

**REGULAR COUNCIL MEETING
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
September 9, 2024 – 7:00 P.M.**

PRESENT: Mayor Rich Murray, Councilors, Rachel Christensen, Larry Baker, Jason Howland, Reid Olson, Robert Rasmussen, Brian Anderson, City Manager Ian Rigg, Public Works Director Steven Jahnke, City Attorney Joel Holstad of Lake National Law LLP, and City Clerk Daphney Maras.

ADDITIONAL STAFF PRESENT: Sergeant-at-Arms Public Safety Director JD Carlson, Engagement & Enrichment Director Cathy Malakowsky, Finance Director Kristi Brutlag, City Planner Megan Boeck

CALL TO ORDER AND ROLL CALL - Mayor Murray called the meeting to order at 7:00 PM. City Clerk Maras administered roll call.

PLEDGE OF ALLEGIANCE - Mayor Murray asked all in attendance to stand and recite the Pledge of Allegiance.

PUBLIC FORUM

Antonio Mimz questioned if local developers come here to help the economy in Albert Lea

Bruce Manwarren thanked Highway Patrols.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes of the August 26, 2024 Regular Council Meeting
- B. Approve Minutes of the August 26, 2024 Work Session
- C. Approve Minutes of the August 22, 2024 Special Council Meeting
- D. License & Permits
- E. Resolution Declaring Mexican Independence Day Celebration as a Community Festival September 15, 2024
- F. Resolution Accepting Toward Zero Deaths (TZD) Enforcement Grant Award – MN Department of Public Safety
- G. Resolution Declaring Home Town Pride Fall Clean Up Day & Authorizing Reduced Rates at Transfer Station

Motion made by Councilor Baker to approve the consent agenda as read, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-155 through 24-157
Included with these minutes)

PETITIONS, REQUESTS AND COMMUNICATIONS - None

UNFINISHED BUSINESS

A. Ordinance 24-127 Amending Chapter 50: Zoning on Cannabis, Off-Sale Liquor, Tobacco & Sexually Oriented Businesses (2nd Reading)

This is the final reading of an ordinance amending chapter 50 to add zoning related to Cannabis, Off-Sale Liquor, Tobacco and Sexually Oriented Businesses.

The Ordinance inserts the 13 Minnesota defined Cannabis businesses into appropriate City of Albert Lea Zoning districts. Sections were added to address set-backs from entities that are typically orientated toward minors and families. These included schools, daycares, treatment facilities, public parks or athletic fields, and also buildings used for religious worship or gatherings. A section was added to regulate design standards much like existing Community Business District (B-2) standards. A section was added to address and enforce standards regarding odor control of cannabis facilities. Where appropriate, liquor stores, tobacco stores and sexually orientated business were like regulated.

Rigg invited Building/Zoning Official Sorensen to the podium to respond to questions from council. Councilor Baker asked if the gentleman that spoke at the last council meeting stating has applied for a social equity permit and if he makes it through the lottery, he plans to open a dispensary at the business he owns however, it is located within just under the 500 ft. setback from a daycare. Sorensen replied that the ordinance as it reads, has a 500-foot setback from daycares. A person may apply for a variance, but “practical difficulty” must be considered when applying for a variance. To Baker’s next question, City Manager Rigg replied that the gentleman referenced as speaking at the last meeting, understands he has every right to apply for a variance.

Councilor Howland asked if a cannabis business opens up and, for example a church or daycare wanted to open within that 500-foot setback, would this be allowed. Sorensen referenced state statute that allows for that cannabis business to remain, as they have full rights even if the business changes owners.

Councilor Anderson said he will be supporting this ordinance but is doing so in hopes that this council and future council will take into consideration each individual situation when it comes to the setback within a couple feet as outlined in the zoning ordinance. Sorensen replied his thought is that this is an issue when an ordinance first passes, but would assume it will become less of an issue going forward as a business will be looking for a building outside the 500-foot setback.

Motion made by Councilor Baker to approve as read, seconded by Councilor Christensen. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Ordinance 24-127
Included with these minutes)

B. Resolution 24-158 Approving Publication Summary of Ordinance 24-127

Ordinance Summaries may be published if they reasonably inform the public of the effect and intent of the Ordinance. Summaries fulfill all legal requirements as if the entire summarized matter had been published and also directs the public how to obtain the complete

Motion made by Councilor Christensen to approve as read, seconded by Councilor Howland. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-158
Included with these minutes)

NEW BUSINESS

A. Resolution 24-159 Adopting 2025 Preliminary Budget and Property Tax Levy

Finance Director Brutlag displayed a presentation providing an overview of this preliminary budget and property tax levy.

