

Owatonna City Council Minutes
August 15, 2023

On Tuesday, August 15, 2023, at 7:00 p.m., City Council Vice-President Raney called the regular session of the Owatonna City Council to order in the Gainey Room at the Owatonna Public Library. Present were Council Members Raney, Voss, Burbank, Boeke, and Dotson; Mayor Kuntz; Community Development Director Klecker; Communications Manager Sheely; City Attorney Walbran; City Administrator Busse and Administrative Specialist Clawson. Council Members Svenby and Schultz were unable to attend.

Following the Pledge of Allegiance, Council Vice President Raney welcomed everyone to the meeting. Council Member Boeke made a motion to approve the agenda as presented, Council Member Voss seconded the motion, and all members present voted aye for approval.

Consent Agenda Items

Council Vice President Raney explained council members review the Consent Agenda items before the meeting for approval in one motion. Consent Agenda items for this meeting include:

- Minutes – City Council meeting – August 2, 2023
- Minutes – Planning Commission Meeting – June 27, 2023
- Minutes – Human Rights Commission Meeting – July 11, 2023
- Minutes – HRA Meeting – July 24, 2023
- Minutes – Planning Commission Meeting – July 25, 2023
- Minutes – Planning Commission Meeting – August 8, 2023
- Building Inspection Monthly Report – July
- Week/Nuisance Inspection Report - August 9, 2023
- Fire – Monthly Dashboard and Activity Report - July 2023
- Tree Trimmers License – Tree Master, LLC. – David Schroht
- Event Permit – Down Thursday – MainStreet Owatonna – September 7, 2023
- Event Permit – Hunter A. Frank Memorial at SCFF – September 16, 2023
- Half marathon & 5K Run – From the heart & Soul – October 14, 2023
- Change Order #4 – Council Chamber Project – Ebert Construction
 - Change Order 4 includes structural improvements and remediation at the stage removal. The stage floors, walls, and false ceiling, which appeared to be infill, were integrated into the bearing wall which required careful shoring and additional reinforcement. The Cast Stone staining is a site solution to bring the cast stone layer to a closer match with the existing structure. Additional infrastructure was required in the coordination for the new AV system. Cost for this Change Order is \$33,474.10.
- Stormwater Facility Maintenance Easement Agreement – 209 Oak Ave North – Block 300 Owatonna, LLC
 - This Stormwater Facility Maintenance Agreement is for ASCEND Development located at 208 Oak Avenue North. On-site stormwater management must be maintained by the property owner to meet the requirements of the MS4 permit held by the City.

Council Member Dotson made a motion to approve these Consent Agenda items, Council Member Burbank seconded the motion, and all members present voted aye for approval.

Finance Report

Council Member Boeke recapped payments made for amounts greater than \$20,000 during this period. The total amount of bills presented was \$3,676,678.60. Council Member Voss made a motion to approve payment of all bills presented, Council Member Burbank seconded the motion, and all members present voted aye in approval.

Second/Final Reading Proposed Ordinance 23-13: Moratorium for Sale of Cannabis Products

City Attorney Walbran requested approval of Proposed Ordinance 23-13, an interim ordinance imposing a moratorium on the operations of cannabis businesses within the City and authorizing a local legislative study relating to the operation of cannabis businesses, including the review and analysis of the state Office of Cannabis Management (OCM) model ordinances, when available, and to consider the adoption of reasonable restrictions on the time, place, and manner of the operation of a cannabis business. The interim ordinance pertains to cannabis businesses and does not affect the legislation permitting lawful possession of certain cannabis product which goes into effect on August 1, 2023. Council approved the first reading of this proposed ordinance during the August 2, 2023 meeting and there have been no changes since. Council Member Voss made a motion for approval, Council Member Burbank seconded the motion. With a roll call vote, voting aye were Council Members Voss, Burbank, Boeke, and Raney; voting no was Council Member Dotson, and the motion carried. This ordinance will be in effect upon publication and will be known as Ordinance 1653.

