

Pursuant to the due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on June 20, 2023. Mayor Carlson called the meeting to order at 7:00 pm, asking everyone to join the Pledge of Allegiance. The following were present for roll call: Council Members Whitlock, Steiner, Peterson, Oachs, City Administrator McCann, Community Development Director Fischer, Public Works Director Arnold, and City Clerk Van Genderen. Absent: Finance Director Ryan.

Approval of Agenda

Council Member Oachs moved, seconded by Council Member Steiner, to approve the agenda as presented. Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

Approval of Council Minutes from June 5, 2023, Council Meeting.

Council Member Steiner moved, seconded by Council Member Oachs, to approve the June 5, 2023, Council Meeting Minutes. Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

Approval of Council Work Session Minutes from June 5, 2023, Council Work Session Meeting.

Council Member Oachs moved, seconded by Council Member Steiner, to approve the Council Work Session Minutes of June 5, 2023. Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

Consent Agenda

Council Member Steiner moved, seconded by Council Member Oachs, to approve the Consent Agenda.

- A. Bills and Appropriations.
- B. Res. No. 45-23 Accepting Donations/Contributions/Grants.
- C. Approved Audio Permit for South Point Member Event on September 20, 2023, from 4 pm to 8 pm at Spring Lake Park Shelter #1.

Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

Public Comments Concerning Business Items on the Agenda.

None.

Business Items

Set a Public Hearing for July 3, 2023, at 7 pm to Consider City Code Business Regulations, Chapter 113, Sales, Testing, Manufacturing, and Possession of Products containing THC, Cannabis, or Cannabinoids.

City Administrator McCann stated that following the Council Work Session on June 5, 2023, without a clear consensus from Council, staff prepared two Ordinances pertaining to City Code Chapter 113. Council has three options, leave the City Code as is, repeal the entire Chapter 113, or amend the existing City Code to allow for the sale of CBD-type products at on-sale and off-sale establishments. Council Members Whitlock and Steiner were both in favor of the amendments. Mayor Carlson, stated he was not in favor of the amendments or repealing the ordinance. Council Member Oachs stated she was concerned about the possible consequences of changing the ordinance

from a business owners perspective. Council Member Peterson stated he was not sure there was an uneven playing field between Mankato and North Mankato with the current ordinance.

Council Member Steiner moved, seconded by Council Member Whitlock, to set a Public Hearing for July 3, 2023, at 7 pm to Consider Amending City Code Business Regulations, Chapter 113, Testing, Manufacturing, and Possession of Products Containing THC, Cannabis, or Cannabinoids. Vote on the motion Whitlock, Steiner, and Oachs aye, Peterson and Carlson nay. Motion carried.

Set a Public Hearing for July 3, 2023, at 7 pm to Consider Amending City Code Chapter 34 Sales and Use Tax.

City Administrator McCann stated that with the State Legislature authorizing the extension of the Sales Tax to \$15 million with a grand total of \$21 million, the current City Code needs to reflect the updated language.

Council Member Oachs moved, seconded by Council Member Steiner to Set a Public Hearing for July 3, 2023, at 7 pm to Consider Amending City Code Chapter 34 Sales and Use Tax. Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

Res. No. 43-23 Approving Local Sales Tax and Authorizing Actions to be Taken by the City in Connection with Such Taxes.

City Administrator McCann reported that State Statute requires the resolution to approve the special law that will extend the sales tax collection.

Council Member Steiner moved, seconded by Council Member Peterson to Adopt Res. No. 43-23 Approving Local Sales Tax and Authorizing Actions to be Taken by the City in Connection with Such Taxes. Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

V-1-23 Variance Request to Reduce Side and Rear Setbacks at 738 Park Avenue.

Community Development Director Fischer reported the Planning Commission reviewed the request and returned with a 2-2 split vote. Council will now need to determine if the variance should be granted.

Community Development Director Fischer reported that Kevin and Mollie Fischer were the applicants, and they are requesting to reduce the side yard setback from 5 feet to 0.25 feet and the rear setback from 5 feet to 3 feet for the garage reconstruction. The applicants have an existing detached single-stall garage in their backyard located inches from their side property line. The applicants have a shared driveway with their next-door neighbor. As proposed, the applicants wish to demolish the existing garage and replace it with a larger garage. The current garage is inches from the property line, and the side yard setback is 5 feet. Therefore, should a structure that violates the current setback be demolished, the replacement structure is required to meet all building setbacks. In this case, should the applicants demolish their existing garage, a new garage would need to be located a minimum of 5 feet from their side property line. Based on the location of the shared driveway and the house, to reasonably access and exit a garage, the applicants are requesting a variance to relocate a new garage to within 0.25 feet of their side property line. Additionally, a reduction of the rear property line setback from 5 feet to 3 feet is requested.

Community Development Director Fischer reviewed the 3-factor test the Council should use to approve or deny the applicants the variance. The factors include reasonableness, uniqueness, and essential character. Reasonableness means that the landowner would like to use the property in a

particular reasonable way but cannot do so under the rules of the ordinance. Uniqueness relates to the physical characteristics of the particular piece of property, that is, to the land and not the personal characteristics or preferences of the landowner. When considering this for a building, is there anything physically unique about the particular piece of property? Essential character refers to whether the resulting structure will be out of scale, out of place, or otherwise inconsistent with the surrounding area. He reviewed the arguments expressed by the Planning Commission. Some commissioners believed the nature of the shared driveway and the location of the house made this meet the reasonableness factor. Others disagreed. Some commissioners believed the shared driveway met the unique factor. Some commissioners believed the essential character of the neighborhood would not be changed.