Brutlag noted this resolution adopts the 2025 preliminary general fund budget and tax levy. The levy is a 15.75% increase over the 2024 final tax levy. Approximately 10 of the 15.75% is attributed to the referendum approved improvements to recreation. The preliminary property tax levy of \$8,903,000 can be reduced before final adoption in December but not increased. She displayed a slide indicating how the money is spent between Public Safety, Culture & Recreation, Public Works, General Government, and Funds Transfers for equipment. She noted of the total monthly proposed 2025 tax of \$609.26, \$50.50 of that includes the recreation facility project.

Brutlag concluded with a slide noting the timeline of the next steps in setting the final 2025 budget.

To Councilor Anderson's question, Brutlag said that other than the new labor contracts and the referendum, overall, there were no other significant increases. Rigg responded to Anderson's comment stating the positive outcome of the new labor contracts including having a fully staffed police department for the first time in years.

Council extended appreciation to staff for all the work that goes into the budget.

Motion made by Councilor Anderson to approve as read, seconded by Councilor Rasmussen. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-159
Included with these minutes)

B. Resolution 24-160 Approving HRA Preliminary Property Tax Levy for Fiscal Year 2025

Brutlag said this resolution adopts the 2025 HRA Levy of \$265,000. Minnesota Statute 469.033 subdivision 6 limits the HRA levy to .0185 percent of the estimated market value. For 2025 the maximum amount is .0185% of \$1,438,462,400 or \$266,116. The levy is an increase of \$15,000

or 5.67% increase over the 2024 final HRA tax levy. The HRA is requesting these funds be designated for the building façade project. This levy can be reduced but not increased before final adoption in December. The designation of the funds can be changed before final adoption in December.

Councilor Baker said he serves on the HRA Board and requests on their behalf that the HRA levy be set at \$266,000 instead of the \$265,000. He said discussion will take place at their next board meeting to confirm the amount they choose to set it.

Motion made by Councilor Baker motioned to approve the HRA Levy to set at \$266,000, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-160
Included with these minutes)

C. Resolution 24-161 Authorizing Broadway Ridge Grant Agreement with Linda Knudsen, 129 Broadway Avenue South

Linda Knudsen, 129 S Broadway, submitted a Broadway Ridge Grant for reimbursement up to 50% of costs associated with brick repair. The total improvement cost is \$1,100.00 which will provide the applicant with a 50/50 match grant per policy of \$550.00. All improvements have been completed and reviewed by the City's Zoning and Building Official for compliance with application requirements. Staff recommends approval of the attached resolution which approves funding for up to 50% of the total project.

Motion made by Councilor Baker to approve as read, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-161
Included with these minutes)

D. Resolution 24-162 Approving Policies – Cell Phone Use; Vehicle Use; Tuition; Public Purpose

Human Resources and City staff are requesting the City Council to approve the following amended, new and expanded handbook provisions. The purpose of these policies is continued employee development, recruitment and retention. These changes establish a uniform and equitable system of personnel administration for all employees.

- 7.02 Cell Phone - the policy has been revised to eliminate the two-tier reimbursement allowance system and make it one amount. The policy intends to define acceptable and unacceptable uses of city issued cellular telephones. Its application is to ensure

cellphone usage is consistent with the best interests of the city without unnecessary restriction of employees in the conduct of their duties.

- 7.35 Vehicle Use - the purpose of the policy is to establish guidelines for the proper and safe use of city owned vehicles for the benefit of its citizens.
- 7.36 Public Purpose Expenditure - the purpose of the policy is to provide guidance and assistance to staff on what types of expenses may be appropriate expenditures of public funds.
- 7.38 Tuition Reimbursement - the purpose of the policy is to assist employees in upgrading their job skills and knowledge by taking course from an accredited institution.