Second/Final Reading Proposed Ordinance 23-14: Prohibit Use of Cannabis Products in Public Places

City Attorney Walbran requested approval of Proposed Ordinance 23-14 to prohibit use of cannabis products in public places. Council approved the first reading of this proposed ordinance during the August 2, 2023 meeting and the amended the list of public places to include, but not limited to, public parks, county fairgrounds, ballparks, trails, streets, or rights-of-way, alleys, sidewalks, boulevards, school property, parking lots, beach, pier, golf courses, Owatonna Public Library, the West Hills, Owatonna Public Utilities facilities, United States Post Office, and any other developed or undeveloped city owned property. Council Member Burbank made a motion for approval, Council Member Boeke seconded the motion. With a roll call vote, voting aye were Council Members Voss, Burbank, Boeke, and Raney; voting no was Council Member Dotson, and the motion carried. This ordinance will be in effect upon publication and will be known as Ordinance 1652.

First Reading Proposed Ordinance 23-15: RZ-4 and Minor PUD at 130 Front Street

Community Development Director Klecker presented the first reading of Proposed Ordinance 23-15 for Application No. RZ-4, received from John Schulte of Jones, Haugh, Smith, on behalf of Matt Olson. This is a request to rezone property at 130 Front Street E from I-1, Light Industrial District to B-3, Central Business District as well as a minor PUD for the purposes of providing a mixed-use facility of barbell warehousing and a golf simulator entertainment venue. The building has been vacant for 3-4 years, this ordinance changes the zoning and allows the warehouse space to be useable. The Planning Commission held a public hearing on this request and recommend approval. Council Member Dotson made a

motion for approval, Council Member Boeke seconded the motion. With a roll call vote, voting aye were Council Members Voss, Burbank, Boeke, Dotson and Raney; no nay votes; and the motion carried. The second/final reading of this proposed ordinance will be heard during the September 5, 2023 Council Meeting.

Resolution 72-23: CUP-7 – 1220 Carpenter Place NE

Community Development Director Klecker presented Resolution 72-23 for approval. Greg Pirkel to construct a 37'-4" x 40' (1,493 square foot) detached garage at 1220 Carpenter Place NE. Two lots will be combined to construct the detached garage on the vacant lot, the parcel will be 0.69 acres when combined and City Code does allow a 1,500 square foot garage through the conditional use permit process. There is an overflow water way on the property which the property owner will be required to maintain. The Planning Commission held a public hearing on this request and recommend approval with the following conditions.

- 1) Both lots shall be combined prior to a building permit being issued.
- 2) The sewer and water services shall be used or removed at the main.
- 3) The accessory structures shall not be used for commercial purposes.
- 4) All grading, building, and utility permits shall be issued for the garage prior to commencing construction.

Council Member Dotson a motion for approval as recommended by the Planning Commission, Council Member Burbank seconded the motion, all members present voted aye in approval.

Resolution 73-23: VAR-5 and CUP-8 Kortz Multi Family Conversion – 331 Vine Street E

Community Development Director Klecker requested approval of Resolution 73-23, Application VAR-5 and CUP-8 received from Tyler Kortz of MidWest Invest, LLC for the property at 331 Vine Street E. This is a request for a lot size variance for property at 331 Vine Street East. This is a 12,623 square foot lot and Code requires 13,000 square feet as the minimum lot size for a single-family converted to a multi-family in the R-3, Single- and Two-Family Residential District and a request for a conditional use permit to allow the conversion of a single-family dwelling to a 3-unit multi-family dwelling in the R-3, Single- and Two-family Residential District. This property was previously used as a multi-family dwelling and last licensed in 2012. The Planning Commission held a public hearing on this request and recommend approval the following conditions:

- 1) The applicant shall keep and maintain the Rental Registration on the property.
- 2) All inspections shall be completed, and all repairs made as required.

Council Member Voss made a motion for approval, Council Member Dotson seconded the motion, all members present voted aye in approval.

