

Hastings, Minnesota
City Council Meeting Minutes
March 20, 2023

The City Council of the City of Hastings, Minnesota met in a regular meeting on Monday, March 20, 2023 at 7:00 p.m. in the Council Chambers at the Hastings City Hall, 101 East 4th Street, Hastings, Minnesota.

Members Present: Mayor Fasbender, Councilmembers Fox, Haus, Leifeld, Lund, and Pemble

Members Absent: Councilmember Folch

Staff Present: City Administrator Dan Wietecha
Assistant City Administrator Kelly Murtaugh
City Attorney Korine Land
Community Development Director John Hinzman

Presentation: Building Remembrance for Reconciliation

Approval of Minutes

Mayor Fasbender asked if there were any additions or corrections to the minutes of the regular City Council meeting on March 6, 2023.

Minutes were approved as presented.

Council Items to be Considered

Councilmember Fox motioned to accept adding authorization applications for the MN DNR Outdoor Recreation grants to the Reports from City Staff, Parks and Recreation portion of the agenda, seconded by Councilmember Haus.

6 Ayes, 0 Nays.

Consent Agenda

Councilmember Pemble motioned to approve the Consent Agenda as presented, seconded by Councilmember Leifeld.

6 Ayes, 0 Nays

1. Pay Bills as Audited
2. Resolution No. 03-04-23: Approve New Massage Therapist License for Kristen Layman
3. Resolution No. 03-05-23: Approve Outdoor Music – Tent Event with Liquor License Amendment for Dugarel’s
4. Approve Contract with Precision Landscaping & Construction, Inc. for Downtown Planters & Baskets
5. Approve Contract with ISG, Inc. for Roadside Tennis Courts & Parking Lot
6. Resolution No. 03-06-23: Accept Donation from the Hastings Rivertown Lions Club to the Hastings Fire Department
7. Resolution No 03-07-23: National Opioid Settlement
8. Approve Commissions Meeting Calendar Schedule
9. City Council Meeting June 19, 2023
10. Approve Budget Amendment for the Hastings Fire Station Shower
11. Approve Water Meter Project Budget Carryover Adjustment

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12. Resolution No. 03-08-23: Declaring Insurance Liability Coverage

Resolution: Authorizing Application for MN DNR Outdoor Recreation Grants

Wietecha expressed appreciation for the ability to add this item to the agenda. Staff have identified the grant as an opportunity for funding at a fifty-fifty match. Playground equipment at Conzemius, Pioneer, and Tuttle parks are scheduled for replacement in 2024. Each park would require a separate grant application. The applications are due March 31, 2023. Wietecha explained how funds are granted and the City's responsibility; if priorities change, the applications could be withdrawn or grant declined if awarded.

Council discussion on the priority of these three parks in this process and the City's competitiveness in these submissions. Wietecha explained conversations with the DNR indicated certain improvements may not be eligible to receive funding. Wietecha shared the City is familiar with this grant program as it was used for improvements to Lions Park and the Lake Isabelle Park project.

Councilmember Fox motioned to approve as presented, seconded by Councilmember Pemble.
6 Ayes, 0 Nays.

2nd Reading\Adopt Ordinance: Annexation – Best Development Property – Walden at Hastings (TH 316 & Michael Ave)

Hinzman provided an overview of the request to annex the property owned by Best Development (TH 316 & Michael Ave). The developer submitted the annexation application in anticipation of future City Council approvals to generally allow for the number and types of residential units within the conceptual plan. No official approvals pertaining to residential construction are included in this application. Council is requested to approve annexation with land use remaining agricultural. Future meetings would look at results of the traffic impact study, environmental assessment, land use changes, and plan approval. With approval, the annexation would extend the City boundaries and land use remains the same at this point. Hinzman outline the many steps in the process that would occur before Council.

Hinzman indicated that the concept plan has been presented to a neighborhood meeting, Planning Committee of Council, and Planning Commission. Hinzman showed the concept plan and discussed the life cycle nature of the types of home sites and amenities.

Council discussion on clarifying of current ownership of the property, the increase in number of units from prior proposals, the mix of types of homes, and traffic. Council discussion on anticipated changes as a result of the development in terms of tax revenue, increase in new residents, impact on public safety, and infrastructure. Council asked clarifying questions about the north side barrier with 30' berm with landscaping, the commencement of the traffic study, and impact to the City if the development project falls through.

Councilmember Leifeld motioned to approve as presented, seconded by Councilmember Fox.
6 Ayes, 0 Nays.

2nd Reading: City Code Amendment – Chapter 117 Cannabis and Hemp (Licensing)

Attorney Land indicated that this is the final reading for both licensing and zoning proposed ordinance changes. Land provided a presentation of the proposed ordinance amendment regarding Licensing and Zoning

Regulations of Cannabis and Hemp Uses, Sales, and Operations. Land reviewed the proposed retail performance standards (time, place and manner). The same performance standards are in place for zoning and licensing ordinances. State law changes may impact the proposed ordinances which would require Council to revisit the ordinances. The proposed state legislation allows cities to adopt a moratorium that is effective until 1/1/25. Land recommends adoption with a late implementation for staff to prepare and communicate to current business owners.