Motion made by Councilor Anderson to approve as read, seconded by Councilor Christensen. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-162
Included with these minutes)

E. Resolution 24-163 Authorizing Action on Tax-Forfeited Properties

Staff have reviewed the 8 properties in Albert Lea that are under tax foreclosure. The process is different than in prior years as the City has to wait two bidding cycles before it can request a property from the County for a \$1.00. Staff are requesting either full or partial amounts of City assessments remain during the two public bidding processes. Those lowered in total assessment are properties that pose little concern in zoning, blight, and future loss of tax base. They also pose little interest for future municipal utilities or infrastructure. Given the value of the property is limited, staff recommends a reduction to encourage private redevelopment. Other properties may pose concerns and while the City certainly would not oppose private ownership, if those concerns occur at minimum for the public, they received full reimbursement. Two properties are going through condemnation process due to poor conditions.

Rigg noted the price listed in the resolution for the property at 720 Minnesota Ave. be reduced to \$5000 and asked council for the amendment.

Motion made by Councilor Baker to approve with the amendment of reducing the price on the 720 Minnesota Ave. property to \$5000, seconded by Councilor Olson. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-163
Included with these minutes)

F. Resolution 24-164 Authorizing Settlement and Release Agreement with Trail's Travel Plaza, Inc.

The city is settling with Trail's Travel Plaza. They challenged the assessments from Job 2103 (Paving 209th and Resurfacing Happy Trails Ln). To prevent further consultant and legal fees, fees staff were not certain would be reimbursed, we recommend the settlement that pays 100% of the original assessment. The City's position that the assessments were fair and accurate under State Statute is preserved. Additional resolution(s) will be needed to remove the original assessments so Trail's Travel Plaza can pay in full the remaining portion of the assessments per the settlement.

Motion made by Councilor Anderson to approve as read, seconded by Councilor Baker. On roll call vote, the following councilors voted in favor of said motion: Christensen, Howland, Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-164
Included with these minutes)

MAYOR AND COUNCIL REPORTS:

First Ward, Councilor Christensen reported:

- Ward Items – Reported several people have reached out regarding the deer population in the airport area. Also concern of safety on the trails related to eBikes, and motorized scooters going too fast on the trails.
- Committee Update – Blue Zones committee will be rolling out some new programs. She offered a shout-out to the Planning Commission members for the time and efforts they contributed to the Zoning ordinance related to Cannabis.

Second Ward, Councilor Baker reported:

- Ward Items – City Manager is working on a couple of ward items with him.
- Committee Update – None

Third Ward, Councilor Howland reported:

- Ward Items – None
- Committee Update – Congratulated the Albert Lea Anglers for the Bass Fishing Tournament win.

Fourth Ward, Councilor Olson reported: None

- Ward Items – working on a ward item related to a mailbox taken down during one of the street projects.
- Committee Update – None

Fifth Ward, Councilor R. Rasmussen reported:

- Ward Items – None
- Committee Update – None

Sixth Ward, Councilor Anderson reported:

- Ward Items – Attended an event at Hope Church and is working on a couple of ward items.
- Committee Update – None

MAYOR REPORT: Attended the Following:

- Attended an ALEDA meeting and reports several projects are moving forward
- Daisy Fest on Saturday
- Thursdays on Fountain
- Hope Church 10th Anniversary of being located downtown
- The 112 and Bleachers Bar & Grill block party on S. Broadway celebrating their 10th and 5th years in business
- Football games and cross country meets and encourages residents to attend high school athletic events

Announced upcoming events within the city and encouraged the community to participate.

CITY MANAGER REPORT:

- Extended his appreciation to staff and council for their input on the Cannabis Zoning Ordinance as well as their work on the budget
- Noted the extensive work done on code enforcement
- Will be gone at a conference beginning Sept. 19th

APPROVAL OF CLAIMS

A. Resolution 24-165 Approving Claims

(1). Presentation of Claims Over \$25,000

The attached resolution directs the Mayor and City Treasurer to issue the payment of claims as presented in the Detail of Claims report. In addition, Maras displayed a list of claims over \$25,000 for the public's viewing, transparency and education.

Motion made by Councilor Baker to approve as read, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Baker, Olson, Rasmussen, Anderson, and Mayor Murray. Mayor Murray declared the motion passed.

(See Secretary's Original Resolution 24-165
Included with these minutes)

Councilor Howland motioned for adjournment; Councilor Christensen seconded. That there being no further business, the Council meeting adjourn until the next regular meeting of the Albert Lea City Council at 7:00 p.m. on Monday, September 23, 2024. On roll call vote, all councilors voted in favor of said motion.

Mayor Murray declared the motion passed and the meeting adjourned.

ADJOURNMENT: 8:10 P.M.

Mayor Rich Murray

Daphney Maras
Secretary of the Council