Council Member Peterson asked if all the neighbors were aware of the request and if any concerns were expressed. Community Development Director Fischer reported the neighbors were made aware, and no concerns were raised. Council Member Peterson asked if, with the larger garage, the property still met the percentage requirements for structures to open space. Community Development Director Fischer stated they still met the requirements. Council Member Oachs asked if additional concrete would be added to the area behind the second stall. Property owner Fischer appeared before Council and said there would be concrete behind the second stall. He did note that after the survey, it was discovered that the garage is slightly on his back neighbor's property, and they would like to remedy that situation. Council Members reviewed the 3-factor practical difficulties test and agreed that the property met all 3-factors to grant a variance.

Council Member Steiner moved, seconded by Council Member Whitlock, to Approve V-1-23 Variance Request to Reduce Side and Rear Setbacks at 738 Park Avenue. Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

Res. No. 44-23 Approving Design Request for Proposal Authorizing the All Seasons Arena Board to Order Advertisements for the Design of the All Seasons Arena Improvements.

City Administrator McCann introduced Parker Skophammer, Director of Administrative Services from the City of Mankato, who would review the proposal. Mr. Skophammer reviewed how the ASA Board came to the point of requesting the partners approve an RFP for designs. He stated that Mankato took over the operations of the facility in 2020 and began reviewing the issues with the facility. He stated that through the process, the ASA Board involved experts in the field and had discussions with the facility's users. Most recently, the ASA Board worked with Knutson Construction to evaluate the property and prepare proposed facility improvement options. The ASA Board of Directors met on June 9, 2023, to review funding scenarios and formulate a recommendation. The Board is recommending moving forward with Options 1-13 and Option 17. They have recommended Options 5 and 18 as possible fundraising opportunities. As part of the recommendation, the Board has been working to incorporate ISD 77 as a financial partner in the improvements. The School District has six teams that use the ASA ice as their home ice. So they find value in investing in the improvements for their teams and their community. The school has identified approximately \$1.1 million available in their Lease Levy for the project. Currently, the estimated construction cost is \$11,592,559. The estimates assume a 4.2% interest rate over 15 years. Mr. Skophammer reviewed the apportionment percentages that would be in place due to the Joint Powers Agreement. The City of North Mankato would have a total percentage of the total cost of 22.41%, with the project cost apportionment at \$2,598,106 and the Net Project Cost Apportionment after the ISD 77 contribution of \$2,352,372 and an annual bond payment of \$214,544. Mayor Carlson requested clarification on how the apportionment percentage cost was based on the total population and asked if it was fair due to Mankato having a much larger tax base. City Administrator McCann reported that using both

methods, population and tax base the apportionment is fairly equal. Mayor Carlson requested clarification on if there are plans to put money aside for future needs. Mr. Skophammer stated yes, that the ASA Board is working on planning for the future. Council Member Peterson requested clarification on if the cost estimates contained inflationary prices. Mr. Skophammer stated yes Knutson Construction's estimates included room for inflation. Council Member Whitlock requested clarification if the resolution would approve the amount for the reconstruction of the facility. City Administrator McCann stated it would approve a commitment to the project, so it would commit to supporting the project and the funding sources. Council Member Whitlock asked for clarification on if the facility is considered a North Mankato asset. City Administrator McCann reported it is a residual asset.

Council Member Oachs moved, seconded by Mayor Carlson, to Adopt Res. No. 44-23 Approving Design Request for Proposal Authorizing the All Seasons Arena Board to Order Advertisements for the Design of the All Seasons Arena Improvements. Vote on the motion Whitlock, Steiner, Peterson, Oachs, and Carlson, aye, no nays. Motion carried.

Open Forum

Tom Hagen, 927 Lake Street appeared before Council, stated it would be good to create citizen committees, and suggested a few options.

Barb Church, 102 Wheeler Avenue, appeared before Council and stated it would be good to put watering restrictions on the residents due to the drier year and thought it would be a good idea to create an ordinance and require water conservation every year.

City Administrator and Staff Comments

City Administrator McCann invited everyone out for a free presentation on Violent Critical Incidents, presented by the Police Department on June 23rd at 6 pm in the Police Annex.

City Administrator McCann invited everyone out to the Let's Pollinate Event on June 24th from 9 am to noon at Spring Lake Park between Shelter #2 and the gazebo.

City Administrator McCann reported the Wheeler Park tennis courts were resurfaced, and 2 new pickleball courts have also been installed at Wheeler Park's courts.

City Administrator McCann stated the Swim Facility's first adult night would be Friday, June 23rd, starting at 6:30 pm. Tickets are available online for \$12 or at the door for \$15 until sold out.

City Administrator McCann invited everyone out to the Farmers' Market on Monday afternoons from 3-6 pm at South Central College.

City Administrator McCann reported that VINE was the recipient of an Age-Friendly designation, and the City will be working as part of the steering committee.

Public Works Director Arnold, reported the City is looking at information concerning water restrictions and working with the public to conserve water.

Mayor and Council Comments

Council Member Whitlock thanked Jim Albright for his years of volunteer service for the City of North Mankato as a firefighter and a Police Reserve. He will be missed.

Council Member Steiner stated Jim Albright would be missed.

Mayor Carlson stated it is good to see residents out enjoying the City's amenities. He stated he is looking forward to Fun Days.

At 7:58 pm, on a motion by Council Member Oachs, seconded by Council Member Steiner, the Council Meeting was adjourned.

Mayor

City Clerk