fees. Barnes also questioned where the snow would go, Kappers stated that it would be moved to the hillside in the far north or trucked out. Councilor Thiele stated that housing is the number one issue in the City. Councilor van Sluis stated that this is a good addition to the neighborhood and is a nice project.

Motion by Thiele, seconded by van Sluis to approve Resolution 2026-186 Approve the Preliminary and Final Plats for Faribault Townhomes and carried unanimously, 5:0.

Motion by Ross, seconded by van Sluis to approve Resolution 2026-187 Approve CUP for Multi-family Use in C-2, Highway Commercial District at 924 1<sup>st</sup> St NE and carried unanimously, 5:0.

Motion by Thiele, seconded by van Sluis to approve Resolution 2026-188 Approve Variance for Faribault Townhomes and carried unanimously, 5:0.

Motion by van Sluis, seconded by Thiele to approve Resolution 2026-189 Approve CIC Plat 104 for Faribault Townhomes and carried unanimously, 5:0.

Mayor Spooner then took charge of the meeting back and thanked Vice Mayor Barnes.

*Resolution 2026-190 Application for a Public Art Mural at 306 1st Avenue NW*

Planner I Leslie McGillivray-Rivas, explained that on June 9, 2026, Lynda Devine acting on behalf of Rice County Human Services, submitted an application for a public art in the form of a wall mural to be affixed to the northern wall of the building at 306 1st Avenue NW. The mural will service to forward the mission of the Friendship House in providing enhancement to the exterior garden space which has been found to service both the organization and the community as welcoming open space.

The Design Review Committee (DRC) reviewed the proposal at the June 16, 2026, meeting. The DRC had no objections to the proposal and supported forwarding the application for approval at the June 23, 2026, City Council meeting.

Councilor Ross asked if the Historic Preservation Commission had reviewed. MGillivray-Rivas stated that the property is not in the historic district. Ross asked if this was going to be on the brick, McGillivray-Rivas stated that the surface is CMU block and is already painted.

Motion by Ross, seconded by van Sluis to approve Resolution 2026-190 Application for a Public Art Mural at 306 1st Avenue NW and carried unanimously.

**Bids**

Resolution 2026-179 Accept Bids for Viaduct Park Phase 2 Storage Garage Carpentry Package; Resolution 2026-180 Accept Bids for Viaduct Park Phase 2 Storage Garage Mechanical and Plumbing Package; Resolution 2026-181 Accept Bids for Viaduct Park Phase 2 Storage Garage Footing and Foundation Package; Resolution 2026-182 Accept Bids for Viaduct Park Phase 2 Storage Garage Electrical Package

City Engineer Mark DuChene presented Viaduct Park Phase 2 Storage Garage Bids to the Council. DuChene stated that on Wednesday, June 17, 2026, bids were received for the Storage Garage at Viaduct Park.

The Carpentry Package low bid was from TriMo Development, \$115,000.00. The Mechanical and Plumbing Package low bid was also from TriMo Development, \$115,000.00. The low bid for the Footing and Foundation Package was Joseph Company, however, after bids were opened, Joseph Company alerted the City of an error in their bid and requested that their bid be removed from consideration. After reviewing the information submitted, City staff concur that there is justification for deeming the low bid non-responsible and for approving the request to remove the low bid from consideration. The lowest responsible bid received then was \$72,650.00 from Healy Construction. The final bid was for the Electrical Package, this went to TriMo Development, with a low bid of \$70,460.00.

Work on the garage is scheduled to begin in August with final completion before November 1, 2026.

Councilor Ross asked what the building would be made of, DuChene stated that it would be wood on concrete, with hardy board siding and asphalt shingles, it will complement the existing building and the new cover over the ice. Councilor Thiele thanked Parks Superintendent Keith Walker for taking on this project and saving the city a significant amount of money.

Motion by Thiele, seconded by Ross to approve Resolution 2026-179 Accept Bids for Viaduct Park Phase 2 Storage Garage Carpentry Package and carried unanimously.

Motion by van Sluis, seconded by Barnes to approve Resolution 2026-180 Accept Bids for Viaduct Park Phase 2 Storage Garage Mechanical and Plumbing Package and carried unanimously.

Motion by Barnes, seconded by van Sluis to approve Resolution 2026-181 Accept Bids for Viaduct Park Phase 2 Storage Garage Footing and Foundation Package and carried unanimously.

Motion by Ross, seconded by Thiele to approve Resolution 2026-182 Accept Bids for Viaduct Park Phase 2 Storage Garage Electrical Package

**Boards and Commissions Reports, Announcements and Project Updates**

Mayor Spooner thanked the Heritage Days committee and city staff for all their work for Heritages Days celebration.



Mayor Spooner shared with the public that a closed session in would be held following the adjournment of this meeting in the public meeting room and asked the City Attorney to provide more information to the audience about closed sessions. City Attorney Scott Riggs explained what closed sessions are, when they can happen, and why they are necessary.

### **Adjournment**

Motion by van Sluis, seconded by Rowan to adjourn the City Council meeting and carried unanimously. The meeting was adjourned at 7:15 pm.

Respectfully Submitted,

DocuSigned by:

*Heather Slechta*

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Heather Slechta  
City Clerk