Resolution 74-23: Set Date of Public Hearing for Tax Increment Financing District 3-17 – FoamCraft

Community Development Director Klecker requested a Public Hearing be set on Tuesday, September 19, 2023 to consider modification to Development District #3 and establishment of Tax Increment Financing (TIF) District 3-17. The City received a request for financial assistance from FoamCraft Packaging, Inc. for the construction of an approximately 15,625 square foot expansion to an existing 30,625 square foot building to provide additional space for warehousing and distribution. The site for the Project is located on a single parcel at 400 Alexander Drive SW. Council Member Boeke made a motion for approval, Council Member Burbank seconded the motion, all members present voted aye in approval.

Lease Agreement – Minnesota State Public School Orphanage Museum, Inc. – Steele County Historical Society

City Attorney Walbran commented the museum, located within City Hall and Cottage No. 11 at the West Hills is owned by the City. In 2021, the Museum's Board and the Steele County Historical Society Board jointly agreed that it was in the best interest of the Museum for the SCHS to assume the ownership of the Museum and the responsibility to preserve, maintain, and improve the Museum for future generations. This agreement will memorialize the mutual understanding of the terms and conditions for the continuation of the Museum at West Hills. This is a three-year agreement which expires July 31, 2026. During the term of the agreement, no cash rent shall be required, the Steele County History Center will offer the City three free room rentals at the SCHS History Center. Council Member Boeke made a motion for approval, Council Member Voss seconded the motion, all members present voted aye in approval.

Road Maintenance Agreement – Owatonna Township

Community Development Director Klecker requested approval of the Road Maintenance Agreement with Owatonna Township. As the City annexes property under the terms of our annexation agreement with Owatonna Township, it leaves roadways that are partially within the city limits and partially within Owatonna Township. We haven't any formal agreement on how to handle these situations, each jurisdiction has generally maintained the assigned roadways but there have been questions and discussions about certain situations regarding maintenance. This agreement will clarify responsibilities and expenses to maintain the roadways will be split equally. Owatonna Township approved this agreement at their meeting on August 9th. Council Member Burbank made motion to approve this agreement, Council Member Dotson seconded the motion, all members present voted aye in approval.

STAFF REPORTS

Community Development Director Klecker commented there is a lot of construction happening and provided brief updates of projects in progress.

Communications Manager Sheely commented she and Council President Schutlz have been involved in the new community-wide brand and hope to share at the end of September. The City's weekly e-newsletter will be sent out tomorrow and she encouraged everyone to sign up to receive copy. Beginning to plan a ribbon cutting event for the renovated chambers in October. Rubin Seifert, GIS Analyst, is featured in the latest City Spot video with information about using the SeeClickFix app.

PUBLIC COMMENTS

Matt Sennott, 2519 Stony Creek Drive, commented he has lived in Owatonna for ten years and is very active within the community. Safety and protection of my kids and youth within the community is important. The proposed East Side Corridor Project shows this road will be parallel to our home and 140 other homes in our neighborhood. This will become a superhighway between Dane Road and Rose Street in our backyards so it's hard to not get emotional. We have waiting for an upgrade to our neighborhood with a road but not a highway and truck route.

COUNCIL COMMENT AND GENERAL INFORMATION

Council Member Dotson commented he hopes everyone gets a chance to enjoy the fair.

Council Member Burbank also encouraged everyone to attend the SCFF.

Mayor Kuntz commented he received a letter from the League of Minnesota Cities recognizing Senator John Jasinski, as a LMC Legislator of Distinction during the 2023 Legislative Session. One LMC Legislative Priority during this session was development of a small city assessment account which will benefit more than 700 cities with populations of less than 5,000 residents.

Council Vice President Raney thanked IT System Administrator Sticken for assisting during the Council Meetings. He then reminded everyone school is about to begin and asked everyone to slow down as many children will be walking, riding bikes and driving to school.

ADJOURN

At 7:38 p.m., Council Member Boeke made a motion to adjourn, Council Member Voss seconded the motion, with no objection heard the meeting ended.

Respectfully submitted,

Jeanette Clawson, Administrative Specialist