Council discussion on the details of the proposed language, limits on number of retailers, and the intersection of state and local proposals. Council expressed appreciation for the presentation. Council discussion on removing bars (on-sale liquor) as a prohibited establishment. Further discussion about watching what happens locally and with the state, getting public safety input, and amending the ordinance at a later date. Council expressed support for the ordinance amendments as presented. Council discussion on extending moratorium options. Land indicated that an extension is not before Council and the moratorium will expire prior to the next meeting. Council discussion on implications of the proposed ordinances, recalling the work into the ordinances, and limitations our public safety departments may encounter. Council discussed the ability to limit the number of licenses and agriculture properties within the City that may fit the proposed zoning ordinance. Council asked for additional clarification on prohibitions for on-sale and off-sale products.

Councilmember Leifeld motioned to approve as presented, striking that bars are excluded from both ordinances, seconded by Councilmember Haus.
3 Ayes, 3 Nays (Pemble, Lund, Fasbender).

Councilmember Lund motioned to approve as originally presented, seconded by Councilmember Pemble.
6 Ayes, 0 Nays.

2nd Reading: City Code Amendment – Chapter 155 Cannabis and Hemp (Zoning)

See discussion above.

Councilmember Leifeld motioned to approve as presented, seconded by Councilmember Pemble.
6 Ayes, 0 Nays.

1st Reading: City Code Amendment – Chapter 34 – Fee Schedule

Clerk Murtaugh introduced the proposed ordinance amendment in response to the 2nd Readings of Cannabis and Hemp Zoning and Licensing Ordinances. The proposed ordinance creates a one-time background investigation fee and an annual fee for the following licenses: Cannabis Product Retail License, Manufacturing/Testing/Processing/Wholesale License, and Cultivation License. The Public Safety Planning Commission and the Public Safety Committee of Council recommended a \$10,000 fee for retail establishments.

Council discussion on comparison to liquor license fees and what goes into setting the fees. Council expressed the proposed retail fee may be inhibitive to retailers, while also understanding the reasoning behind the proposed fee. Council proposed amending the retail fee to \$8,000. Council asked about liquor license fees in comparison to the proposed fees and other neighboring communities' licensing fees. Land explained the

enforcement requirements is much higher than a liquor license and shared what licensing fees other local communities have. Council expressed support for amending the annual fee to \$8,000.

Councilmember Fox motioned to approve, amending the annual retail fee to \$8,000.00, seconded by Councilmember Leifeld.
5 Ayes, 1 Nays (Pemble).

Strategic Planning Facilitator

Wietecha introduced the request to select and approve hiring a facilitator for Strategic Planning. Over the last year, Council used a set of Strategic Initiatives as agreed priorities in order to maintain focus and progress, drive accomplishment, and ensure regular tracking and reporting. In January of 2023, The City Council had a general consensus to develop an updated set of initiatives this Spring with several recommendations.

Council discussion on leaving the decision up to staff as possibly being more versed in making the choice based on prior experience with these consultants and knowledge of Council goals. Council expressed support for the recommendations. Wietecha recommended moving forward with Rapp Consulting Group and clarified this item is not included in the budget.

Councilmember Leifeld motioned to approve as presented, authorizing Rapp Consulting Group as the consultant, seconded by Councilmember Fox.
6 Ayes, 0 Nays.

Public Works Director

Wietecha reviewed the vacancy in the Public Works Director role and how it has been handled since summer 2021. After an unsuccessful search, the City amended the contract with Focus Engineering to name Ryan Stempksi as Interim Public Works Director through 2022 and later extended it through March, 2023. Wietecha shared Stempksi has support in the Public Works Department, with the Operations Committee, and the Management Team. Council is asked to approve appointing Stempksi to the Director position.

Council discussion that Stempksi has built important relationships within and outside the City and has support of his team. Council discussion on the many critical projects going on now and in the near future and there is confidence in Stempksi's ability to lead the department.

Councilmember Lund motioned to approve as presented, seconded by Councilmember Leifeld.
6 Ayes, 0 Nays.

Announcements

- Free Ice Cream Cone day at Dairy Queen today (March 20, 2023)
- Coffee with a Cop is tomorrow Tuesday, March 21, from 10 – noon at Froth & Cork.
- The Friends of Pleasant Hill Library used book sale is March 23 to 26.
- Athletic Gear Swap on Saturday, April 1. Please ensure items are in fair condition, clean, and useable.
- Applications for 2023 Community Investment Fund (CIF) project proposals are open, with a first review of applications set for March 31. The City created the CIF last year to encourage and support community partnerships and community-driven projects.

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- Happy Birthday next week to Councilmember Dave Pemble.

Meetings

- Heritage Preservation Commission Meeting on Tuesday, March 21, 2023 at 7:00 p.m.
- Planning Commission Meeting on Monday, March 27, 2023 at 7:00 p.m.
- Parks Committee Meeting on Monday, March 27, 2023 at 7:00 p.m.
- City Council Workshop on Monday, April 3, 2023 at 5:30 p.m.
- City Council Regular Meeting on Monday, April 3, 2023 at 7:00 p.m.

Councilmember Pemble motioned to adjourn the meeting at 8:54 PM, seconded by Councilmember Leifeld. Ayes 6; Nays 0.

Kelly Murtaugh, City Clerk

Mary D. Fasbender, Mayor